BROCHURE DISCLOSURE

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This brochure provides information about the qualifications and business practices of Kornitzer Capital Management, Inc. ("KCM"). If you have any questions about the contents of this brochure, please contact us at 913-677-7778, or by email at fcoats@buffalofunds.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

KCM is an investment adviser registered with the SEC. Such registration does not imply a certain level of skill or training.

Additional information about KCM is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

There have been no material changes in the operations of our firm or in the contents of this Brochure Disclosure since the last annual update of this Brochure Disclosure on June 27, 2023.

Item 3 – Table of Contents

Item 4 – Advisory Business

About the Firm

John C. Kornitzer founded our firm in 1989 and remains the majority owner. From 1989 to October 2022, Mr. Kornitzer served as President of KCM. In October 2022, Mr. Kornitzer stepped down as President of KCM and appointed Joe Neuberger to assume the responsibilities of President and CEO. Mr. Kornitzer continues to serve on the Board of Directors of KCM and also continues to work with the firm as a Portfolio Manager. We render advice as an investment adviser or as a subadviser to individuals and institutions and act as the investment adviser to the Buffalo Funds.

Advisory Services

We manage our clients' accounts on a discretionary basis by providing investment supervisory services and emphasizing traditional portfolio management techniques. We base our investment decisions on internally-generated research and make decisions best suited to our clients' investment needs and mandates.

Types of Advisory Services

Separately Managed Accounts. We manage individual investment portfolios in separate accounts by providing investment supervisory services, and we continuously monitor and review your funds managed by us. Your funds are invested according to your own individual needs, objectives, and desires.

In managing any account, we may use a balanced approach or follow a specific investment style, such as fixed income, value, or growth. A balanced approach uses both equity and fixed income securities. For fixed income portfolios we consider investment grade securities, non-investment grade securities, and municipal bonds. Value and growth investment styles use primarily equity securities issued by companies of all market capitalization sizes which may be classified as large-cap, mid-cap, small-cap, or micro-cap. In certain instances, we may invest in certain defined investment segments, such as technology or international. All styles and methods may be used within any account as we deem appropriate.

In managing your account according to your investment needs, objectives, and desires, we obtain personal information from you concerning your financial situation, investment needs, objectives, desires, and such other information we deem appropriate. We focus on your individual circumstances and financial situation you express to us.

You may place restrictions on our management of your funds subject to our consent on the reasonableness and feasibility of the restrictions. By placing restrictions on an account, your account's performance may be inconsistent with the performance of similarly managed accounts and may not perform as you might otherwise desire.

Account Termination, Non-Investment Grade Securities**.** Our client agreements state upon a termination, we liquidate the non-investment grade securities held in a terminating client's account. We liquidate these securities upon a termination of the agreement by you unless you specifically authorize us to transfer the securities in-kind after we consult with you. Before we liquidate the securities, we discuss with you the liquidation of the non-investment grade securities and confirm the liquidation. If you desire to maintain the non-investment grade securities upon a termination, we will transfer them in-kind upon receipt of written instructions from you.

Based on our experience, the succeeding firms for terminating clients may be unable to handle these securities. They usually lack the experience and capabilities to research non-investment grade securities, render advice on them, and execute transactions in them. The succeeding firms are usually unable to liquidate the securities as favorably as we may do so, especially if we transfer a smaller quantity that may be more difficult to execute. We believe we serve our clients' interests better by liquidating these securities instead of transferring them to a firm inexperienced in handling them.

If we believe these non-investment grade securities represent a continuing investment opportunity for our remaining clients, we may transfer the securities from a terminating client's account to client accounts that continue to be managed by us. We understand the nature of the securities and if they present a value to remaining clients, we will transfer them at fair market value.

In transferring these securities from any terminating client's account to remaining client accounts, we may be deemed to be favoring remaining clients over terminating clients. We could be deemed to have a conflict of interest if favoring remaining clients over terminating clients in transferring these securities. We believe it best serves all interests to handle these securities according to these policies and procedures regarding non-investment grade securities in terminating client accounts.

Strategy Accounts. Our institutional clients typically specify the style or strategy they desire for funds they place with us, which is a style or strategy similar to one or more of the Buffalo Funds we manage. When our clients direct that we manage their accounts according to a designated investment strategy used by us in managing one or more of the Buffalo Funds, we refer to these accounts as "strategy accounts."

When clients direct an investment strategy, we make investment decisions for their funds within the strategy directed by them. For example, clients may direct that we manage their accounts using an investment strategy similar to the Buffalo Small Cap Fund, other Buffalo Funds, or a combination of two or more Buffalo Funds. The investment styles and strategies are described under **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss** below.

We manage these strategy accounts in a manner similar to and follow the investment strategy of the respective Buffalo Fund to the fullest extent possible. The exact activity, performance, and trades of the designated Fund cannot be replicated in these strategy accounts. These strategy accounts are managed substantially similar but not identically to the respective Buffalo Fund. Any number of factors may cause the management of a strategy account to vary from the management of the designated Buffalo Fund, including variances in cash flows, relative sizes, trade execution and processing, and client-imposed restrictions.

Higher account minimums may exist for these strategy accounts than for our individually managed accounts. Minimum account sizes may vary according to whether the investment strategy directed by the client may be appropriately implemented for the account based on the relative size of the respective Buffalo Fund, whether the Buffalo Fund for the desired investment strategy is closed to new investors, and any other considerations we deem appropriate.

Mutual Funds. We organized the Buffalo Funds, an investment company with a series of no-load mutual funds and continue to act as its investment adviser. Some of the names of the Buffalo Funds will change on July 29, 2024. The changes are being made to have the fund names better represent the investment strategies of each of the Buffalo Funds. Following are the ten funds in the series followed by their new names as of July 29, 2024:

- Buffalo Discovery Fund (Buffalo Mid Cap Discovery Fund)
- Buffalo Dividend Focus Fund (Buffalo Growth & Income Fund)
- Buffalo Early Stage Growth Fund
- Buffalo Flexible Income Fund (Buffalo Flexible Allocation Fund)
- Buffalo Growth Fund
- Buffalo High Yield Fund
- Buffalo International Fund
- Buffalo Large Cap Fund (Buffalo Blue Chip Growth Fund)
- Buffalo Mid Cap Fund (Buffalo Mid Cap Growth Fund)
- Buffalo Small Cap Fund (Buffalo Small Cap Growth Fund)

We manage the Buffalo Funds and make investment decisions with respect to the types of assets to be placed in the Funds according to established investment strategies for each Fund. Our advisory services are rendered to the Funds as our client. As of March 31, 2024, we managed approximately $4.3 billion of assets in the Buffalo Funds. You may obtain additional information about the Buffalo Funds from the Prospectus and Statement of Additional Information at www.buffalofunds.com.

