
CENTURY MANAGEMENT AND CM ADVISORS FAMILY OF FUNDS

PROXY VOTING AND DISCLOSURE POLICY (Amended March 16, 2015)

I. Introduction

Effective March 10, 2003, the U.S. Securities and Exchange Commission (the “SEC”) adopted rule and form amendments under the Investment Advisers Act of 1940 (the “Advisers Act”) that address an investment adviser’s fiduciary obligation to its clients when the Adviser has the authority to vote their proxies (collectively, the rule and form amendments are referred to herein as the “Advisers Act Amendments”).

The Advisers Act Amendments require that Century Management and the CM Advisors Family of Funds (“Advisor”) to adopt and implement policies and procedures for voting proxies in the best interest of clients, to describe the procedures to clients, and to tell clients how they may obtain information about how Advisor has actually voted their proxies.

This Proxy Voting and Disclosure Policy (the “Policy”) is designed to ensure that Advisor complies with the requirements of the Advisers Act Amendments, and otherwise fulfills its obligations with respect to proxy voting, disclosure, and recordkeeping. The overall goal is to ensure that proxy voting is managed in an effort to act in the best interests of clients or, with respect to the Funds, and their shareholders. While decisions about how to vote must be determined on a case-by-case basis, proxy voting decisions will be made considering these policies and following the procedures recited herein.

II. Specific Proxy Voting Policies and Procedures

Advisor believes that the voting of proxies is an important part of portfolio management as it represents an opportunity for shareholders to make their voices heard and to influence the direction of a company. Advisor is committed to voting corporate proxies in the manner that serves the best interests of their clients.

The following details Advisor’s philosophy and practice regarding the voting of proxies.

A. General

Advisor believes that each proxy proposal should be individually reviewed to determine whether the proposal is in the best interests of its clients. As a result, similar proposals for different companies may receive different votes because of different corporate circumstances.

B. Procedures

To implement Advisor's proxy voting policies, Advisor has developed the following procedures for voting proxies.

1. Upon receipt of a corporate proxy by Advisor, the special or annual report and the proxy are submitted to Advisor's proxy voting manager (the "Proxy Manager"), currently James Brilliant, Co-CIO, Portfolio Manager. Mr. Brilliant shall deliver or have his secretary deliver the proxy materials to the specific analyst following the company. It shall be the responsibility of the analyst assigned to follow the company to review each proxy proposal to determine how to vote each question in the best interest of Century Management's clients. After determining how best to vote the proxy the information shall be returned to the appropriate portfolio manager for a final review.
2. The portfolio manager shall review the proxy materials and the analyst's rationale for voting the proxies in a particular manner. The reviewer shall take into consideration how to vote the proxy in the best interests of clients and the provisions of Advisor's Voting Guidelines in Section C below. After a decision has been reached, a list of the proxy proposal questions and answers shall be delivered to the Executive Secretary (Anette Brewster) to vote the proxies.
3. The Proxy Manager or person directed by the Proxy Manager shall be responsible for maintaining copies of each annual report, proposal, proposal summary, actual vote, and any other information required to be maintained for a proxy vote under Rule 204-2 of the Advisers Act (see discussion in Section V below) or (for the Funds) under Rule 30b1-4 of the Investment Company Act. If in the opinion of the portfolio manager, a proxy vote is deemed to be controversial or particularly sensitive, the portfolio manager will discuss with the Proxy Manager. After a decision has been reached, a written explanation for the proxy vote will be provided which will be maintained with the record of the actual vote in Advisor's files.

C. Absence of Proxy Manager

In the event that the Proxy Manager is unavailable to provide a final decision as to how to vote a proxy, then Aaron Buckholtz shall perform the Proxy Manager's duties with respect to such proxy in accordance with the policies and procedures detailed above.

III. Voting Guidelines

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

A. Corporate Governance

1. Election of Directors and Similar Matters

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

Notwithstanding the foregoing, Advisor expects to **support** proposals that fairly align management, employees and the Board of Directors with those of shareholders:

- Generally voting against cumulative voting as a result of a classified board structure prevents shareholders from electing a full slate of directors at annual meetings; and
- Limit directors' liability and broaden directors' indemnification rights;

And expects to generally **vote against** proposals to:

- Adopt the use of cumulative voting; and
- Add special interest directors to the board of directors (e.g., efforts to expand the board of directors to control the outcome of a particular decision).

2. Audit Committee Approvals

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

3. Shareholder Rights

Advisor may consider all proposals that will have a material effect on shareholder rights on a case-by-case basis. Notwithstanding the foregoing, Advisor expects to generally **support** proposals to:

- Adopt confidential voting and independent tabulation of voting results; and
- Require shareholder approval of poison pills;

And expects to generally **vote against** proposals to:

- Adopt super-majority voting requirements; and
- Restrict the rights of shareholders to call special meetings, amend the bylaws or act by written consent.

