

- Privacy Statement
- Proxy Voting Policy

4500 90th Ave. SE
Mercer Island, WA 98040

Phone: 206-232-8807
1-800-722-8807
Fax: 206-232-6477

© THE HEDRICK CO

Privacy Statement

The Hedrick Company is strongly committed to protecting the privacy of its clients. The intent of this privacy policy is to detail the information we may gather about individuals to whom we provide services, how that information is used and The Hedrick Company's disclosure practices.

We respect the privacy and confidentiality of our clients. We only collect information required to provide you with the best possible financial advice and services. As the information we collect from our clients is strictly confidential, it is not shared with any outside party except as required by security firms and brokerage houses in order to complete financial transactions on behalf of our clients. On occasions, when our clients request that we perform comparative analysis for insurance products, we disclose our clients' information only at the final stage of comparison in order to obtain the best possible quotes.

We take great measure to protect data security and confidentiality. When we contract with third party service providers, we have agreements in place for confidentiality and non-disclosure of client data. Furthermore, we have Firewall Software and other appropriate security means in place to safeguard and prevent outside access to data stored in our computer systems.

Proxy Voting Policy

The Hedrick Co. votes proxies for the primary interest of shareholders within the parameters of corporate social and economic responsible citizenship. Following is a list of guidelines we follow:

- We believe the most effective boards are those that include members of diverse backgrounds. We further believe that the board should not be comprised of a large percentage of company management, nor should the members have conflicting connections to other firms which do business with the company.
- While it is legal to purchase consulting services from auditors, we believe it is a conflict of interest and typically vote against the auditor if a large percentage of the company's fees are for services other than auditing and tax preparation.
- Reasonable executive compensation is important for attracting and retaining stellar talent, however, it is equally important to protect the rights of shareholders. Typically when the financial well-being of the company and its shareholders have declined, motions to increase the executive compensation or stock bonuses are viewed with skepticism. We vote against proposals to

adopt compensation plans determined to be inequitable and incongruent with a company's overall financial situation.

- We support management proposals on routine items and vote for ratification of financial statements as long as the proposals do not remove legal liability from management.
- We will generally vote against any management proposal that clearly has the effect of restricting the ability of shareholders to realize the full potential value of their investment. These may include poison pills, golden parachutes, greenmail, dual class voting, etc.

In proxy voting, all matters are evaluated on a case by case basis, thus our votes may differ from these norms from time to time. Information that formulates our decisions is taken from the annual reports, the Security Exchange Commission Filings, and from various independent analysts and publicly available news sources.

Note: Clients may contact us by phone, e-mail, or letter to request information on how we voted individual proxies.