Great Plains Trust Company. We provide investment advisory services to Great Plains Trust Company (GPTC) as a subadviser for accounts which GPTC acts as trustee, custodian, and in a similar capacity. We provide investment advisory services on behalf of GPTC to individual beneficiaries of trusts and retirement accounts according to the individual investment needs, objectives, and desires of the beneficiaries of the trusts and the retirement plans. Further reference may be made to www.greatplainstrust.com.

Assets Under Management

As of March 31, 2024, our assets under management were $7.2 billion, of which $7.1 billion were managed on a discretionary basis and $78 million on a non-discretionary basis.

Item 5 – Fees and Compensation

Separately Managed Accounts

You compensate us for our services by a fee equal to a percentage of assets under management, which varies according to the type of investments under management. Following is the percentage fee calculated against the type of investment (fees may vary depending on the type of investment approach being directed, the amount of assets, and the level of client service required):

Type of Investment	Annual Fee
Equities and Fixed Income	1.00%
Municipal and Investment Grade	0.25%
US Treasury	0.10%

You pay our fees on a quarterly basis in advance. We deduct our fees directly from your account based on our agreement with you authorizing us to debit fees directly from your account held at the custodian and according to certain defined procedures. Fees are pro-rated for any period less than a full quarter based on the number of days in the quarter your account is under our management. Upon termination of our agreement during a quarter, we issue a refund of the pro-rated fee credited back into your account. In limited circumstances, our fees may be negotiable depending on the size of the account and the investment style.

In addition to our fees, you pay fees and charges associated with the maintenance of your account, including without limitation, brokerage commissions, mark-ups and mark-downs on securities transactions, transaction fees, exchange fees, custodial fees, transfer taxes, wire transfer fees, and any other account costs or expenses incurred by you in connection with your account. Please refer to **Item 12 – Brokerage Practices** below for a further discussion of our brokerage transaction policies.

We apply our fee against all assets in an account, including cash balances invested in money market funds and short-term investment funds. You pay fees and charges for funds held in money market funds and short-term investment funds in addition to our advisory fees.

We may invest a portion of your assets in one or more of the Buffalo Funds, for which we act as an investment adviser, instead of directly in a particular security. For that portion of your funds placed in a Buffalo Fund, we waive our management fee and exclude the value of the Buffalo Fund in computing our management fee. The fees, charges, expenses, and other costs of the Buffalo Fund in which you are invested are deducted at the fund level. Further reference is made to the

Buffalo Funds Prospectus and Statement of Additional Information at www.buffalofunds.com that sets forth such fees, charges, and expenses.

Strategy Accounts

Fees for our strategy accounts vary based on the particular strategy specified by the client. The manner of computing and applying the fee remains the same as our separately managed accounts and according to the agreement entered into with you. Currently, the range of fees for strategy accounts is 0.60% to 1.10%. Fees may be negotiable depending on the type of strategy being directed, the amount of assets, and the level of client service required.

Mutual Funds

Our management fees for investment advisory services to the Buffalo Funds range from 0.75% to 1.30% of the net asset value under management, depending on the investment strategy of the particular fund. From these fees, we provide or obtain and pay the cost of all management, supervisory, and administrative services required in the normal operation of the Buffalo Funds. The Buffalo Funds Prospectus and Statement of Additional Information contain disclosures relating to the Funds and are available at www.buffalofunds.com.

Great Plains Trust Company

If your funds are held by Great Plains Trust Company (GPTC) in an individual trust or retirement plan, you pay a fee to GPTC that is a percentage of the assets held, depending on the type of account and the type of investments under management, of which we receive management fees ranging between 50% and 90% of the fee received by GPTC.

Item 6 – Performance-Based Fees and Side-by-Side Management

Our fees are not performance based, and side-by-side management of percentage-fee based and performance-fee based accounts does not exist.

Item 7 – Types of Clients

Our clients include the following: individuals; pension and profit sharing plans; trusts; foundations and endowments; corporations and other business entities; state, municipal and other governmental entities; various types of financial and other institutions; and investment companies.

For our separately managed accounts, our minimum account size is $500,000. For strategy accounts, the minimum account size is $25,000,000. The minimum account size may vary from time to time depending on our level of business activity being experienced and the type of account. We may also waive the minimum account requirement under certain circumstances.

The Buffalo Funds and Great Plains Trust Company establish their own minimum account sizes. Further reference should be made to www.buffalofunds.com and www.greatplainstrust.com, respectively.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

Methods of Analysis

We conduct our own research to analyze investments, follow a disciplined method of analysis, and thoroughly research investment opportunities. Our research staff conducts their research, analyzes the results, and makes investment decisions based on their work. Our staff is comprised primarily of Chartered Financial Analysts and other individuals who have specialized expertise in discrete industries. We research investment opportunities that will meet our clients' goals or investment strategies, and further pursue an ongoing analysis of overall economic trends, industries, and geopolitical factors.

We commence our analysis by identifying industries targeted to benefit from current and forecasted macroeconomic trends. Within these identified industries, we then identify investments for further consideration that have the potential to perform well in coming periods, oftentimes constructing financial models that analyze future performance. Factors used to identify investments include prospects for future growth, competitive advantages relative to other industry participants, profit margins, balance sheet strength, and potential downside risks, among any other relevant factors we deem appropriate.

Once we have identified an investment as a strong candidate for consideration, we conduct extensive further analyses to consider its fair value as compared to its current market valuation. Fair value is determined by focusing on analyses of comparable investments, current profitability, potential for revenue growth and profit margin expansion, projected cash flow generation, management quality, and other trends. All these aspects are considered, with a final decision premised on comparing the level of risk versus return and reviewing the expected return of the investment.

If we determine to consider an investment, we capture our research, analysis, and recommendations in a presentation. Research staff and portfolio managers review and thoroughly discuss the underlying analysis and recommendations of the presentation. The research analysts and the portfolio managers frequently meet and discuss new investments, review existing holdings, and consider investment weightings in our holdings. Our staff makes investment decisions on a consensus basis, with portfolio managers maintaining the primary decision-making authority.

Investment Strategies

We use certain investment strategies and pursue our strategies for you after we have determined your investment needs, objectives, and desires through our discussions with you. For individuals, we use investment strategies that are balanced, equity, and/or fixed income, and within these strategies, we tailor the mix of investments according to your individual needs.

