This Brochure provides information about the qualifications and business practices of Equity Investment Corporation ("EIC," the "Firm," "we," "us," or "our"). If you have any questions about the contents of this Brochure, please contact Barbara Trivedi, Chief Compliance Officer, at 404-239-0111 or compliance@eicatlanta.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

EIC is a registered investment advisor. Registration of an investment advisor does not imply any level of skill or training. The oral and written communications provided by an Advisor contains information that can help you determine whether to hire or retain an Advisor.

Additional information about EIC also is available on the SEC’s website at www.adviserinfo.sec.gov.
MATERIAL CHANGES (ITEM 2)

On July 28, 2010, the United State Securities and Exchange Commission ("SEC") published "Amendments to Form ADV" which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure, dated March 27, 2020, was prepared according to the SEC’s latest requirements and rules.

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

There are no material changes in this brochure from the last annual updating amendment on March 27, 2019, for Equity Investment Corporation.
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Equity Investment Corporation (“EIC”) is an SEC-registered investment advisor located in Atlanta, Georgia. As of December 31, 2019, EIC manages or advises $4,187,537,364 for clients, with $2,245,138,375 assets under management on a discretionary basis in 4,467 accounts, with another $1,942,398,988 in assets under advisement. The firm currently has twenty-six employees. W. Andrew Bruner, R. Terrence Irrgang and Ian T. Zabor are the sole shareholders of EIC. Messrs. Bruner, Irrgang and Zabor have managed investments together for many years, and they collectively have over 50 years of experience at EIC.

EIC primarily offers the following equity strategies: All-Cap Value, Large-Cap Value, and Mid-Cap Value. We also offer portfolios that combine our equity strategies with fixed income and other diversifying securities. In January of 2015, we introduced Socially Responsible Investment (“SRI”) portfolios. In August of 2019, we changed the name of our SRI portfolios to Environmental, Social and Governance (“ESG”), which we believe better reflects evolution in the industry. Messrs. Bruner, Irrgang and Zabor are primarily responsible for investment decisions associated with all of our investment strategies. For more information, see our Brochure Supplement (Form ADV, Part 2B).

EIC provides discretionary portfolio management for institutional and private investors through separate accounts (“Separate Accounts”). Additionally, EIC serves as a sub-advisor to numerous other registered investment advisory organizations and non-affiliated broker/dealers who sponsor wrap account/SMA programs (“Wrap Programs”). The Wrap Programs in which EIC participates are identified in EIC’s ADV Part 1. Additionally, EIC provides non-discretionary recommendations via an investment model to assist Unified Managed Account Program (“UMA Program”) sponsors in determining a portfolio suitable for their UMA Program accounts. EIC also serves as the investment advisor to the EIC Value Fund of FundVantage Trust, a diversified, open-end mutual fund registered under the Investment Company Act of 1940.

All portfolios in a particular strategy are managed similarly regardless of vehicle (Separate Account, Wrap Program account, UMA Program account or mutual fund). Clients may impose restrictions on investing in certain securities or types of securities. Accounts over which EIC exercises investment discretion are reviewed on an on-going basis and are monitored for consistency across all accounts. Generally, Wrap Program sponsors and UMA Program sponsors are responsible for monitoring clients’ accounts and client interaction.

We will continue to periodically evaluate our existing services and product offerings and will act accordingly based on our assessment of their competitive position, profitability and investor demand.
FEES AND COMPENSATION (ITEM 5)

EIC’s management fees range from .30% to 1% per annum of assets managed or advised. All management fees (other than those indicated in the current EIC Value Fund Prospectus and SAI) are subject to negotiation.

Fees for Separate Accounts
When EIC enters into an Investment Advisory Agreement, or Investment Sub-Advisory Agreement, to provide portfolio management services through a Separate Account, EIC will charge each such Separate Account a management fee at a fixed percentage of the assets managed, according to the size and type of the account as well as other considerations, such as account servicing needs, administrative requirements, and overall relationship size.

The specific manner in which management fees are charged by our firm is established in a client’s written agreement with us. We will generally bill management fees on a quarterly basis. Generally, clients will be billed in advance each calendar quarter. Clients may elect either to be billed directly for management fees or to authorize us to invoice the custodian for payment of fees direct from their accounts in accordance with the Schedule of Fees in the Investment Advisory agreement between the client and EIC. If so agreed, management fees may be prorated for each capital contribution and withdrawal of 10% or more of account value made during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated management fee. Upon termination of any account, any prepaid, unearned management fees will be promptly refunded, and any earned, unpaid management fees will be due and payable.

