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MACC PRIVATE EQUITIES INC  
Form DEF 14A  
January 12, 2007

**SCHEDULE 14A INFORMATION**

Proxy Statement Pursuant to Section 14(a)  
of the Securities Exchange Act of 1934

Filed by the Registrant  X   
Filed by a Party other than the Registrant       
Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14A-6(e)(2))
- X  Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to ss.240.14a-12

MACC PRIVATE EQUITIES INC.

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(Name of Registrant as Specified In Its Charter)  
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(Name of Person(s) Filing Proxy Statement if other than  
the Registrant)

Payment of Filing Fee (Check the appropriate box)

- X  No fee required
  - Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11
- 1) Title of each class of securities to which transaction applies:\_\_\_\_\_.
  - 2) Aggregate number of securities to which transaction applies:\_\_\_\_\_.
  - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):\_\_\_\_\_.
  - 4) Proposed maximum aggregate value of transaction:\_\_\_\_\_.
  - 5) Total fee paid:\_\_\_\_\_.

- Fee paid previously with preliminary materials
  - Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- 1) Amount Previously Paid:\_\_\_\_\_.
  - 2) Form, Schedule or Registration Statement No.:\_\_\_\_\_.
  - 3) Filing Party:\_\_\_\_\_.
  - 4) Date Filed:\_\_\_\_\_.

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January 12, 2007

To the Shareholders of MACC Private Equities Inc.:

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The Annual Meeting of Shareholders of our Corporation will be held on Tuesday, February 27, 2007, at 10:00 a.m. Mountain Standard Time at the HMS Host Meeting Room, Terminal 3, Phoenix Sky Harbor International Airport, 3400 E. Sky Harbor Blvd., Phoenix, Arizona 85034.

A Notice of the meeting, a Proxy and Proxy Statement containing information about matters to be acted upon are enclosed. In addition, the MACC Private Equities Inc. Annual Report for the Fiscal Year ended September 30, 2006, is enclosed and provides information regarding the financial results of the Corporation for the year. Holders of Common Stock are entitled to vote at the Annual Meeting on the basis of one vote for each share held. **If you attend the Annual Meeting in February, you retain the right to vote in person even though you previously mailed the enclosed Proxy.**

It is important that your shares be represented at the meeting whether or not you are personally in attendance, and I urge you to review carefully the Proxy Statement and sign, date and return the enclosed Proxy at your earliest convenience. I look forward to meeting you and, together with our Directors and Officers, reporting our activities and discussing the Corporation's business and its prospects. I hope you will be present.

Very truly yours,  
Geoffrey T. Woolley  
Chairman of the Board

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD FEBRUARY 27, 2007**

To the Shareholders of MACC Private Equities Inc.:

**NOTICE IS HEREBY GIVEN** that the Annual Meeting of the Shareholders of MACC Private Equities Inc., a Delaware corporation (the "Corporation"), will be held on Tuesday, February 27, 2007, at 10:00 a.m. Mountain Standard Time at the HMS Host Meeting Room, Terminal 3, Phoenix Sky Harbor International Airport, 3400 E. Sky Harbor Blvd., Phoenix, Arizona 85034, for the following purposes:

1. To elect five directors to serve until the 2008 Annual Shareholders Meeting or until their respective successors shall be elected and qualified;
2. To ratify the appointment of KPMG LLP as independent auditors of the Corporation for fiscal year 2007; and
3. To transact such other business as may properly come before the meeting and any adjournment thereof.

Only holders of Common Stock of the Corporation of record at the close of business on December 29, 2006, will be entitled to notice of, and to vote at, the meeting and any adjournment thereof.

By Order of the Board of Directors  
David R. Schroder, Secretary

**Your Officers and Directors desire that all shareholders be present or**

represented at the Annual Meeting. Even if you plan to attend in person, please date, sign and return the enclosed proxy in the enclosed postage-prepaid envelope at your earliest convenience so that your shares may be voted. If you do attend the meeting in February, you retain the right to vote even though you mailed the enclosed proxy. The proxy must be signed by each registered holder exactly as the stock is registered.

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**PROXY STATEMENT**

**FOR ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD FEBRUARY 27, 2007**

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of MACC Private Equities Inc., a Delaware corporation (the "Corporation"), of proxies to be voted at the Annual Meeting of Shareholders to be held on February 27, 2007, or any adjournment thereof (the "2007 Annual Meeting"). The date on which this Proxy Statement and the enclosed form of proxy are first being sent or given to shareholders of the Corporation is on or about January 12, 2007.