In our investment strategies, we may invest a portion of your funds in a particular mutual fund of the Buffalo Funds. We usually use the Buffalo Funds for a unique investment category or if the amount of funds to be invested is relatively small. By doing so, we gain better diversification within the strategy to be pursued by investing in the mutual fund in comparison to placing assets directly in issuers within that strategy. For example, we may invest a portion of your funds in the Buffalo International Fund to gain international equity exposure or in the Buffalo High Yield Fund to gain exposure to non-investment grade debt securities.

Institutions typically instruct us as to the strategy they desire we follow in managing their accounts. They usually choose one of the strategies followed by the Buffalo Funds and request we invest their funds in the same manner as the mutual fund strategy selected. We manage the Buffalo Funds according to their designated investment strategies.

Balanced. Our balanced strategy's objectives are long-term capital growth and current income. For long-term capital growth, we may invest your assets primarily in domestic common stocks, as well as convertible bonds and preferred stocks, with the majority of common stocks being issued by large-cap companies.

For current income, we may invest in corporate bonds, non-investment grade securities, municipal bonds, convertible debt securities, preferred stocks, and convertible preferred stocks. Your own individual circumstances dictate the extent to which we balance long-term capital growth with current income in making investments for you.

Equities. Our equity investment strategy uses investments that combine dividend income and long-term capital appreciation, with a lesser emphasis on current income than with our balanced and fixed income investment strategies. In this strategy, we use equity securities issued by companies of varying sizes and across a broad range of industries that are expected to benefit from long-term global and domestic trends.

Fixed Income. Our fixed income strategy seeks current income while preserving the account value through capital appreciation in the underlying fixed income instruments. We may invest your assets in investment grade securities, municipal securities, convertible debt securities, corporate debt securities, and higher-yielding, higher-risk debt securities rated below investment grade by the major rating agencies. We refer to higher-risk debt securities rated below investment grade as non-investment grade securities.

Long-Term Capital Growth through Defined Issuers. If you desire long-term capital growth, we use investments that are specifically defined according to their characteristics of size, type, and other factors. We use a broad array of securities that are diversified in terms of companies and industries but group investments according to the characteristics associated within a defined group of issuers.

We define these issuers in the same manner as we classify investment objectives of certain Buffalo Funds. Further reference may be made to the Buffalo Funds Prospectus and Statement of Additional Information at www.buffalofunds.com for disclosures about the Funds. Following are examples of some of the defined issuer groups we use:

- **Large-Cap Companies.** We consider a company to be a large-cap company if it has a market capitalization greater than or equal to the lesser of (1) $10 billion, or (2) the median market capitalization of companies in the Russell 1000 Growth Index.

  Investing in large-cap companies may involve greater risks than investing in companies with less market capitalization. Larger, more established companies may be unable to respond quickly to new competitive challenges such as changes in consumer tastes or innovative smaller competitors. Also, large-cap companies are sometimes unable to attain the high growth rates of successful, smaller companies, especially during extended periods of economic expansion.

- **Mid-Cap Companies.** We consider a company to be a mid-cap company if it has a market capitalization within the range of the Russell Midcap Growth Index.

  Investing in mid-cap companies may involve greater risk than investing in large-cap companies due to less management experience, financial resources, product diversification, and competitive strengths. These securities may be more volatile and less liquid than large-cap companies.

- **Small-Cap Companies.** We consider a company to be a small-cap company if it has a market capitalization within the range of the Russell 2000 Growth Index.

  Investing in small-cap companies may involve greater risk than investing in large- or mid-cap companies due to less management experience, financial resources, product diversification, and competitive strengths. Again, these securities may be more volatile and less liquid than mid- and large-cap companies.

- **Micro-Cap Companies.** We consider a company to be a micro-cap company if it has a market capitalization of $2 billion or less.

  Investing in micro-cap companies may involve greater risk than investing in companies with larger capitalization due to less management experience, financial resources, product diversification, and competitive strengths. These securities may be more volatile and less liquid than securities of companies with larger capitalization.

- **International Companies.** We may invest in established, international companies economically tied to various countries throughout the world, excluding the United States. Foreign securities are deemed to be securities issued by companies organized under the laws of a country other than the United States or a company that derives at least 50% of its revenues or profits from outside the United States or has at least 50% or its assets outside the United States.

  Investing in securities of foreign corporations and governments involves additional risks relating to political, social, religious, and economic developments abroad; market instability; fluctuations in foreign exchange rates; different regulatory requirements, market practices, accounting standards, and practices; and less publicly-available information about foreign issuers. Additionally, these investments may be less liquid and carry higher brokerage commissions and other fees. Procedures and regulations governing transactions and custody in foreign markets also may involve delays in payment, delivery, or recovery of money or investments.

Investments in emerging markets in the initial stages of industrialization and with low per capita income, such as China, the Philippines, and India, bear their own additional risks of greater volatility, unstable governments, social and legal systems less cognizant of shareholder rights, narrowly-based economies, and smaller securities markets with less liquidity, greater volatility, and less government oversight.

General Investment Risk of Loss

Investing in securities involves the risk of loss you should be willing to accept. The following risks exist in our investment strategies.

Market Risk. Equity securities are subject to market, economic and business risks that will cause their prices to fluctuate over time. To the extent your account is invested in equity securities, the value of your account will go up and down in value as the equity markets change. These declines may be the result of, among other things, political, regulatory, market, economic, or social developments affecting the relevant market(s). In addition, turbulence in financial markets and reduced liquidity in equity, credit, and/or fixed income markets may negatively affect many issuers, which could adversely affect the value of your account. Global economies and financial markets are increasingly interconnected, and conditions and events in one country, region, or financial market may adversely impact issuers in a different country, region, or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies worldwide. As a result, local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant negative impact on global economic and market conditions.

Recent Market Events. U.S. and international markets have experienced, and may continue to experience, significant periods of volatility due to a number of economic, political, and global macro factors, including uncertainty regarding inflation and central banks' interest rate increases, the possibility of a national or global recession, trade tensions, political events, the war between Russia and Ukraine, significant conflict between Israel and Hamas in the Middle East, and the impact of the coronavirus (COVID-19) global pandemic. The war between Ukraine and Russia has passed its second anniversary and the October 2023 attack by Hamas and Israel's response has added to global tensions. U.S. and China relations remain strained, impacted by sluggish Chinese economic growth and numerous issues affecting trade relations. Domestically, inflation remains an area of focus since getting to the U.S. Federal Reserve Board's 2% target may prove to be more challenging than the market expects. 2024 is also an election year and the current level of political discord is high. Finally, while COVID-19 appears to have entered an endemic stage, significant outbreaks present a continued risk to the global economy. These and other events may cause market disruptions and could have an adverse effect on the value of your investments. We cannot guarantee that you will achieve your investment objectives. We will monitor developments and seek to manage your account in a manner consistent with achieving your investment needs, objectives, and desires, but there can be no assurance that we will be successful in doing so.