Depending upon a client’s written agreement with us, billable assets on which the fee percent is based are calculated as either:

1. The average amount of assets under management each quarter is based on the value of the assets on the last trading day of each month during the quarter, or
2. The assets under management on the last day of the quarter.

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

Several clients are invested solely in the EIC Value Fund (“Fund”), in which case no management fee is charged since a management fee, disclosed in the Fund’s Prospectus and SAI, is already imbedded in the Fund.

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

In specific client circumstances or with certain strategies, we may purchase mutual funds that are not managed by EIC or exchange traded funds (“ETFs”) in some or all client accounts. Mutual funds and ETFs also charge management fees, which are disclosed in a fund’s prospectus. Such charges, fees and commissions are exclusive of, and in addition to, our management fee, and we do not receive any portion of these charges, fees, and commissions. Clients should therefore be aware that they will be paying a higher overall fee on these assets.

Wrap Account Program Fees
Wrap account program (“Wrap Program”) sponsors typically charge their clients an annualized fee as a percent of assets under management. Where EIC serves as a sub-advisor to another registered investment advisory organization or non-affiliated broker/dealer who sponsors a Wrap Program, EIC receives a portion of the Wrap Program fees paid by the investor to the sponsoring firm for advisory services to their account and that we negotiated with the sponsor rather than with you the client. The management fee paid to EIC as sub-advisor to these Wrap Programs can vary. The schedule of wrap fees are set forth in each Wrap Program sponsor’s client brochure related to the program.

Unified Managed Account Program (“UMA Program”) Fees
EIC charges a management fee to each UMA Program sponsor with whom we enter into a contract. The sponsor contracts with EIC to use EIC’s investment model to assist the sponsor in managing its client accounts. EIC and the sponsor usually negotiate the management fee amount. The management fee can vary depending on a number of factors, including the administrative services we provide and the total assets under management.

Most Favored Nation Clauses for Certain Registered Investment Advisors
Certain registered investment advisor program sponsors have negotiated most favored nation” clauses in their Sub-Advisory Contracts. These clauses require EIC to decrease the fees charged to the “most favored nation” client if EIC enters into a sub-advisory agreement at a lower fee rate with another similar client. The applicability of a “most favored nation” clause can depend on the degree of similarity between clients, including the amount of assets under management and the particular investment strategy selected by each client; however, EIC does not agree to “most favored nation” clauses in all circumstances where clients are similarly situated.

Management Fees for the EIC Value Fund
The EIC Value Fund (“Fund”) pays a management fee to EIC as the advisor at a specified annual percentage rate of average daily net assets. Additional information about the management fee charged to the Fund is available in the current Fund Prospectus and SAI, which are publicly available at www.eicvalue.com, on the EDGAR Database on the SEC’s website (www.sec.gov) or by writing the Fund at 4400 Computer Dr., Westborough, MA 01581-1722 or calling the Fund at 855-430-6487.
PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT (ITEM 6)

We do not offer performance based fee arrangements.

TYPES OF CLIENTS (ITEM 7)

We provide portfolio management services to individuals, high net worth individuals, trusts, corporations, defined benefit and defined contribution plans, Taft-Hartley plans, not-for-profit institutions, foundations, endowments, government entities, insurance companies, investment companies (mutual funds), clients of Wrap Program sponsors, and clients of UMA Program sponsors. Minimum account size varies depending on the level of account servicing and communication desired by the client.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS (ITEM 8)

Equity Decision Making Process
We screen the Russell 3000 universe (Russell 1000 universe for Large-Cap Value and Russell Midcap universe for Mid-Cap Value) using the S&P Capital IQ database. We narrow down the universe by looking for companies generating high returns on equity and sustainable earnings growth. With respect to our ESG portfolios, we use a third-party research service, Sustainalytics, as well as our own internal research, to exclude securities violating core strategy values and to identify poor past-ESG performance.

Additional ideas are sometimes uncovered through traditional news sources, non-opinionated research and reviewing competitors’ holdings, as well as examining companies whose share prices have recently been under significant pressure.

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

After we have determined that a company is selling at a meaningful discount to its value as an ongoing concern, we use a comprehensive set of web-based analytics to identify potential structural problems in a business, whether financial, operational, managerial, or franchise-related. Any stock with problems that are either not being adequately addressed by management or, in our view, cannot be repaired, are eliminated from further consideration. The objective of this exercise is to focus on well-managed, structurally sound companies and to avoid potential value traps.
Next, we perform accounting and earnings quality due diligence. By thoroughly reviewing management’s accounting practices and the implications of its assumptions on earnings quality, we attempt to confirm that the financial data are consistent with underlying business conditions.