**PURPOSES OF THE MEETING**

The 2007 Annual Meeting is to be held for the purposes of:

(1) electing five persons to serve as Directors of the Corporation to serve until the 2008 Annual Shareholders Meeting or until their respective successors shall be elected and qualified;

(2) ratifying the appointment by the Board of Directors of KPMG LLP as independent auditors of the Corporation for fiscal year 2007; and

(3) transacting such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors unanimously recommends that the shareholders vote FOR the election as Directors of the persons named under ELECTION OF DIRECTORS, and FOR the ratification of the appointment of KPMG LLP as independent auditors.

**VOTING AT THE MEETING**

The record date for holders of Common Stock entitled to notice of, and to vote at, the 2007 Annual Meeting is the close of business on December 29, 2006 (the "Record Date"). As of the Record Date, the Corporation had outstanding and entitled to vote at the 2007 Annual Meeting 2,464,621 shares of Common Stock.

The presence, in person or by proxy, of the holders of a majority of the shares of Common Stock outstanding and entitled to vote at the 2007 Annual Meeting is necessary to constitute a quorum. Abstentions and shares held by brokers, banks, other institutions and nominees that are voted on any matter at the 2007 Annual Meeting are included in determining the presence of a quorum for the transaction of business at the commencement of the 2007 Annual Meeting and on those matters for which the broker, nominee or fiduciary has authority to vote. In deciding all questions, a shareholder shall be entitled to one vote, in person or by proxy, for each share of Common Stock held in the shareholder's name at the close of business on the record date.

To be elected a Director, each nominee under **PROPOSAL 1** must receive the favorable vote of the holders of a plurality of the shares of Common Stock entitled to vote and represented at the 2007 Annual Meeting.

In order to ratify the appointment of KPMG LLP as independent auditors for the Corporation for the fiscal year ending September 30, 2007 under **PROPOSAL 2**, this proposal must receive the favorable vote of a majority of the outstanding shares of Common Stock entitled to vote at the 2007 Annual Meeting.

Each proxy delivered to the Corporation, unless the shareholder otherwise specifies therein, will be voted:

- >> **FOR** the election as Directors of the persons named under **ELECTION OF DIRECTORS--NOMINEES**, and
- >> **FOR** the ratification of the appointment by the Board of Directors of KPMG LLP as independent auditors.

In each case where the shareholder has appropriately specified how the proxy is to be voted, it will be voted in accordance with this specification. As to any other matter or business which may be brought before the meeting, a vote may be cast pursuant to the accompanying proxy in accordance with the judgment of the person or persons voting the same, but neither the Corporation's management nor the Board of Directors knows of any such other matter or business. Any shareholder has the power to revoke his proxy at any time insofar as it is then not exercised by giving notice of such revocation, either personally at the meeting or in writing, to the Secretary of the Corporation or by the execution and delivery to the Corporation of a new proxy dated subsequent to the original proxy.

**PROPOSAL 1**  
**ELECTION OF DIRECTORS**

All Director nominees elected at the 2007 Annual Meeting will serve until the 2008 Annual Meeting of shareholders or until their respective successors shall be elected and qualified. The persons named in the accompanying form of proxy intend to vote such proxy for the election of the nominees named below as Directors of the Corporation to serve until the next Annual Meeting of shareholders or until their respective successors shall be elected and qualified, unless otherwise properly indicated on such proxy. If any nominee shall become unavailable for any reason, the persons named in the accompanying form of proxy are expected to consult with the Board of Directors in voting the shares represented by them at the 2007 Annual Meeting. The Board of Directors has no reason to doubt the availability of any of the nominees and no reason to believe that any of the nominees will be unable or unwilling to serve the entire term for which election is sought.

Proxies may not be voted for more than the five Director nominees set forth below. To be elected a Director, each nominee must receive the favorable vote of the holders of a plurality of the shares of Common Stock entitled to vote and represented at the 2007 Annual Meeting. The names of the nominees, along with certain information concerning them, are set forth below.