Investment Adviser Risk. While we endeavor to make the best investment decisions, our success depends largely on our ability to select favorable investments. Different types of investments shift in and out of favor depending on market and economic conditions. For example, at various times, equity securities will be more or less favorable than debt securities and small company stocks will be more or less favorable than large company stocks. Because of this, your accounts will perform better or worse than other types of accounts depending on what is in "favor." In addition, there is the risk that the strategies, research, or analysis techniques used by us and/or our security selection may fail to produce the intended result.

Equity Risk. The risks that could affect the total return on your investments include the possibility that the equity securities held in your accounts will experience sudden, unpredictable drops in value or long periods of decline in value. Equity securities may also lose value because of factors affecting an entire industry or sector, such as increases in production costs, or factors directly related to a specific company, such as decisions made by its management.

Common Stocks. Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. These investor perceptions are based on various and unpredictable factors including: expectations regarding government, economic, monetary and fiscal policies; inflation and interest rates; economic expansion or contraction; and global or regional political, economic, and banking crises. If you held common stock of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer because holders of common stock generally have inferior rights to receive payments from issuers in comparison with the rights of the holders of other securities, bondholders, and other creditors of such issuers.

Preferred Stock. A preferred stock is a blend of the characteristics of a bond and common stock. It can offer the higher yield of a bond and has priority over common stock in equity ownership but does not have the seniority of a bond and, unlike common stock, its participation in the issuer's growth may be limited. Preferred stock has preference over common stock in the receipt of dividends and in any residual assets after payment to creditors should the issuer be dissolved. Although the dividend on a preferred stock may be set at a fixed annual rate, in some circumstances it can be changed or omitted by the issuer. Because preferred stocks represent an equity ownership interest in an issuer, their value will usually react more strongly than bonds and other debt instruments to actual or perceived changes in an issuer's financial condition or prospects or to fluctuations in the equity markets.

Convertible Securities. A convertible security is a fixed-income security, such as a debt instrument or a preferred stock, that may be converted at a stated price within a specified period of time into a certain quantity of the common stock of the same or a different issuer. The market value of a convertible security will perform the same as a regular fixed income security; that is, if market interest rates rise, the value of the convertible security falls. Convertible securities are senior to common stock in an issuer's capital structure but are subordinated to any senior debt securities. As a result, in the event of a liquidation of the issuing company, holders of convertible securities generally would be paid after the company's creditors but before the company's common shareholders. Consequently, an issuer's convertible securities generally may be viewed as having more risk than its debt securities but less risk than its common stock. If a convertible security held in your account is called for redemption, you will be required to surrender the security for redemption, and convert it into the issuing company's common stock or cash at a time that may be unfavorable.

Warrants. We may invest a portion of your assets in warrants. A warrant gives the holder a right to purchase at any time during a specified period a predetermined number of shares of common stock at a fixed price. Unlike convertible securities or preferred stock, warrants do not pay a fixed coupon or dividend. Investments in warrants involve certain risks, including the possible lack of a liquid market for resale of the warrants, potential price fluctuations as a result of speculation or other factors, and failure of the price of the underlying security to reach or have reasonable prospects of reaching a level at which the warrant can be prudently exercised (in which event the warrant may expire without being exercised, resulting in a loss of the entire investment therein).

Rights. Rights are usually granted to existing shareholders of a corporation to subscribe to shares of a new issue of common stock before it is issued to the public. The right entitles its holder to buy common stock at a specified price. Rights have similar features to warrants, except that the life of a right is typically much shorter, usually a few weeks. The purchase of rights involves the risk that you could lose the purchase value of a right if the right is not exercised prior to its expiration. Also, the purchase of rights involves the risk that the effective price paid for the right added to the subscription price of the related security may exceed the value of the subscribed security's market price such as when there is no movement in the level of the underlying security.

Debt Instrument Risk. Debt securities are subject to some or all of the following risks, depending upon the type of debt instrument in which the Fund invests: high risk debt securities risk, interest rate risk, call risk, prepayment and extension risk, credit risk, and liquidity risk, which are more fully described below:

High Risk Debt Securities Risk. Below investment grade debt securities, or "junk bonds," are debt securities rated below investment grade by a nationally recognized statistical rating organization. High risk debt securities are those rated below BBB by S&P or Baa by Moody's. Although junk bonds generally pay higher rates of interest than higher-rated securities, they are subject to a greater risk of loss of income and principal. Junk bonds are subject to greater credit risk than higher-grade securities and have a higher risk of default. Companies issuing high-yield junk bonds are more likely to experience financial difficulties that may lead to a weakened capacity to make principal and interest payments than issuers of higher grade securities. Issuers of junk bonds are often highly leveraged and are more vulnerable to changes in the economy, such as a recession or rising interest rates, which may affect their ability to meet their interest or principal payment obligations.

Municipal Obligations Risk. We may invest in securities issued, sponsored, and guaranteed in various manners by municipal governments located in the United States. These securities may be general revenue instruments for which repayment comes from the general revenue of the municipality or instruments linked to a specific project sponsored by a municipality for which repayment may be secured by assets of the project and the revenue from the project. The risks of these obligations include the increasing pressure on municipalities to provide additional various services and decreasing ability to raise revenues from taxes, resulting in a greater inability to repay their debt obligations. Also, with a specific project, the involvement of a municipality may reflect on the inability of the project to obtain traditional financing and hence the riskier nature of the project. The project may also be undertaken for the general benefit of the municipality and not necessarily for the holders of the instruments financing the project, again causing the risks of repayment to be higher because the economic viability of the project may not have been the first priority.

Interest Rate Risk. An increase in interest rates may cause the value of fixed-income securities held in your accounts to decline. Your investments may be subject to a greater risk of rising interest rates due to the current period of historically low rates and the effect of potential government fiscal policy initiatives and resulting market reaction to those initiatives.