The criteria used to select stocks are the same regardless of sector or industry. If a stock passes all three levels of our analysis, it may be added to portfolios. Lastly, we diversify portfolios across industry groups, with initial position sizes of 2% to 4% per holding. Portfolios are constructed from the bottom up; sector weights and cash are a residual of the stock-selection process.

With taxable portfolios, we are attentive to the tax implications of our investment decisions. Whenever possible, we seek to minimize a client’s tax burden through low turnover, deferral of gain-recognition until long term, and pro-active tax-loss harvesting throughout the year.

Research
All of our holdings are subjected to a rigorous fundamental examination. There are three primary areas of research: valuation and price discipline, value trap avoidance, and accounting and earnings quality due diligence. Throughout the investment process, but especially in the accounting and earnings quality research phase, we are looking for evidence that a company is well managed and structurally sound.

Valuation Models and Price Discipline
Valuation is a critical aspect of our decision-making process. Two key inputs in our valuation models are earnings growth and return on equity (“ROE”). We also look at return on invested capital since ROE is sometimes subject to manipulation by corporate management. We start with historical numbers, preferring to see them over a full business cycle. Because the future may be different than the past, we build a margin of safety into our investment decisions by applying a haircut to our ROE and earnings growth assumptions to generate a conservative value for the companies, which we use as a proxy for our buy price. The “normal” value, a proxy for our sell price, is produced from the normal ROE and earnings per share (EPS) growth figures. A low-quality company, with a relatively volatile earnings stream, requires a bigger haircut in price—a bigger margin of safety—than does a higher quality company with a stable earnings history.

Importantly, the valuation models serve primarily as a framework for asking questions regarding our own valuation assumptions, as contrasted against the assumptions implicit in the market’s current price for a company. Though it seems intuitively obvious, we prefer to invest in companies that—given our assumptions—are creating capital and increasing in value as the time horizon increases rather than companies that are not. In contrast, investment approaches relying on such traditional valuation metrics as, say, price-to-earnings, price-to-book, price-to-cash flow, and dividend yield are not sophisticated enough to incorporate such nuances as the importance of time horizon in the capital-creation process. Our valuation models help us avoid paying too much attention to price and not enough attention to economic value.
Value Trap Avoidance
As a value manager, we search for opportunities among investments that the market perceives as entailing heightened risks, as demonstrated by relatively low valuations. This pool of investment candidates typically offers us many opportunities that we believe are attractively priced and relatively safe. Unfortunately, the pool is also heavily populated by value traps, which we define as investments that look attractively priced based on conventional metrics but have characteristics that may cause them to stay cheap or get cheaper.

We employ a comprehensive set of analytics to help us monitor company fundamentals. These tools facilitate financial statement and ratio analysis, through which we examine how certain components of financial statements interrelate with other components over time. The analysis is useful for efficiently understanding important financial characteristics of a business, as well as helping us avoid characteristics consistent with value traps. This step is important to our process because it can be performed by our investment team in a time-efficient manner, allowing us to eliminate from consideration investments with characteristics unlikely to satisfy our investing criteria, thus allowing our team to concentrate research time on candidates more likely to be purchased.

For purposes of this analysis, we access and analyze large amounts of data via our service provider, S&P Capital IQ. Using their web-based platform, we are able to parse a wide array of relevant information across varying time periods in both numeric and graphic formats. We still mistakenly invest in value traps from time to time, but our focus on avoiding characteristics consistent with value traps can help us reduce risks in the portfolio.

Accounting and Earnings Quality Due Diligence
We perform in-depth, company-specific fundamental research, which centers on a thorough reading of the annual and quarterly reports and proxy statements, as well as the management discussion and analysis section of 10-Ks and 10-Qs, company presentations, earnings press releases, and other relevant news. We critically examine the financial footnotes and the accounting aggressiveness or conservatism behind the numbers. This analysis is performed in order to identify accounting policy inconsistencies, unusual transactions, attempts to manage earnings, and any other evidence that reality is different than what the financial statements reveal or what management actually says.

Simply put, we believe that ‘good management is as good management does”. We are looking for evidence that a company is well managed and structurally sound. By thoroughly reviewing management’s accounting practices and the implications of those practices on reported profitability, we are able to identify companies smoothing their financial statements and manufacturing earnings that need to be examined in greater detail.

Buy/Sell Discipline
In order for EIC to buy a stock, it must be selling at a discount to its “fair” value as an ongoing business entity, it must be structurally sound, and it must pass our accounting and earnings quality due diligence.
Stocks are sold if any of the following conditions are met:

◆ Valuation:
  • The security reaches our measure of full value.
  • The position increases to more than 6% of portfolio.