**Nominees**

In the chart below, "Interested Director" indicates the director nominee who does not meet the definition of "independent director" provided in the rules applicable to companies listed on the Nasdaq Capital Market. In contrast, "Independent Directors" do meet such qualification. The address for all Director

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nominees is 101 Second Street SE, Suite 800, Cedar Rapids, Iowa 52401. All Director nominees also serve as Directors of MorAmerica Capital Corporation ("MorAmerica"), the Corporation's wholly-owned subsidiary.

**Interested Directors**

Name and Age	Position(s) Held with the Corporation	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolio Funds Completed Overseas Nominations
Goeffrey T. Woolley, 47 (3)	Director and Chairman of the Board	Director since 2003, elected Chairman April, 2004	Executive Chairman, European Venture Partners (founded in 1997 by Mr. Woolley to introduce "venture leasing," an asset-backed debt instrument with equity participation to the European and Israeli markets); director, Dominion Ventures, Inc.; director, BH Thermal Corp.; director, University Opportunity Fund; director, Utah Capital Investment Corporation; Chairman of the board: MorAmerica, Hild Assets, Ltd. and Unitus Equity Fund. Mr. Woolley holds an M.B.A. from the University of Utah and a B.S. in Business Management with a Minor in Economics from Brigham Young University.	One
Benjamin Jiaravanon, 36 (4)	Director	Since February, 2004	Chairman & CEO, Central Proteina Prima (manufacturer of animal, poultry and fish feeds) since 2004; President, Strategic Planning Group, Charoen Pokphand Indonesia (agribusiness conglomerate 2002 - 2004; Associate, Direct Investments Group, Merrill Lynch, 1996 - 2002. Mr. Jiaravanon received his Bachelor of Science degree in industrial management from Carnegie Mellon University.	One

(1) As the Corporation conducts all of its investments through MorAmerica, the Corporation and MorAmerica are deemed one "fund."

(2) "Other Directorships" indicate other U.S. publicly-traded companies.

(3) Because of Mr. Woolley's relationship with the Corporation's former investment advisor, Mr. Woolley would not be an "independent" director, as defined in the applicable listing standards of the Nasdaq Capital Market.

(4) To the extent that Bridgewater International Group, LLC ("Bridgewater") may be deemed to be in control of the Corporation as a result of its beneficial ownership of the Corporation's Common Stock, Mr. Jiaravanon, as the sole manager of Bridgewater, may be an "interested person" of the Corporation, as that term is defined in Section 2(a)(19) of the Investment Company Act.

*Independent Directors*

Name and Age	Position(s) Held with the Corporation	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolio Funds Overseen by Nominee
Gordon J. Roth, 52	Director	Since 2000	CFO and Chief Operating Officer, Roth Capital Partners, LLC (independent investment banking firm specializing in small-cap companies), 2000-present; Chairman, Roth & Company, P.C. (public accounting firm located in Des Moines, Iowa), 1990-2000. Prior to that, Mr. Roth was a partner at Deloitte & Touche, a public accounting firm, in Des Moines.	One
Jasja Kotterman, 37	Director	Since February, 2004	Executive Director, Corporate Strategy and Business Development, Avon Products, 2004-present; Vice President, Strategic Planning and Business Development for Primedia Inc. (diversified media company), 2003-2004; Managing Director, Primedia International (the international development group for Primedia), 2000-2003. Ms. Kotterman holds an M.B.A. from the Wharton School, an M.A. in International Studies from the University of Pennsylvania, and is a graduate of Cambridge University in England, where she received an M.A. in Genetics and an M.Phil. in International Development.	One
Michael W. Dunn, 57	Director	Since 1994	Director, MorAmerica since 1994; C.E.O. since 1980), President and Director (since 1983), Farmers & Merchants Savings Bank of Manchester, Iowa; Vice President and Director, Security Savings Bank of Eagle Grove, Iowa; President and CEO, Dunn Investment Co. (bank holding company).	One

(1) As the Corporation conducts all of its investments through MorAmerica, the Corporation and MorAmerica are deemed one "fund."

(2) "Other Directorships" indicate other U.S. publicly-traded companies.

**Corporation Stock Ownership of Director Nominees**

The following table represents, as of December 12, 2006 and based upon the closing price as reported by NASDAQ on December 11, 2006, the dollar range value of equity securities beneficially owned (as that term is defined in Rule 16a-1(a)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") by each nominee for Director of the Corporation pursuant to this **PROPOSAL 1**. In the table, "Interested Director Nominee" indicates Director nominees who do not meet the definition of "independent director" provided in the rules applicable to companies listed on the Nasdaq Capital Market. In contrast, "Independent Directors" do meet such qualification.

