

CNI CHARTER FUNDS

FUNDS ADVISED BY CCM ADVISORS, LLC

PROXY VOTING

The Board of Trustees has adopted policies and procedures with respect to voting proxies relating to portfolio securities held by the CNI Charter Funds (the “Policy”), pursuant to which the Board has delegated the responsibility for voting such proxies to CCM Advisors, LLC (“CCMA”) as a part of CCMA’s general management of certain series¹, subject to the Board’s continuing oversight. CCMA, in accordance with the Policy, has further delegated the responsibility for voting proxies of those series to the Sub-Advisers.²

A conflict of interest may be deemed to occur when CCMA or a Sub-Adviser or one of their affiliated persons has a financial interest in a matter presented by a proxy to be voted on behalf of a series, which may compromise CCMA’s or a Sub-Adviser’s independence of judgment and action in judging the proxy. If such a conflict occurs, CCMA or the Sub-Adviser is required to submit a report to the Board of Trustees indicating the nature of the conflict of interest and how it was resolved.

Information on how the CNI Charter Funds voted proxies relating to portfolio securities during the 12-month period ended June 30 is available (1) without charge, upon request, by calling 1-800-445-1341, (2) on the CNI Charter Funds website and (3) on the Securities and Exchange Commission’s website at www.sec.gov.

Certain information regarding the proxy voting policies of each Sub-Adviser that votes proxies on behalf of the series may be found in the Statement of Additional Information.

¹ The series delegated to CCMA refers to the CNI Charter Funds’ Diversified Equity Fund, Limited Maturity Fixed Income Fund, Full Maturity Fixed Income Fund, Balanced Fund and Socially Responsible Equity Fund.

² The “Sub-Advisers” refers to AMBS Investment Counsel, LLC (“AMBS”), as sub-adviser to a portion of the Diversified Equity Fund; Robert W. Baird & Co. Incorporated (“Baird”), as sub-adviser to the fixed income portion of the Balanced Fund and a portion of the Full Maturity Fixed Income Fund; Boyd Watterson Asset Management, LLC (“Boyd”), as sub-adviser to a portion of the Full Maturity Fixed Income Fund; CNAM, Inc., as sub-adviser to the Limited Maturity Fixed Income Fund; Freeman Investment Management Company (“Freeman”), as sub-adviser to the equity portion of the Balanced Fund and a portion of the Diversified Equity Fund; SKBA Capital Management, LLC (“SKBA”), as sub-adviser to the Socially Responsible Equity Fund and a portion of the Diversified Equity Fund; and Turner Investment Partners, Inc. (“Turner”), as sub-adviser to a portion of the Diversified Equity Fund.