◆ Deteriorating fundamentals:
  • The firm's quality and financial strength fall below acceptable levels.
  • The firm shows balance sheet stress, indicating potential earnings management, weak financial controls or possible earnings short falls.
  • A major change occurs, rendering historical data invalid for determining the value of business ownership.

◆ A more attractive investment opportunity is identified.

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

The average number of positions in a portfolio is typically between 30 and 40. In general, stock weightings follow our level of confidence that we are right about our valuation assumptions for a company, as contrasted against the assumptions implicit in the market’s pricing of it. At time of initial purchase, our weightings reflect this confidence, with positions typically ranging between 2% and 4%. As price moves up, the margin of safety and the probability of being right about the available upside narrows relative to the downside risk. Accordingly, we will often trim back the holding. When a position grows to 6% of the portfolio, it must be trimmed or sold.

Our cash position is a residual of the stock-selection process and is primarily a function of the availability of undervalued stocks. We prefer to keep cash levels as low as possible but set a general limit of 15%. Because we are valuation sensitive, however, cash levels could temporarily exceed this level when the overall market is richly priced and values are difficult to find.

Our turnover rate is comparatively low. We are aware of the costs of frequent trading and implement trades in the most efficient manner possible.
Risk of Loss
Clients should be aware that investing in securities involves risk of loss and they should be prepared to bear any such loss.

Other Investments
Mutual funds and exchange traded funds (“ETFs”) are sometimes used as a placeholder or as an investment alternative when we implement our tax-loss harvesting strategy or when a client imposes holding restrictions on the account. Moreover, we will invest in ETFs in lieu of cash as a short-term investment. Currently we are using the iShares Short Treasury Bond ETF (NASDAQ: SHV), a liquid, short-term bond ETF that delivers a higher yield to clients than traditional money market sweep accounts.

Total Return Opportunity Approach
The Total Return Opportunity approach seeks to benefit from macro or micro mispricing observed by the research team periodically, principally via investments in non-equity markets, such as bonds, non-US denominated debt, preferred stocks, non-US equity funds, bond funds, commodities, and currencies or currency baskets. The goal is to achieve a return above that offered by fixed income markets in the US, provide some hedge against US currency exposure risk and potential purchasing power risk, and limit volatility relative to equity-only approaches. The approach is eclectic, non-systematic, and passively opportunistic in responding to the market opportunities presented from time to time.

Environmental, Social and Governance Investing
We manage Environmental, Social and Governance (“ESG”) portfolios that follow the same underlying investment philosophy and a similar investment process as our fully discretionary equity strategies, while avoiding investment choices that violate investors' specified faith or societal values. We apply ESG-oriented screening to all portfolio holdings, and replacement securities are introduced as necessary. Many of the investments for the ESG portfolios are drawn from existing holdings in our All-Cap, Large-Cap, and Mid-Cap value portfolios.

DISCIPLINARY INFORMATION (ITEM 9)
Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our firm or the integrity of our management.

The Firm has no legal or disciplinary events to report.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS (ITEM 10)
Registered investment advisers are required to disclose all material facts regarding any other financial industry affiliations that would be material to your evaluation of our firm or the integrity of our management.
EIC serves as the investment advisor to the EIC Value Fund (“Fund”) of FundVantage Trust, a family of mutual funds distributed and underwritten by Foreside Funds Distributors LLC (“Foreside”). The Fund is a diversified, open-end mutual fund registered under the Investment Company Act of 1940. Eleven EIC employees are FINRA-registered representatives of Foreside (one of whom is supervisor of the other ten registered representatives).

Foreside is not an affiliate of EIC. Foreside is a limited-purpose broker-dealer who distributes mutual funds to financial advisors, broker-dealers, registered investment advisers, and other authorized financial intermediaries. Registered representatives are licensed as wholesalers through Foreside for purposes of marketing the Fund only to these intermediaries and are prohibited from marketing the Fund directly to retail or institutional investors. Registered representatives are employees of EIC and not employees of Foreside. As EIC employees, registered representatives are compensated by EIC and do not receive commissions from direct sales by broker-dealers distributing the Fund.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING (ITEM 11)

We have adopted a Code of Ethics (“Code”) for all directors, officers and employees (“supervised persons”) of the firm, which describes our high standard of business conduct and fiduciary duty to our clients. An investment adviser’s fiduciary duty under the Investment Advisers Act of 1940 is comprised of a duty of care and a duty of loyalty, which means that the adviser must act in the best interest of a client at all times during the course of the relationship and may not subordinate the client’s interest to its own. EIC’s supervised persons are required to follow our Code and must acknowledge the terms of the Code annually or as amended.

