

SHAREHOLDER CHOICE, IS IT THE RIGHT CHOICE FOR YOUR NEXT PROXY CAMPAIGN?



With the onset of the new proxy rules regarding the distribution of proxy material, determining which model of distribution should be utilized for a particular proxy project is not an easy process. Beginning January 1, 2008, the new proxy rules allow mutual fund companies to distribute proxy material in several ways. One. Utilizing Shareholder Choice exclusively. Two. Utilizing the conventional proxy mailing process exclusively. Three. A combination of the first two.

Each of these models has its pro's and con's and should be thoroughly evaluated in regard to your particular proxy campaign. Which one is best for you will rely on a number of factors including the type of proposal(s), the vote requirement(s), account size of the proxy campaign, how the shares are held (whether direct or street name), IRA echo voting, etc. Adding to the complexity of this analysis are the costs involved with distributing material to shareholders held at a bank or broker (beneficial holders) which is processed and mailed by Broadridge. While one would think there are clear cut cost savings to be realized in this segment, there are circumstances where the costs for a proxy distribution utilizing Notice and Access could potentially out-weigh the benefit.

If utilized under the right circumstances the new Shareholder Choice provisions can be the right choice to reduce solicitation costs without jeopardizing the final meeting outcome. Over the last nine months, The Altman Group has been diligently analyzing the costs associated with the new rules and its affect on the vote response. As you might imagine, Shareholder Choice is not the best choice for all proxy campaigns. That is why we have been working diligently to make sure that anyone thinking of implementing Shareholder Choice for a specific proxy campaign has a thorough understanding of its impact on proxy costs, the vote response and the overall success of the shareholder meeting.

If you are contemplating a shareholder meeting in the near future and are interested in seeing whether or not Shareholder Choice makes sense for your proxy campaign, please consider filling out the form below and faxing it back to **(800) 717-8706** or contact us at (212) 400-4657 or mfproxy@altmangroup.com.

CONTACT INFORMATION

Name: _____ E-Mail: _____

Company: _____ Phone: _____

- I would like a comprehensive proxy cost analysis for an upcoming proxy campaign.
- I would like additional information regarding the analysis of Notice and Access and costs involved.
- I would like a copy of the Shareholder Choice final rule

The Altman Group is currently scheduling presentations in your area regarding Shareholder Choice and its impact on the proxy process. The presentation will be extremely comprehensive and should help you decide which process works best for your organization. If you are interested in having The Altman Group come in to present to your organization, please check the box below and indicate the estimated number of employees who would be in attendance.

- I would like to schedule a presentation for my organization.

I estimate the number of employees in attendance would be _____.