NAME OF INDEPENDENT DIRECTOR NOMINEE	DOLLAR RANGE OF EQUITY SECURITIES IN THE CORPORATION	AGGREGATE DO OF EQUITY SECU FUNDS IN C COMP
Michael W. Dunn	Over \$100,000	Over \$1
Gordon J. Roth	\$10,001 - \$50,000	\$10,001 -
Jasja Kotterman	\$1 - \$10,000	\$1 - \$

  

NAME OF INTERESTED DIRECTOR NOMINEE	DOLLAR RANGE OF EQUITY SECURITIES IN THE CORPORATION	AGGREGATE DO OF EQUITY SECU FUNDS IN C COMP
Geoffrey T. Woolley	Over \$100,000	Over \$1
Benjamin Jiaravanon	Over \$100,000	Over \$1

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 + There are no other funds in the Corporation's complex.

**Certain Relationships and Related Transactions**

Mr. Woolley, a Director nominee and Chairman of the boards of directors of both the Corporation and of MorAmerica, was a Voting Managing Director of Atlas Management Partners, LLC ("Atlas") from March, 2004 until April 2005. Atlas served as the investment adviser to the Corporation and to MorAmerica from March 1, 2004 through April 29, 2005. Mr. Woolley no longer holds any interests in Atlas.

As previously reported, Mr. Woolley entered into an Amended and Restated Convertible Note and Security Agreement with the Corporation on July 20, 2005, which amended and restated the terms of the loan made by Mr. Woolley to the Corporation on March 1, 2004. Under the July 20, 2005 amendment, Mr. Woolley subsequently elected to convert all debt owed by the Corporation to Mr. Woolley into 135,366 shares of the Corporation's Common Stock.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE ELECTION AS DIRECTORS OF THE PERSONS NAMED UNDER "ELECTION OF DIRECTORS--NOMINEES" TO THEIR RESPECTIVE TERMS.**

**PROPOSAL 2  
 RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITORS**

As recommended by the Audit Committee of the Corporation's Board of Directors, on December 13, 2006, a majority of those members of the Board of Directors of the Corporation who are not "interested persons" of the Corporation (as defined in Section 2(a)(19) of the Investment Company Act) voted in favor of the appointment of KPMG LLP to serve as the Corporation's independent auditors for the fiscal year ending September 30, 2007.

The appointment of KPMG LLP as independent auditors is subject to ratification by the shareholders. If the shareholders ratify the selection of

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KPMG LLP as the Corporation's auditors, they will also serve as independent auditors for MorAmerica. A representative of KPMG LLP is expected to be present at the 2007 Annual Meeting with an opportunity to make a statement, and will be available to respond to appropriate questions.

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In order to ratify the appointment of KPMG LLP as independent auditors for the Corporation for the fiscal year ending September 30, 2007, the proposal must receive the favorable vote of a majority of the shares entitled to vote and represented at the 2007 Annual Meeting.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE RATIFICATION OF KPMG LLP AS THE INDEPENDENT AUDITORS FOR THE CORPORATION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2007.**

### OTHER BUSINESS

The Board of Directors knows of no other business to be presented for action at the 2007 Annual Meeting. If any matters do come before the 2007 Annual Meeting on which action can properly be taken, it is intended that the proxies shall vote in accordance with the judgment of the person or persons exercising the authority conferred by the proxy at the 2007 Annual Meeting.

### ADDITIONAL INFORMATION

#### Section 16(a) Beneficial Ownership Reporting Compliance

Pursuant to Section 16(a) of the Exchange Act, officers and directors of the Corporation and persons beneficially owning 10% or more of the Corporation's Common Stock (collectively, "reporting persons") must file reports on Forms 3, 4 and 5 regarding changes in their holdings of the Corporation's equity securities with the Securities and Exchange Commission ("SEC"). Based solely upon a review of copies of these reports sent to the Secretary of the Corporation and/or written representations from reporting persons that no Form 5 was required to be filed with respect to Fiscal Year 2006, the Corporation believes that all Forms 3, 4, and 5 required to be filed by all reporting persons have been properly and timely filed with the SEC.