EIC’s Code sets forth standards of conduct expected of supervised persons and includes, among others: provisions for maintaining confidentiality of client information; prohibitions on insider trading; restrictions on the acceptance of material gifts; and requirements to report certain political contributions, gifts, and business entertainment. Further, EIC observes ethical walls around business activities where sharing information may create a conflict of interest. Ethical walls serve to mitigate conflicts of interest by limiting the communication of information between individuals or groups, whether written or oral, which could give rise to a conflict of interest.

EIC’s Code addresses conflicts that could arise from personal trading by supervised persons. The Code includes limitations on personal trading and sets forth reporting requirements for personal securities holdings and personal securities transactions.

Subject to satisfying the Code and applicable laws, supervised persons may trade for their own accounts in securities that are recommended to and/or purchased for our clients. The Code is designed to assure that the personal securities transactions of supervised persons will not
interfere with the best interest of our clients while, at the same time, allowing supervised persons to invest for their own accounts.

Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not interfere materially with the best interest of our clients. In addition, the Code requires pre-clearance of many transactions and restricts trading in close proximity to client trading activity. Nonetheless, because the Code in some circumstances would permit supervised persons to invest in the same securities as clients, there is a possibility that supervised persons might benefit from market activity by clients in a security also held by an employee. Personal trading is continually monitored under the Code to reasonably prevent conflicts of interest between EIC’s supervised persons and our clients.

EIC clients or prospective clients may request a copy of the firm's Code of Ethics by contacting our Chief Compliance Officer, Barbara Trivedi, at compliance@eicatlanta.com or 404-239-0111.

**BROKERAGE PRACTICES (ITEM 12)**

We seek the best overall execution of our investment decisions on behalf of our clients. EIC participates in a number of sponsored programs in which trades are typically directed to a particular brokerage firm by clients. For accounts that are not client directed to a specific brokerage firm, we select brokers based primarily on the quality and cost of their trade execution and the quality and efficiency of their back-office functions, as well as other ancillary services that may be useful in the execution of our investment management responsibilities. We are mindful of the transaction costs, bid-ask spread, market impact, and opportunity costs associated with every trade. To that end, where not directed by clients to use a specific brokerage firm, we’ve negotiated low commission rates.

When a security is traded across participating accounts and through various brokerage firms, a trade rotation is established. In general, trades occurring for accounts custodied at a given brokerage firm will be aggregated into one group for execution regardless of client type or strategy. Where we have not been directed by clients to use a specific brokerage firm, accounts are traded together as a group and included in the same rotation. With all of our mass purchases and sales, we alternate trade order to ensure that all accounts are treated equitably. To ensure fairness, each trade receives a new rotation, and the group that was last for the previous mass trade goes first, shifting all others down one notch in the rotation. All managed accounts, whether directed or non-directed, discretionary, or advisory, are treated equally in the same trade rotation. If the execution is not confirmed within a reasonable time period by a brokerage firm while in the rotation, EIC will proceed to the next broker in the rotation so as not to “hold up” the trade for other accounts. Accounts of EIC’s supervised persons are always traded last in the rotation.

An order might be worked over a number of days with a brokerage firm. In the case of a complete execution, trades may be allocated on either an average price basis across all participating
accounts, or on an account by account basis as appropriate, as long as the allocation is not based on ex-post price of execution, and not made in a way that systematically discriminates in favor or against any client or set of clients. On partially filled orders, if 1/3 or more of the original order is completed, we will pro-rate the order for the group of accounts. If less than 1/3 of the original order is completed, we will randomly fill the order unless there are other factors that upon consideration would dictate otherwise. To ensure fairness in allocation, accounts are selected randomly by our trading system with no intervention from the trader. This is our policy unless the program/system we are designated to use does not have this functionality; we then default to the sponsor’s allocation method.

Trading errors are infrequent and are corrected as soon as possible. In the event a trading error occurs, EIC’s policy is to restore a client’s account to the position it should have been had the trading error not occurred unless there is a gain that can be credited to the client’s account. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trading error occurs, a Trading Error Form is completed by the trader, signed by the trader and their supervisor, and submitted to the CCO.

We recognize that many of our clients have broader investment objectives than represented solely by our involvement with their investments. Such clients may direct us in writing to use specific brokerage firms for execution and implementation of their investment decisions, allowing the client to receive other services of value not provided by us, such as custody, ongoing consultation and advice, assistance with non-EIC related financial matters, asset allocation, financial planning, assistance in the selection of investment advisers, on-going monitoring of their investments, and other services. In such cases, our ability to obtain “best execution” in the implementation of our decisions is limited by the client’s desire to receive such other services, and the client should recognize that we are not negotiating brokerage commissions on his behalf. As a result, commissions or brokerage fees for such accounts may be higher than for accounts where such services are not being provided.