Call Risk. During periods of declining interest rates, a bond issuer may "call" or repay its high yielding bonds before their maturity dates. You would then be forced to invest the unanticipated proceeds at lower interest rates, resulting in a decline in your investment income.

Prepayment and Extension Risk. Many types of debt securities are subject to prepayment risk. Prepayment occurs when the issuer of a debt security can repay principal prior to the security's maturity. Debt securities subject to prepayment can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. In addition, the potential impact of prepayment features on the price of a debt security can be difficult to predict and result in greater volatility. On the other hand, rising interest rates could cause prepayments of the obligations to decrease, extending the life of debt securities with lower payment rates. This is known as extension risk and may increase the Fund's sensitivity to rising rates and its potential for price declines.

Credit Risk. Debt securities are generally subject to the risk that the issuer may be unable to make principal and interest payments when they are due. There is also the risk that the securities could lose value because of a loss of confidence in the ability of the borrower to pay back debt. Lower rated debt securities involve greater credit risk, including the possibility of default or bankruptcy.

Liquidity Risk. Trading opportunities are more limited for fixed-income securities that have not received any credit ratings, have received ratings below investment grade, or are not widely held. These features make it more difficult to sell or buy a security at a favorable price or time. Consequently, you may have to accept a lower price to sell a security, sell other securities to raise cash, or give up an investment opportunity, any of which could have a negative effect on your investment performance. Infrequent trading of securities may also lead to an increase in their price volatility. Liquidity risk also refers to the possibility that we may not be able to sell a security or close out an investment contract when we want to. If this happens, we will be required to hold the security or keep the position open, and your investments could incur losses.

Sector Weightings Risk. To the extent we emphasize, from time to time, investments in a particular sector, your account will be subject to a greater degree of risks particular to that sector. Some examples of sectors that may be emphasized include Energy, Industrials, Consumer Discretionary, Healthcare, Financials, and Information Technology. Economic, political, regulatory, or financial developments could affect all the securities in a sector even though other sectors or the market, in general, are unaffected. If we emphasize certain sectors in your account, it may have increased exposure to the price movements in those sectors. Sector emphasis may change within your account over time based on our research and analysis.

Cybersecurity Risk. With the increased use of technologies, such as the Internet, to conduct business, your account is susceptible to operational, information security, and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (*e.g.*, through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (*i.e.*, efforts to make network services unavailable to intended users). Cyber incidents affecting us, or our service providers, may cause disruptions and impact business operations, potentially resulting in financial losses, impediments to trading, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which client accounts are invested, counterparties with which we engage in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies, other financial institutions, and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While the service providers we use have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, we cannot control the cybersecurity plans and systems put in place by their service providers or any other third parties whose operations may affect our clients. As a result, your account could be negatively impacted.

Item 9 – Disciplinary Information

On December 10, 2019, KCM and John C. Kornitzer, without admitting or denying the allegations, resolved an SEC proceeding with respect to certain alleged violations by KCM and John C. Kornitzer of Section 206(2) and Section 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-7 thereunder. The alleged violations related to the failure to follow client instructions in the management of four collective investment trusts, and failure to adopt and implement policies and procedures to prevent the alleged violations. KCM and Mr. Kornitzer, without admitting or denying the allegations, agreed to the entry by the SEC of an order imposing the following: (1) KCM and Mr. Kornitzer shall cease and desist from committing or causing future violations of Section 206(2) and Section 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-7 thereunder, (2) KCM and Mr. Kornitzer are censured, (3) KCM shall pay disgorgement of $4,978,448 of which $4,132,132 was paid prior to the order for a balance of $846,316 and prejudgment interest of $80,679, and (4) KCM and Mr. Kornitzer shall pay, joint and severally, a civil money penalty of $2,700,000.

On April 21, 2015, KCM and its CFO, without admitting or denying the allegations, resolved an SEC proceeding with respect to certain alleged violations of Section 15(c) of the Investment Company Act arising from the Adviser's failure to furnish the Buffalo Funds' Board with complete and accurate information concerning the allocation of CEO compensation expense in the Adviser's profitability analysis that was reasonably necessary for the Board to evaluate the terms of the Adviser's advisory contracts. KCM and the CFO agreed to the entry of an order requiring them to cease and desist from committing or causing any violations or any future violations of Section 15(c) of the Investment Company Act and to pay civil money penalties of $50,000 and $25,000, respectively, to the SEC.

Item 10 – Other Financial Industry Activities and Affiliations

We act as the investment adviser to the Buffalo Funds, an investment company with a series of mutual funds. For that portion of your funds placed in the Buffalo Funds, we waive our management fee and exclude the value of the Buffalo Funds in computing our management fee. See **Item 5 – Fees and Compensation** above. Certain employees of our firm serve as officers and as a trustee of the Buffalo Funds. Laura Symon Browne serves as President, Treasurer, and Interested Trustee of the Buffalo Funds and Fred Coats serves as Chief Compliance Officer, Anti-Money Laundering Officer, and Secretary for the Buffalo Funds.

We also provide investment advisory and management services to Great Plains Trust Company (GPTC). GPTC serves as trustee and custodian for individual trusts, qualified employee benefit plans, and a variety of retirement plans. GPTC engages us as its subadviser for these accounts. See **Item 5 – Fees and Compensation** above. The majority beneficial owner of Great Plains Trust Company is an irrevocable trust created by John C. Kornitzer. Mr. Kornitzer serves as a co-trustee of the trust. Mr. Kornitzer is an employee and majority owner of our firm.

We may be deemed to have a conflict of interest to the extent we suggest you use GPTC as a trustee or custodian for your accounts. You may choose any trustee or custodian you desire; however, whether we will accept appointment as the investment adviser will be at our discretion.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Code of Ethics

We adhere to a Code of Ethics governing our standards of conduct. Our Code of Ethics establishes standards of business conduct that we require of all our supervised persons and affiliates, which reflect our fiduciary obligations and the fiduciary obligations of our supervised persons and affiliates. The Code of Ethics has the following primary provisions:

- All supervised persons and affiliates are required to comply with applicable State and Federal securities laws;
- All supervised persons and affiliates are required to report, and for us to review, their personal securities transactions and holdings periodically;
- All supervised persons and affiliates are required to report any violations of our Code of Ethics promptly to our Chief Compliance Officer; and
- All supervised persons and affiliates are provided with a copy of the Code of Ethics and any amendments, and are required to provide us with a written acknowledgment of their receipt of the Code and any amendments.