#### *Common Stock Ownership*

As of December 12, 2006, there were 2,464,621 shares issued and outstanding. The following table sets forth certain information as of December 12, 2006, with respect to the Common Stock ownership of: (i) those persons or groups (as that term is used in Section 13(d)(3) of the Exchange Act who beneficially own more than 5% of the Common Stock, (ii) each Director and nominee for Director of the Corporation, and (iii) all Officers and Directors of the Corporation, nine in number, as a group. Unless otherwise provided, the address of those in the following table is 101 Second Street S.E., Suite 800, Cedar Rapids IA 52401.

<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature Of Beneficial Ownership</u>	<u>Percent of Voting Com</u>
Atlas Management Partners, LLC(1) One South Main Street, Suite 1660, Salt Lake City, Utah 84133	804,689 Shares	32.



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Bridgewater International Group, LLC(1) 10500 South 1300 West, South Jordan, Utah 84095	804,689 Shares	32.
Timothy A. Bridgewater(1) 10500 South 1300 West South Jordan, Utah 84095	809,689 Shares	32.

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<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature Of Beneficial Ownership</u>	<u>Percent of Voting Com</u>
Jasja Kotterman	1,000 Shares	0.0
Michael W. Dunn	40,584 Shares	1.6
Benjamin Jiaravanon(2) Ancol Barat, Jl Ancol VIII, No.1 Jakarta 14430 Indonesia	804,689 Shares	32.
Gordon J. Roth	5,151 Shares	0.2
David R. Schroder(3)	77,416 Shares	3.1
Kevin F. Mullane(3)	11,264 Shares	0.4
Robert A. Comey(3)	57,019 Shares	2.3
Michael Reynoldson(4)	0 Shares	-
Geoffrey T. Woolley	151,314 Shares	6.1
All Officers and Directors as a Group	1,148,437 Shares	46.

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(1) Information with respect to Atlas Management Partners, LLC ("Atlas"), Bridgewater International Group, LLC ("BIG") and Mr. Bridgewater is based upon Amendment No. 1 to Schedule 13D, dated September 30, 2003, as subsequently amended February 13, 2004, April 28, 2005 and April 30, 2005, filed by Atlas, BIG and others with the SEC (collectively, the "Atlas Group 13D"). The Atlas Group 13D disclosed that control over 804,689 shares of Common Stock owned by BIG (the "BIG Shares") is governed by a Shareholder and Voting Agreement dated September 29, 2003 among Atlas, BIG and Kent Madsen (the "Shareholder Agreement"). The term of the Shareholder Agreement extends to March 1, 2010 and may be extended in certain circumstances; however, the Shareholder Agreement may also be terminated at any time by any party.

Under the Shareholder Agreement, BIG appointed Atlas as its limited proxy to vote the BIG Shares, but BIG retains all other incidents of ownership of the stock, including beneficial ownership and dispositive power. The Shareholder Agreement also provides Atlas with certain rights of first refusal respecting the BIG Shares and limits BIG's ability to otherwise dispose of the BIG Shares. Pursuant to a Mutual Release and Waiver of Claims and Termination of Shareholder

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and Voting Agreements among Atlas, BIG and the former managers of Atlas dated April 28, 2005 and filed as part of the Atlas Group 13D, the former managers of Atlas, including Geoffrey Woolley and Kent Madsen, no longer have any interests in Atlas and have no voting rights respecting the BIG Shares.

As a voting Managing Director of Atlas, Mr. Bridgewater has shared control over the voting power granted to Atlas under the Shareholder Agreement respecting the BIG Shares, subject to the parties' rights under the Shareholder Agreement. Mr. Bridgewater also individually owns 5,000 shares of Common Stock.

(2) Information with respect to Mr. Jiaravanon is based upon the Atlas Group 13D. As the sole manager of BIG, Mr. Jiaravanon has shared control over the voting power granted to Atlas under the Shareholder Agreement respecting the BIG Shares, subject to the parties' rights under the Shareholder Agreement. To the extent that BIG may be deemed to be in control of the Corporation as a result of beneficial ownership of the Company's

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Common Stock, Mr. Jiaravanon, as the sole manager of BIG, may be an "interested person" of the Company, as that term is defined in Section 2(a)(19) of the Investment Company Act.

(3) As principals, officers and directors of InvestAmerica Investment Advisors, Inc. ("InvestAmerica"), the investment advisor for the Corporation and MorAmerica, and as officers of the Corporation and of MorAmerica, Messrs. Schroder, Mullane and Comey are "interested persons" of the Corporation, as that term is defined in Section 2(a)(19) of the Investment Company Act.

