



Summary of Proxy Voting Policies and Procedures

Beacon Wealthcare (“Beacon, or, the Firm”) has adopted proxy voting policies and procedures which are described below. As a matter of policy and as fiduciary to our clients, beacon has responsibility for voting proxies for portfolio securities consistent with the best economic interest of this client.

Since the recommended portfolios of BEACON represent broad indices of securities (ETFs) as the primary client holding, generally speaking BEACON only votes on matters regarding the fee structure of those securities as it is the one issue Wealthcare is focused on actively monitoring. Otherwise, all non-material issues are viewed as very unlikely to impact the pricing or returns from holding such ETFs.

For the accounts held at Beacon that are not managed and hold equity positions, and the client wished Beacon to vote, Beacon votes consistently among clients, and does not engage in specific client voting. Beacon’s authority to vote the proxies of its clients is established by the advisory contracts. However, at the time of opening the account the client has the option to vote proxies themselves. After that, any client wishing to vote proxies themselves for securities they own may do so at any time upon written request.

The Firm votes all proxies to, in its opinion, maximize shareholder value, which is defined as long-term value accretion through price appreciation. Beacon’s investment philosophy is to purchase “Quality” companies for the portfolios of its clients. On the main criteria for “Quality” is trust and excellence in management. The same holds true when a client should transfer in legacy equity positions they wish to hold in managed accounts. Beacon tends to vote non-shareholder value issues in alignment with management’s recommendations, if there is no conflict with shareholder value. These would include, but not limited to:

- Appointment of auditors
- Routine election of directors
- Standard matters (such as address change, name change, other routine administrative matters)
- Amendments of Articles of Incorporation or By-laws to coincide with changes in Federal or State regulations
- Stock splits
- Improvements in stock option (dilution no to exceed 1%)

All resolutions regarding anti-takeover measures will be considered individually with the intent of avoiding actions likely to diminish the value of the securities held by the client. Where the potential effect of the vote is significant to the value of clients’ investments or where the matter is not addressed by our policies and procedures, Beacon will conduct a more detailed analysis than what is



contemplated by the general voting guidelines. When a proposal is considered being economically detrimental, Beacon will vote against such a proposal.

The firm may occasionally be subject to conflicts of interest in the voting of proxies due to business or personal relationships it maintains with persons having an interest in the outcome of specific votes. Beacon and its employees may also occasionally have business or personal relationships with other proponents of proxy proposals, participants in proxy contests or corporate directors. If at any time the responsible voting parties become aware of any type of potential conflict of interest relating to a particular proxy proposal, they will promptly report such conflict to the Compliance Officer. Conflicts of interest are handled in various ways depending on the type and materiality.

The custodian, Charles Schwab, will be relied upon to forward all relevant proxy material to Beacon, either electronically or in the physically form to the address of record. Receipt of proxies will be records and will be voted upon in a timely basis. Records of each proxy vote are retained by Beacon.

Clients may obtain a copy of this Policy by phoning Patricia Hall at 919.821.5225 or via email at phall@beaconwc.com. All proxy votes are available by request by either calling the above number or emailing as well.