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

For our client accounts maintained in its custody, Schwab does not charge separately for custody. Rather, Schwab is compensated by account holders through transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.
Schwab also makes available to us other products and services that benefit EIC but might not directly benefit clients’ accounts. Some of these other products and services assist in managing and administering clients’ accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of fees from its clients’ accounts; and assist with back-office functions, recordkeeping and client reporting. Schwab Institutional also makes available other services intended to help us manage and further develop our business enterprise. These services can include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab might make available, arrange and/or pay for these types of services rendered to us by independent third parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to us.

EIC does not have a soft-dollar budget, nor do we enter into any formal soft-dollar commitments with broker-dealers. From time to time, we may affect transactions for clients with broker-dealers who incidentally provide us with research or other related products and services, thus providing lawful and appropriate assistance to us in the performance of our investment decision-making responsibilities. Notably, we don’t “pay up” for any of these services. Rather, we pay competitive commission rates to all of the broker-dealers with whom we trade and regularly evaluate the quality of executions being received.

**REVIEW OF ACCOUNTS (ITEM 13)**

Our policy is to review portfolios on an on-going basis so they are consistent both with stated investment objectives and any investment restrictions, as well as internal policies and procedures. Our portfolio management system provides a number of reports that monitor consistency across all accounts. For example, portfolio cross-reference reports show which accounts hold a position and at what weight. In addition, accounts are reviewed on a regular basis by reviewing reports on both asset allocation or portfolio drift as well as exception reports for each mass trade.

We also review performance outliers on a regular basis to determine the cause of the disparity. As a result, there is relatively little deviation in the portfolio characteristics, sector or industry weightings, and actual holdings among portfolios. In fact, dispersion across all accounts has been minimal, as reflected by the low standard deviation of returns for portfolios in the composites. Typically, exceptions to this have been caused by either significant cash flows or client-imposed account restrictions.

Our head trader has responsibility for running asset allocation and portfolio cross-reference reports. Members of the performance measurement team have responsibility for finding
performance outliers. In addition, members of the investment management team and the Chief Compliance Officer review portfolios on an ad-hoc basis.

For those clients who have requested and contracted to receive communications from us directly, we provide detailed, written quarterly reports. Reports can include a portfolio summary, a performance review, an investment analysis, portfolio holdings, and a quarterly activity summary.

CLIENT REFERRALS AND OTHER COMPENSATION (ITEM 14)

We have an agreement with an investment adviser representative employed with another SEC-registered investment advisory firm who has solicited accounts on behalf of EIC and who is compensated a portion of our fees on referral accounts. In compliance with Rule 206(4)-3 (the Cash Solicitation Rule) under the Investment Advisers Act of 1940, the agreement is in writing, prohibits the solicitor from providing investment advisory services on our behalf, and requires written disclosure to the client of the solicitor’s receipt of referral fees.

CUSTODY (ITEM 15)

We do not provide custodial services to our clients. We are not a broker-dealer and do not typically take possession of client assets. Our client assets are housed at custodians, which are selected by the clients themselves.

EIC does not allow arrangements with clients that will authorize or permit EIC to withdraw client funds or securities maintained with a qualified custodian under a standing letter of authorization (SLOA). Further, EIC does not allow arrangements with clients that will authorize or permit EIC to move money between clients’ own accounts (first-person transfers) by wire transfer. However, if authorized by the client, and in accordance with the Advisory agreement between the client and EIC, EIC will invoice the custodian for payment of fees direct from the client’s accounts, which would be deemed to be custody under Rule 206(4)-2(d)(2)(ii).

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client’s investment assets. We urge clients to carefully review such statements and compare such official custodial records to the account statements that we may provide. Clients are asked to promptly notify EIC’s Chief Compliance Officer, Barbara Trivedi, at compliance@eicatlanta.com or 404-239-0111 if the custodian fails to provide statements on each account held. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies used for certain securities.
INVESTMENT DISCRETION (ITEM 16)

At the outset of an advisory relationship, we typically receive discretionary authority from the client to select the identity and amount of securities to be bought or sold. We have a limited power of attorney to place trades on the client’s behalf. When selecting and determining amounts of securities, we observe the investment policies, limitations, and restrictions of our clients. For registered investment companies, our authority to trade securities can also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Typically, we do not have investment discretion in any UMA Program. The UMA Program sponsor is the discretionary investment manager and is responsible for monitoring the investment needs of their clients participating in the UMA Program. We provide a UMA Program sponsor, or overlay manager, with non-discretionary recommendations via our investment model to assist in the development of a portfolio that the sponsor, or overlay manager, may determine to be suitable for its clients. It is the sole responsibility of each UMA Program’s sponsor, or overlay manager, to make investment decisions for their UMA Program accounts.