(4) As an officer of the Corporation and of MorAmerica, and as an officer or director of several companies affiliated with InvestAmerica, Mr. Reynoldson is an "interested person" of the Corporation, as that term is defined in Section 2(a)(19) of the Investment Company Act.

### *Investment Adviser & Certain Business Relationships*

InvestAmerica is the investment advisor to the Corporation pursuant to an Investment Advisory Agreement between the Corporation and InvestAmerica dated July 21, 2005, which was approved by the Corporation's shareholders at its 2005 Annual Shareholders Meeting held on July 19, 2005 (the "MACC Advisory Agreement"). The address of InvestAmerica is 101 Second Street S.E., Suite 800, Cedar Rapids IA 52401.

The MACC Advisory Agreement provides that InvestAmerica is entitled to receive a management fee equal to an annual rate of 1.5% of the Assets Under Management (as defined in the MACC Advisory Agreement), payable monthly in arrears. In addition to the annual management fee of 1.5% of the Assets Under Management, InvestAmerica is entitled to receive an incentive fee (the "MACC Incentive fee") in an amount equal to 13.4% of the Corporation's realized capital gains in excess of realized capital losses of the Corporation after allowance for any unrealized capital losses on the portfolio investments of the Corporation. The MACC Incentive fee is calculated, accrued, and paid on a quarterly basis, subject to adjustment at the end of each fiscal year. Total management fees under the MACC Advisory Agreement amounted to \$726 for the year ended September 30, 2006. There were no MACC Incentive Fees accrued or paid under the MACC Advisory Agreement in 2006.

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MorAmerica has a separate investment advisory agreement (the "MorAmerica Advisory Agreement") with InvestAmerica dated July 21, 2005. MorAmerica pays InvestAmerica, monthly in arrears, a management fee equal to the lesser of 1.5% per annum of the (i) Combined Capital (as defined under the SBA Regulations) or (ii) Assets Under Management (as defined in the MorAmerica Advisory Agreement). These fees are not based upon any of the Corporation's assets managed by InvestAmerica under the MACC Advisory Agreement. In addition, the MorAmerica Advisory Agreement provides that MorAmerica will pay InvestAmerica an incentive fee in an amount equal to 13.4% of the net capital gains, before taxes (the "MorAmerica Incentive Fee"). Net capital gains, as defined in the MorAmerica Advisory Agreement, are calculated as gross realized gains, minus the sum of capital losses, less any unrealized depreciation, including reversals of previously recorded unrealized depreciation, recorded during the year, and net investment losses, if any. Capital losses and realized capital gains are not cumulative under the computation of the MorAmerica Incentive Fee. Payments for MorAmerica Incentive Fee resulting from noncash gains are deferred until the assets are sold. Total management fees (net of management fees waived) under the MorAmerica Advisory Agreement amounted to \$427,034 for the year ended September 30, 2006. The MorAmerica Incentive Fee earned and paid for the year ended September 30, 2006 amounted to \$108,399 and \$0, respectively. Included in the MorAmerica Incentive Fee earned of \$108,399 are approximately \$99,429 of MorAmerica Incentive Fees related to noncash gains which are being deferred.

As a condition to the approval by the United States Small Business Administration (the "SBA") of the MorAmerica Advisory Agreement, the SBA required, and MorAmerica has entered into, a subordination agreement among it, the SBA and InvestAmerica (the "Subordination Agreement") effective July 21, 2005 providing that MorAmerica's payment to InvestAmerica, and InvestAmerica's receipt of, the MorAmerica Incentive Fees be subordinated to MorAmerica's repayment of all obligations owing to the SBA. Those obligations include the repayment of all outstanding SBA debentures and MorAmerica's agreement, along with certain other SBA licensees, to reimburse the SBA for any losses the SBA may incur in connection with the settlement of an arbitration proceeding which was concluded in late 2004 (collectively, the "Obligations"). The Subordination Agreement

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provides that: (i) MorAmerica may not pay InvestAmerica the MorAmerica Incentive Fees unless and until MorAmerica's Obligations to the SBA are satisfied, and (ii) to the extent (A) MorAmerica Incentive Fees have been escrowed under the MorAmerica Advisory Agreement because MorAmerica's capital has been impaired as provided in Section 5.2(c)(ii) of the MorAmerica Advisory Agreement, and (B) MorAmerica is delinquent in repaying the SBA any amounts respecting SBA debentures, the SBA may require MorAmerica to pay any so escrowed funds to the SBA to satisfy any arrearage respecting SBA debentures. The Subordination Agreement does not, however, affect: (i) InvestAmerica's ability to earn the MorAmerica Incentive Fees, (ii) MorAmerica's payment to InvestAmerica of management fees under the MorAmerica Advisory Agreement, or (iii) any other terms of the MorAmerica Advisory Agreement.