Our clients' interests remain paramount, with the intent to avoid even the appearance of a conflict of interest. One of the main areas of focus in the Code of Ethics deals with the personal securities transactions and the outside business activities of supervised persons and affiliates. The Code of Ethics requires supervised persons and affiliates to disclose their beneficial ownership of securities initially upon hire and on an annual basis thereafter. Prior to a securities transaction, they must obtain preclearance authorization before entering into the transaction. Transactions exempt from preclearance are investments in direct U.S. Government obligations, bank certificates of deposit, shares issued by money market funds, shares issued by open-end mutual funds other than funds for which we serve as the investment adviser, and other substantially similar investments.

We prohibit any event, transaction, or position that might be deemed to create a potential conflict of interest with any client's interest. Almost all business transactions involving a client are prohibited. Supervised persons and affiliates are also prohibited from serving on the board of directors of or acting as a consultant to any publicly-traded company, or engaging in any outside activity that is related to securities, investments, finances, or related matters; however, in rare cases, a waiver of the outside activity prohibition may be granted by the Chief Compliance Officer.

You may request a copy of the Code of Ethics by sending a written request to Chief Compliance Officer, Kornitzer Capital Management, Inc., 5420 W. 61st Place, Mission, Kansas 66205.

Participation or Interest in Client Transactions

We sometimes recommend the Buffalo Funds, for which we act as the investment adviser, to our clients. Certain conditions exist under which we recommend the Buffalo Funds, such as smaller accounts and if a particular investment style is desired through the use of one of the Buffalo Funds. For that portion of your funds placed in the Buffalo Funds, we waive our management fee and exclude the value of the Buffalo Funds in computing our management fee. See **Item 5 – Fees and Compensation** above.

Personal Trading

Under our Code of Ethics, transactions by our employees in the same securities to be traded in client accounts are prohibited within seven days before and after any such transaction, subject to waiver in circumstances deemed not within the intent of the Code of Ethics. Securities of companies with market capitalization of $10 billion or more are exempt from the seven day waiting period. Further prohibitions exist on acquiring securities in an initial public offering, private placements, and purchases and sales of the same or equivalent securities within 90 calendar days.

Item 12 – Brokerage Practices

We select broker-dealers to execute client transactions under your grant of discretionary authority to us. In selecting broker-dealers and determining the reasonableness of their commissions, we strive to achieve the best price and qualitative execution for client accounts. We consider the full range and quality of services, including without limitation: execution commission rates quoted and paid in similar transactions; the ability of the broker-dealer to execute the transaction according to our instructions; the size of a transaction; the complexity of the execution and settlement; any risk assumed by the broker-dealer in the transaction; our prior experience with, responsiveness of and service by the broker-dealer; and the reputation, honesty, integrity and financial stability of the broker-dealer. Research services provided by a broker-dealer are also considered. Our relationships with broker-dealers are reviewed periodically using the same factors initially considered in selecting broker-dealers.

In determining the reasonableness of compensation paid to broker-dealers for executing transactions, we maintain policies and procedures for review of order execution on a systematic basis to assure correct placement of the order, the best price and qualitative execution, and other factors to protect your interests. We systematically review orders and compare the actual execution to various measures to test that we have received the best qualitative execution at the fairest value.

We use a wide array of venues to execute transactions, such as stock exchanges, electronic communication networks (ECNs), alternative trading systems, and other alternative pools of liquidity. As market conditions warrant, we use those methods deemed best suited to execute client transactions. In doing so, we consider other factors such as the expected market impact of the trade, execution capability, efficiency, and the value of research products and services received. The determinative factor may not be the lowest possible cost but the best qualitative execution.

Soft Dollars Practices

We may pay higher brokerage commissions to broker-dealers providing brokerage and research products and services to us that assist us in trade execution and/or investment-decision making responsibilities. To the extent we pay higher commissions, we have made a good faith determination that the commissions paid are reasonable in relation to the value of brokerage and research products and services provided. These additional brokerage commissions paid in exchange for brokerage and research products and services are referred to as “soft dollars.” We rely on our own internal research in formulating investment decisions and use this external research to assist us in our own research efforts. Some research we receive in this manner is only available through the broker-dealers providing it.

When we use client brokerage commissions or pay higher execution costs in exchange for trading and/or research products and services, we receive a benefit because we do not have to pay for the products or services. A conflict of interest may be deemed to exist because we have an incentive to use broker-dealers who provide the most and best products or services, which may or may not be the broker-dealers providing the best execution, and we do not have to pay for the products and services received from broker-dealers through soft dollars. When we use broker-dealers providing eligible products and services, we strive to have transactions executed at prices advantageous to clients, at costs reasonable in relation to the benefits received, and in exchange for research and brokerage products and services that provide the greatest benefits to our clients in trade execution and/or our investment-decision making process.

The trading and research products and services include coordinating meetings with management of companies for investment consideration by us, access to research analysts and reports, allowing attendance at conferences in which company and research analysts make presentations, databases, data services, market and statistical data, software, and quotation services. In addition, a variety of research reports are received, not pursuant to any previous arrangement, and typically relate to specific industry segments, companies, and economic analyses.

Some soft dollar eligible products and services are invoiced and have a set dollar value. For example, a software product will have a set price. Other soft dollar eligible products and services do not have a set dollar value. For example, a meeting with company management of an issuer set up by a broker-dealer has no set dollar value. We use our best judgment as to the beneficial worth of the research in our investment-decision making process. According to our analysis of research received, we make a good faith attempt to execute transactions with broker-dealers in relation to the beneficial worth of the research and to assure continued access to research services provided by the broker-dealer.

Products and services acquired through the use of soft dollars may be used to benefit all or some of our accounts. We do not allocate soft dollar benefits solely to clients' accounts in which transactions are executed that generate the soft dollars. Products and services we receive benefit trade execution and the investment-decision making process as a whole, and it would be difficult to measure separately the benefits provided to any one account or any group of accounts we manage.

Some products and services furnished to us have mixed uses and provide both soft dollar eligible benefits for trade execution or our investment-decision making process and also non-eligible benefits for administrative or other non-research uses. When we receive these mixed use products and services, we make a reasonable determination and value the administrative or non-research portion of the product or service. We then pay directly for that portion of the product or services received that is allocated to administrative or non-research uses.

Directed Brokerage

In limited circumstances, we may allow you to direct us to execute transactions in your account through a broker-dealer other than a broker-dealer selected by us. We discourage directed brokerage. If you direct us to use a certain broker-dealer other than one selected by us, you are responsible to negotiate transaction costs, and we disclaim any responsibility to do so. You must acknowledge in writing that you are aware of these potential disadvantages regarding directed brokerage if you direct us to use a certain broker-dealer.