VOTING CLIENT SECURITIES (ITEM 17)

In the absence of written and specific voting guidelines or instructions from clients, EIC’s policy is to vote proxies solely in what we believe are the best long-term interests of our clients. For example, we vote against proposals that adversely affect:

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

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

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

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

1. allocate more than 5% of the firm's shares to incentive compensation;
2. do not set a limit on the maximum amount that can be awarded to an individual in a given year;

3. grant options with an exercise price less than 100% of the fair market value at the date of grant, or less than 85% of the fair market value on the date of grant if the discount is granted in lieu of a reasonable amount of salary or cash bonus;

4. do not delineate the conditions for grants to non-employee directors, but rather make it subject to management's discretion;

5. expressly allow the repricing of underwater options.

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

EIC subscribes to Broadridge Investor Communications Services, Inc. (“Broadridge”) fully integrated vote recommendations, including auto–execute, provided by Glass, Lewis & Co., LLC (“Glass Lewis”), a proxy advisory firm not affiliated with EIC. Glass Lewis’ vote recommendations will be reviewed for conflicts with EIC’s proxy voting policy. Generally, Glass Lewis’ vote recommendations are consistent with our proxy voting policy as stated above. Where a Glass Lewis vote recommendation is in conflict with our policy, we may override the auto-execute vote.

EIC utilizes ProxyEdge, a proxy-voting service provided by Broadridge, for electronic delivery of ballots, online voting, and integrated reporting and recordkeeping of our proxy votes. EIC votes proxies on shareholder matters where the Custodian forwards to us or to Broadridge, in a timely manner, all necessary materials relating to clients’ portfolio holdings.

We retain records of each proxy vote taken, which are available to the client upon request. A copy of our proxy voting policies and procedures is available to clients upon request.

Unless EIC otherwise agrees in writing, EIC does not advise or take any action on behalf of clients in any legal proceedings, including bankruptcies or class actions, involving securities held or formerly held in client accounts or the issuers of those securities.

**FINANCIAL INFORMATION (ITEM 18)**

As a registered investment adviser with discretionary authority of client funds or securities, we are required in this Item to disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients. We have no financial commitments impairing our ability to meet contractual and fiduciary obligations to clients, and we have never been the subject of a bankruptcy proceeding.
This brochure supplement provides information about various Equity Investment Corporation ("EIC," the "Firm," "we," "us," or "our") employees that supplements EIC’s Brochure. If you did not receive EIC’s brochure or if you have any questions about the contents of this supplement, contact Barbara Trivedi, Chief Compliance Officer, at 404-239-0111 or compliance@eicatlanta.com.

Additional information about EIC is available via the SEC’s website www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with EIC who are registered, or are required to be registered, as investment adviser representatives of EIC.
EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE (ITEM 2)

The following EIC supervised persons are responsible for investment decisions associated with all of our investment strategies, and thus have discretionary authority over clients’ assets and may at times have direct contact with clients.

W. Andrew Bruner, CPA, CFA
R. Terrence Irrgang, CFA
Ian T. Zabor, CFA

W. Andrew Bruner, CPA, CFA
Year of birth: 1968

W. Andrew Bruner, CPA, CFA, joined Equity Investment Corporation in 1999 as a portfolio manager and was named Director of Research in 2010. From 1992 to 1999, he held various positions with KPMG LLP, ultimately serving as a senior manager in the firm’s transaction services practice conducting merger and acquisition due diligence. Andrew received a BA from the University of the South in international politics and economics followed by a Master in Professional Accounting from the University of Texas at Austin.

R. Terrence Irrgang, CFA
Year of birth: 1957

R. Terrence Irrgang, CFA, joined Equity Investment Corporation in 2003 as a portfolio manager. Previously he was a partner and portfolio manager at INVESCO Capital Management. Prior to INVESCO, Terry worked at Towers Perrin and Mercer Consulting, where he assisted clients with asset allocation, manager selection, and performance monitoring activities. Terry earned a BA in history from Gettysburg College and an MBA from Temple University.

Ian T. Zabor, CFA
Year of birth: 1975

Ian T. Zabor, CFA, joined Equity Investment Corporation in 2005 as a research analyst. He was named Portfolio Manager in 2010. Prior to joining EIC, he held trading, analyst, and portfolio management roles with AG Edwards, The US Small Business Administration, and Wachovia Securities. Ian received a BA in economics from Indiana University and an MBA from the Darden School of Business at the University of Virginia.

Professional Designations

CPA (Certified Public Accountant): CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150
credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two-year period or 120 hours over a three-year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct, which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services.