Mr. David Schroder, President and Secretary of the Corporation and MorAmerica, is a shareholder of, Director, President and Secretary of InvestAmerica. Mr. Robert A. Comey, Executive Vice President, Chief Financial Officer, Treasurer, Chief Compliance Officer and Assistant Secretary of the Corporation and of MorAmerica, is a Director of and the Executive Vice President, Treasurer and Assistant Secretary of InvestAmerica. Mr. Kevin

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Mullane, Senior Vice President of the Corporation and MorAmerica, is a shareholder and Director of, and the Senior Vice President and Assistant Secretary of InvestAmerica. Mr. Michael H. Reynoldson, Vice President of the Corporation and MorAmerica, is an officer or director of several companies affiliated with InvestAmerica.

*Executive Officers of the Corporation*

As affiliated persons of InvestAmerica, the officers of the Corporation listed in the chart below are "interested persons," as that term is defined in Section 2(a)(19) of the Investment Company Act, of the Corporation. The address for all officers is 101 Second Street SE, Suite 800, Cedar Rapids, Iowa 52401.

The Corporation's officers listed below also serve in similar capacities with MorAmerica and serve in various capacities with the following companies which are under common control with or are affiliated with InvestAmerica: InvestAmerica Venture Group, Inc. (provides management and investment services to a private investment partnership, the Iowa Venture Capital Fund, L.P.); InvestAmerica N.D. Management, Inc. (provides management and investment services to NDSBIC, L.P., a Small Business Investment Company ("SBIC")); InvestAmerica ND, L.L.C. (general partner of NDSBIC, L.P.); InvestAmerica L&C Management, Inc. (provides management and investment services to Lewis & Clark Private Equities, L.P., an SBIC ("Lewis")); InvestAmerica L&C, LLC (general partner of Lewis); InvestAmerica NW Management, Inc. (provides management and investment services to Invest Northwest, L.P. ("NWLP") (private venture capital fund); and InvestAmerica NW, LLC (general partner of NWLP).

As representatives of InvestAmerica and its affiliates, the Corporation's officers listed below also serve on the boards of directors of several of the Corporation's portfolio companies and the portfolio companies of other managed funds.

<b>Name and Age</b>	<b>Position(s) Held with the Corporation</b>	<b>Term of Office and Length of Time Served</b>	<b>Principal Occupation(s) During Past 5 Years</b>	<b>Number of Portfolio Funds Overseen by Officer</b>
David R. Schroder, 63	President and Secretary	Since April, 2005	Chief Compliance Officer and Treasurer of the Corporation, March, 2004-April, 2005; President, Secretary and a Director of the Corporation, 1994-2004. Mr. Schroder also serves as President, Secretary and a Director of InvestAmerica. He received a B.S.F.S. from Georgetown University and an M.B.A. from the University of Wisconsin.	

<b>Name and Age</b>	<b>Position(s) Held with the Corporation</b>	<b>Term of Office and Length of Time Served</b>	<b>Principal Occupation(s) During Past 5 Years</b>	<b>Number of Portfolio Funds Overseen by Officer</b>
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Robert A. Comey, 60	Chief Financial Officer, Executive Vice President, Chief Compliance Officer, Treasurer and Assistant Secretary	Since April, 2005	Chief Financial Officer, Executive Vice President, Treasurer and a Director of the Corporation, 1994-2004; Director of MorAmerica, 1989-2004; Executive Vice President and Assistant Secretary of MorAmerica, 1994-2004; Treasurer of MorAmerica, 1994-April, 2005. Mr. Comey has been the Executive Vice President, Treasurer, Assistant Secretary and a Director of InvestAmerica since 1994. He received an A.B. in Economics from Brown University and an M.B.A. from Fordham University.
Kevin F. Mullane, 51	Senior Vice President	Since April, 2005	Vice President of the Corporation, 1994-1999; Vice President of MorAmerica, 1994-1998; Senior Vice President of the Corporation, 2000-2004; Senior Vice President of MorAmerica, 1999-2004. Mr. Mullane is a Senior Vice President, Assistant Secretary and a Director of InvestAmerica. He received an M.B.A. and an M.S. in Business Administration, Emphasis in Accounting, from Rockhurst Jesuit University.
Michael H. Reynoldson, 41	Vice President	Since April, 2005	Vice President of the Corporation, 2002-2004; Vice President of MorAmerica since 2002. Mr. Reynoldson is Vice President of InvestAmerica. He received an M.B.A. from the University of Iowa and a B.A. in Business Administration from Washington State University.