If you direct brokerage transactions, you may receive less favorable execution prices, higher transactions costs, and other adverse consequences regarding trade execution and performance. We are unable to direct execution on terms we deem favorable, and are restricted in our execution on your behalf. We are unable to aggregate directed brokerage orders with our other clients, and your transactions are executed after transactions for our other clients without directed brokerage accounts. You may not participate in unique and limited investment opportunities on the same basis as our other accounts. We will be further prohibited from executing a transaction with the dealer, specialist, or market-marker for the particular security. Instead, transactions may be placed on an agency basis by the broker or dealer through which you directed your transactions.

Brokerage for Client Referrals

We do not consider nor select broker-dealers based on whether they refer clients to us.

Trade Practices

We follow certain trade practices in executing and processing trades for you. We may be deemed to have conflicts of interest to the extent our trade practices result in better execution and performance in certain accounts. We monitor and modify our trade practices to avoid the potential for conflicts of interest and to act in the best interest of all clients to the fullest extent possible over time. Because multiple factors influence execution beyond our control, we may be unable to minimize the effects of our trade practices on execution and different execution results may occur as among accounts. Our trade practices may cause varying account performance.

You should recognize that advice and actions taken for your account will differ from advice and the time and nature of actions for other accounts. Transactions in a specific security may not be accomplished for all accounts at the same price and at the same time.

Trade Aggregation. In executing the same investment decisions across multiple client accounts, we aggregate trades within our discretionary authority. We aggregate trades for execution to help achieve better and more efficient execution and more consistent results across client accounts. We also monitor market conditions as the trades are executed. A trade placed for reasons particular to an account may be aggregated if a similar trade is being executed for other accounts. We may choose not to aggregate trades because of increased administrative and other costs, custodial burdens, or other disadvantages.

We use our discretion in aggregating trades. Trades may also be made for specific clients with identified pricing targets and allocated solely to that client. Trades for multiple clients may be made on a given day, and similar trades may be spread across multiple days for multiple clients, again based on size of trade and market limit price desired.

Execution of Aggregated Trades. Aggregated trades may be executed in one large aggregated transaction or in a series of transactions depending on the specific situation. We may execute aggregated trades in a series of transactions across a period of time to strive for best execution, to monitor market conditions, to accommodate market conditions, and to avoid adversely influencing execution. For example, if we deem that a large aggregated trade will receive less favorable execution than a series of smaller trades, we will execute the aggregated trade in a series of transactions.

Execution in Full. An aggregated order executed in full is placed into the appropriate accounts upon execution. Each account receives the average execution price and bears transaction costs on a pro rata basis according to the relative size of the orders for each account.

Partial Execution. An order may fail to get fully executed because of limitations placed on the manner of the execution, the portfolio manager stops execution, or any issue arises based on the investment criteria for the original order. When we place market limit orders, an aggregated order may not be executed in full. As an order is executed, if the price increases or decreases beyond the desired level for the investment, execution of the remaining order may be terminated or postponed by the portfolio manager.

If an order fails to get fully executed and later gets executed, it is processed in the same manner as originally indicated. If an account does not receive an investment, it remains eligible for the next similar investment appropriate for the accounts in the same manner as originally indicated.

Allocation of Aggregated Trades Executed in Series. When an aggregated trade is executed in a series of transactions, the transactions are allocated to accounts on a pro rata basis or on a rotational basis.

Pro rata allocation is when the transactions are allocated to accounts on a pro rata basis according to the relative sizes of the orders placed for the accounts. Minimal variation may occur in the exact ratios between the relative sizes of the accounts and the orders processed because of the different units of measurement between accounts and orders. Our pro rata trade allocation policies avoid manual processing of orders that could create the potential for conflicts of interest. We use our trading system to process trades on a pro rata basis and to allow the greatest participation across all accounts.

When allocating trades on a rotational basis, each account receives a certain minimum amount and then receives the remainder of the original allocated order on a rotational basis. We allocate trades on a rotational basis for certain accounts if instructed by the portfolio manager. This rotational allocation of transactions occurs primarily for our separately managed accounts based on the investment style, criteria for accounts, and the type of securities.

Minimum Transaction Sizes. We may impose minimum transaction sizes for processing orders back into accounts and not process orders into accounts below the minimum transaction size. Imposition of minimum transaction sizes may cause smaller accounts not to receive any amount of an order and larger accounts to receive their complete order when orders are processed on a pro rata basis. To minimize the impact of minimum transaction sizes, we may process trades at the lowest minimum transaction size necessary to cause all accounts to receive part of a trade. We may vary the minimum transaction size depending on the actual trade being executed, the accounts aggregated in a trade, the manner of execution, and other equitable factors.

Significant administrative difficulties exist in executing transactions in lesser amounts causing hardships for the custodians in timely settlement and payment, tax considerations, income projections, and general administrative burdens. Minimum transaction sizes may be increased because of costs and other factors emanating from account custodians. If the amount of a minimum transaction would be so small that it would provide no material benefit to the client or present difficulty in effecting an advantageous disposition, we may impose higher minimum transaction sizes. Minimum transaction sizes may also be increased during times of more active trading in our accounts and based on investment considerations.

Strategy Accounts. Our trade practices have unique consequences for our strategy accounts. The relative sizes of certain Buffalo Funds and strategy accounts following the particular strategy of the Buffalo Fund are disparate. To the extent these account sizes vary more significantly, different trade consequences, varying performances, and other unforeseen circumstances may result. If we impose minimum transaction sizes in the pro rata processing of a trade back into accounts according to size, the available shares for processing into smaller accounts may be less than the minimum transaction size. Only the larger accounts may receive shares in such a transaction processed on a pro rata basis. Varying execution and performance may result.

We monitor these trade practices for our strategy accounts and modify them as conditions warrant to be in the best interest of clients. We may impose rotational participation and minimum transaction sizes small enough to have all accounts participate, if necessary, in processing orders executed to ensure that all accounts participate on a more equitable basis.

Limited Investment Opportunities. Our clients receive different investments according to their investment needs, objectives, desires, and their risk profiles. In certain instances, an investment opportunity may be limited in availability for clients with similar investment requirements. We endeavor to allocate limited investment opportunities among client accounts fairly over time and based on factors particular to any client account. When making allocations of limited investment opportunities, we consider the client's investment needs, objectives, desires, risk profiles, cash levels, tax considerations, and other holdings in the account. After considering the individual factors associated with client accounts, investment opportunities bearing similar investment characteristics are allocated among client accounts having similar investment requirements in the same manner as any other aggregated trade.