CFA® (Chartered Financial Analyst®): This designation is a globally respected, graduate-level investment credential awarded by the CFA Institute. To earn the CFA charter, candidates must (1) pass three sequential, six-hour examinations; (2) have at least four years of qualified professional investment experience; (3) join CFA Institute as members; and (4) commit to and abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning. The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to place their clients’ interests ahead of their own, maintain independence and objectivity, act with integrity, maintain and improve their professional competence, and disclose conflicts of interest and legal matters. CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

DISCIPLINARY INFORMATION (ITEM 3)

Messrs. Bruner, Irrgang and Zabor have no disciplinary information to disclose.

OTHER BUSINESS ACTIVITIES (ITEM 4)

Messrs. Bruner, Irrgang and Zabor have no information to disclose.
ADDITIONAL COMPENSATION (ITEM 5)

Messrs. Bruner, Irrgang and Zabor have no information to disclose.

SUPERVISION (ITEM 6)

Messrs. Bruner, Irrgang, and Zabor are primarily responsible for investment decisions associated with all of our investment strategies, including idea generation, fundamental research, and portfolio construction. They meet informally on a regular basis to discuss investment decisions. All are generalists – there is no division of responsibilities by sector or industry.
EQUITY INVESTMENT CORPORATION
PRIVACY POLICY NOTICE

On June 22, 2000, the U.S. Securities and Exchange Commission ("SEC") adopted Regulation S-P, "Privacy of Consumer Financial Information," which requires Equity Investment Corporation ("EIC") and other financial services firms to disclose their privacy policy regarding nonpublic personal information of customers and consumers. EIC values our clients, and we make it a top priority to safeguard the personal information of our clients. We are committed to protecting your privacy and maintaining your trust and confidence. Please take a moment to read our privacy policy summarized below.

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

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

Protecting Your Information
We treat all of your information with the highest amount of confidentiality. Access to such information is restricted to those principals and employees whose business function requires them to have such information. We maintain physical, electronic and procedural safeguards that comply with applicable federal or state standards to protect your privacy and to ensure its confidentiality.

If and when highly sensitive information is required to be transmitted by email, such transmittal is encrypted. Additionally, employees must dispose of documents containing information that would identify you (including, but not limited to your name, social security number, address, email address, account number, internal EIC nickname or code) in a designated locked receptacle where they are accumulated for shredding onsite monthly by a bonded and insured company.

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

♦ Government agencies or others as necessary to comply with the law or in a response to legal or administrative processes such as subpoenas.
• Inquiries by your attorney, tax accountant, trustee or anyone else who you have authorized to obtain certain transactional information in conjunction with performing services for you.

• Entities that perform services for us or function on our behalf to help service or manage your account, including financial service providers such as trades or other services for your account processed by your broker or your custodian.

• EIC’s attorneys, accountants or auditors.

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

EIC uses Google Analytics to help us understand how visitors use our website. Google’s Privacy Policy, which explains how Google uses this data, is available at www.google.com/policies/privacy/partners/.

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

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

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

Equity Investment Corporation
1776 Peachtree Street, Suite 600S
Atlanta, GA 30309
Telephone: 404-239-0111 / 877-342-0111
Email: compliance@eicatlanta.com
EQUITY INVESTMENT CORPORATION
ERISA 408(B)(2) FEE DISCLOSURE

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

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

EIC offers the following equity strategies: All-Cap Value, Large-Cap Value, and Mid-Cap Value; a total return opportunity approach (which is primarily non-equity); and a blend of our equity and non-equity approaches to provide more balanced portfolios. In January of 2015, we introduced four Socially Responsible Investment (SRI) strategies, which we are still evaluating as possible product offerings. All portfolios in a particular strategy are managed similarly regardless of vehicle (wrap, non-wrap or mutual fund). Clients may impose restrictions on investing in certain securities or types of securities.

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

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

If your retirement plan is not part of a Sponsor program, then we receive direct compensation from your plan for the services provided. Our fee, as well as the calculation methodology is explicitly stated in the Investment Advisory Agreement (the “Agreement”) signed between your plan and EIC.
**Indirect Compensation**
If services for your retirement plan are provided through a Sponsor, we receive indirect compensation. For a description of the fee we receive from the Sponsor in connection with the services we provide through the program, please refer to the section of the client agreement with the Sponsor that discusses fees.

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

**Compensation for Termination of Your Account**
We do not receive a termination fee or apply a penalty provided we receive adequate notification as per your agreement.

**Compensation Paid Among EIC and its Related Parties**
EIC does not pay compensation to any affiliates or subcontractors.

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

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