4. Anti-Takeover Measures, Corporate Restructurings and Similar Matters

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

Notwithstanding the foregoing, Advisor expects to generally **support** proposals to:

- Prohibit the payment of greenmail (i.e., the purchase by the company of its own shares to prevent a hostile takeover);
- Adopt fair price requirements (i.e., requirements that all shareholders be paid the same price in a tender offer or takeover context), unless the Proxy Manager deems them sufficiently limited in scope; and
- Require shareholder approval of "poison pills."

And expects to generally **vote against** proposals to:

- Adopt classified boards of directors;
- Reincorporate a company where the primary purpose appears to the Proxy Manager to be the creation of takeover defenses; and
- Require a company to consider the non-financial effects of mergers or acquisitions.

5. Capital Structure Proposals

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

Notwithstanding the foregoing, Advisor expects to generally **support** proposals to:

- Eliminate preemptive rights.

B. Compensation

1. General

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

Notwithstanding the foregoing, Advisor expects to generally **support** proposals to:

- Require shareholders approval of golden parachutes; and
- Adopt golden parachutes that do not exceed 1 to 3 times the base compensation of the applicable executives.

And expects to generally **vote against** proposals to:

- Adopt measures that appear to the Proxy Manager to arbitrarily limit executive or employee benefits.

2. Stock Option Plans and Share Issuances

Advisor evaluates proposed stock option plans and share issuances on a case-by-case basis. In reviewing proposals regarding stock option plans and issuances, Advisor may consider, without limitation, the potential dilutive effect on shareholders and the potential short and long-term economic effects on the company. We believe that stock option plans do not necessarily align the interest of executives and outside directors with those of shareholders. We believe that well thought out cash compensation plans can achieve these objectives without diluting shareholders ownership. Therefore, we generally will vote against stock option plans. However, we will review these proposals on a case-by-case basis to determine that shareholders interests are being represented. We certainly are in favor of

management, directors and employees owning stock, but prefer that the shares are purchased in the open market.

Notwithstanding the foregoing, Advisor expects to generally **vote against** proposals to:

- Establish or continue stock option plans and share issuances that are not in the best interest of the shareholders.

C. Corporate Responsibility and Social Issues

Advisor generally believes that ordinary business matters (including, without limitation, positions on corporate responsibility and social issues) are primarily the responsibility of a company's management that should be addressed solely by the company's management. Accordingly, Advisor will generally abstain from voting on proposals involving corporate responsibility and social issues. Notwithstanding the foregoing, Advisor may vote against corporate responsibility and social issue proposals that Advisor believes will have substantial adverse economic or other effects on a company, and Advisor may vote for corporate responsibility and social issue proposals that Advisor believes will have substantial positive economic or other effects on a company.

III. Conflicts

In cases where Advisor is aware of a conflict between the interests of a client(s) and the interests of Advisor or an affiliated person of Advisor (e.g., a portfolio holding is a client or an affiliate of a client of Advisor), the Advisor will ask an independent third party to review the issue and vote on what they believe to be in the best interest of the client(s).

IV. Advisor Disclosure of How to Obtain Voting Information

On or before August 6, 2003, Rule 206(4)-6 requires Advisor to disclose in response to any client request how the client can obtain information from Advisor on how its securities were voted. Advisor will disclose in Part 2 of its Form ADV that clients can obtain information on how their securities were voted by making a written request to Advisor. Upon receiving a written request from a client, Advisor will provide the information requested by the client within a reasonable amount of time.

Rule 206(4)-6 also requires Advisor to describe its proxy voting policies and procedures to clients, and upon request, to provide clients with a copy of those policies and procedures. Advisor will provide such a description in Part 2 of its Form ADV. Upon receiving a written request from a client, Advisor will provide a copy of this policy within a reasonable amount of time.

If approved by the client, this policy and any requested records may be provided electronically.

VI. Recordkeeping

Advisor shall keep the following records for a period of at least five years, the first two in an easily accessible place:

- (i) A copy of this Policy;
- (ii) Proxy Statements received regarding client securities;
- (iii) Records of votes cast on behalf of clients;
- (iv) Any documents prepared by Advisor that were material to making a decision how to vote, or that memorialized the basis for the decision;
- (v) Records of client requests for proxy voting information, and
- (vi) With respect to the Fund, a record of each shareholder request for proxy voting information and the Fund's response, including the date of the request, the name of the shareholder, and the date of the response.

The Fund shall maintain a copy of each of the foregoing records that is related to proxy votes on behalf of the Fund by Advisor. These records may be kept as part of Advisor's records.

Advisor may rely on proxy statements filed on the SEC EDGAR system instead of keeping its own copies, and may rely on proxy statements and records of proxy votes cast by Advisor that are maintained with a third party such as a proxy voting service, provided that Advisor has obtained an undertaking from the third party to provide a copy of the documents promptly upon request. Advisor reserves the right to modify and amend this policy without notice anytime.