Based on our experience during recent market conditions, we deem initial public offerings inappropriate for most individual client accounts because of their inherent risks, characteristics, and other factors associated with initial public offerings. We place initial public offerings in the Buffalo Funds and certain strategy accounts we manage if an initial public offering fits within a defined investment strategy of a particular Fund or strategy account and is a good investment within the Fund or strategy account. Based on these accounts' relatively larger sizes, flexibility in trading activity, and lesser tax considerations, initial public offerings are deemed appropriate for the Buffalo Funds and certain strategy accounts.

We reevaluate the suitability of initial public offerings for all our clients as market conditions and the nature, characteristics, and risk of initial public offerings may change. If in the best interests of clients, we modify our policies according to then current conditions.

Item 13 – Review of Accounts

Account Reviews

KCM maintains an investment philosophy of long-term investing and not actively trading accounts. Notwithstanding, the client's suitability remains the primary consideration. Some clients may demand shorter-term, income investments, while other investors may be able to bear the risks of a longer market cycle.

Portfolio managers review investment accounts on an ongoing basis as part of prudent management of the accounts. The review is intended to confirm that the investments placed in the accounts are suitable, furthering the client's investment objectives, and are consistent with any client mandates or restrictions placed on the account. At least annually, the portfolio manager must review the information concerning a client's risk tolerances, financial situation, investment experience, and investment objectives that is documented in the Client Relationship Management software ("CRM"). The review should verify that needed information is recorded in the CRM, the information remains accurate considering any changes in the client's situation, and account investments are consistent with the client information. The review and any changes shall be recorded in the CRM. If a client's information has changed, accounts will be reallocated based on the review of any changed client information.

Reports

We deliver quarterly reports that contain information on the investments held in your account, including summary information and individual information as to cost basis, current market value, and performance information. The reports are available on an interim or more frequent basis at your request. You also receive account statements at least quarterly from the custodians for your accounts.

Item 14 – Client Referrals and Other Compensation

We do not receive any economic benefit from anyone other than you for providing investment advice to you. We do not compensate anyone for referring clients to us.

Item 15 – Custody

We may be deemed to have custody of your funds because we directly deduct fees from your accounts, and Great Plains Trust Company's custody is imputed to us as a related person. We follow policies and procedures intended to safeguard your assets.

You will receive account statements for your accounts directly from a qualified custodian, defined as a bank, trust company, broker, or dealer. You should carefully review your account statements received from the qualified custodian and compare them to the account statements you receive from us. Our statements may vary from custodian statements because we report transactions executed as of the trade date and certain custodians report transactions as of the settlement date, and varying ending dates for reporting on statements may exist for statements issued by us and a qualified custodian.

Item 16 – Investment Discretion

We exercise discretionary authority to manage client accounts based on a grant of limited power of attorney contained in our investment management agreement we enter into with you by which you grant us unlimited discretionary authority. In limited and defined circumstances and subject to our prior approval, you may limit your grant of discretionary authority. By doing so and limiting our discretionary authority over your account, the performance of your account may vary from performance of other similarly managed accounts managed without limitations on our discretionary authority.

Item 17 – Voting Client Securities

We have authority to vote proxies of your securities managed by us unless you specifically reserve the right, in writing, to vote your own proxies. When voting proxies, our primary concern is to make decisions in the best interest of our clients which are intended to enhance the economic value of the assets of clients' accounts.

We have established certain policies and procedures for the voting of proxies received by us. The Portfolio Management Teams, under the supervision of the Chief Compliance Officer, are responsible for monitoring that all proxies received are voted (or in certain situations, not voted) according to our policies and procedures, in a timely manner, and in a manner consistent with our determination of the clients' best interests.

When voting proxies, we do so in a timely manner, consider each decision individually, and base our decisions on the general guidelines contained in the proxy policies and procedures. We vote against management proposals not in the shareholders' best interests, which include: issues regarding the issuer's Board entrenchment and anti-takeover measures; provisions providing for cumulative voting rights; and election of directors who sit on more than five boards.

We vote in favor of routine proposals which do not change the structure, bylaws, or operations of the corporation to the detriment of the shareholders. Given the routine nature of these proposals, proxies will normally be voted with management. Traditionally, these issues include election of auditors recommended by management, date and place of annual meeting, ratification of directors' actions on routine matters since the previous annual meeting, responsible Employee Stock Purchase Plans, and establishing reasonable 401(k) plans.

Issues involving director and management mandatory retirement policy, option and stock grants to management and directors, and retirement packages to management and directors will be reviewed on a case-by-case basis. Voting decisions will be made based on the financial interest of our clients.

In certain circumstances, in accordance with a client's investment advisory contract or other written directive, or if we have determined that it is in the client's best interest, we refrain from voting proxies received, such as in the following circumstances: client maintains proxy voting authority; account terminated; limited value to be realized; securities no longer held; lack of information to make informed decision; and unjustifiable costs in relation to value potentially to be realized.

Conflicts. Where a proxy proposal raises a material conflict between our interests and your interests, to the extent we have little or no discretion to deviate from our proxy guidelines with respect to the proposal in question, we shall vote in accordance with such pre-determined voting policy.

To the extent that we have discretion to deviate from our proxy guidelines with respect to the proposal in question, we disclose the conflict to you and obtain your consent to the proposed vote prior to voting the securities. If you do not respond to such a conflict and disclosure request or deny the request, we will abstain from voting the securities held by you.

Proxy Voting Committee. If implementation of the proxy policies and procedures is unclear to the Portfolio Management Team, the Proxy Voting Committee will be consulted and will be responsible for making the final decision on how to proceed.

Copy. A copy of our Proxy Voting Policies and Procedures is available upon written request. Requests should be sent to Chief Compliance Officer, Kornitzer Capital Management, Inc., 5420 W. 61st Place, Mission, Kansas 66205.

Clients may receive copies of proxy voting records by sending a written request to Chief Compliance Officer, Kornitzer Capital Management, Inc., 5420 W. 61st Place, Mission, Kansas 66205.

Item 18 – Financial Information

This item does not apply to our business. Disclosure of financial information is required of some investment advisers who (a) require or solicit prepayment of fees six months or more in advance, (b) have financial conditions that are reasonably likely to impair their ability to meet contractual commitments to clients, or (c) have been the subject of a bankruptcy petition within the past ten years. None of these criteria apply to us.