(1) As the Corporation conducts all of its investments through MorAmerica, the Corporation and MorAmerica are deemed one "fund."

(2) "Other Directorships" indicate other U.S. publicly-traded companies.

### **Meetings and Committees of the Board of Directors**

The Audit Committee, the Corporate Governance/Nominating Committee and the Valuation Committee operated during Fiscal Year 2006 to assist the Board of Directors in carrying out its duties. During Fiscal Year 2006, six meetings of the Board of Directors were held. In addition, five meetings of the Audit Committee, two meetings of the Corporate Governance/Nominating Committee, and one meeting of the Valuation Committee were held. Each of the Directors who are nominated for election at the 2007 Annual Meeting attended at least 75% of the aggregate meetings of the Board of Directors and the meetings held by the committees of the Board of Directors on which each Director served during fiscal year 2006.

The Corporation strongly encourages its Directors to attend all annual meetings, and all Director nominees attended the Corporation's 2006 Annual Meeting of shareholders.

### *Audit Committee*

The Audit Committee makes recommendations to the Board of Directors

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regarding the engagement of the independent auditors for audit and non-audit services; evaluates the independence of the auditors and reviews with the independent auditors the fee, scope and timing of audit and non-audit services. The Audit Committee also is charged with monitoring the Corporation's Policy Against Insider Trading and Prohibited Transactions and its Code of Conduct. The Audit Committee presently consists of Michael W. Dunn (Chair), Jasja Kotterman and Gordon J. Roth. Each member of the Audit Committee is considered "independent" under applicable NASDAQ listing standards and as that term is used in Item 7(d)(3)(iv) of Schedule 14A under the Exchange Act. The Board of Directors has determined that Gordon J. Roth is an Audit Committee financial expert.

### *Corporate Governance/Nominating Committee*

The Corporate Governance/Nominating Committee was appointed by the Board of Directors to identify and recommend approval of all Director nominees to be voted on at the Annual Shareholders' Meetings, to recommend corporate governance guidelines for the Corporation, to lead the Board of Directors in its annual review of the Board's performance, and to recommend to the Board of Directors nominees for each committee of the Board. On December 22, 2003, the Board of Directors approved the Corporate Governance/Nominating Committee Charter, which was subsequently revised on February 28, 2006 and is attached as Appendix A to this Proxy Statement.

The Corporate Governance/Nominating Committee may seek input from other Directors or senior management in identifying candidates. Shareholders may propose nominees for Director by following the procedures set forth in the section of this Proxy Statement entitled "**SHAREHOLDER PROPOSALS FOR 2008 ANNUAL MEETING.**"

The qualifications used in evaluating Director candidates include but are not limited to: independence, time commitments, attendance, business judgment, management, accounting, finance, industry and technology knowledge, as well as, personal and professional ethics, integrity and values. In addition, as set forth in its Charter, the Corporate Governance/Nominating Committee believes that having directors with relevant experience in business and industry, government, finance and other areas is beneficial to the Board of Directors as a whole. The Corporate Governance/Nominating Committee further reviews the qualifications of any candidate in the context of the current composition of the Board of Directors and the needs of the Corporation. The same identifying and evaluating procedures apply to all candidates for director nomination, whether nominated by shareholders or by the Corporate Governance/Nominating Committee. The Corporate Governance/Nominating Committee has approved all of the nominees for Director identified above.

The Corporate Governance/Nominating Committee also: (i) oversees the formulation of, and recommends for adoption to the Board of Directors, a set of corporate governance guidelines; (ii) periodically reviews and reassesses the corporate governance guidelines and recommends appropriate changes to the Board of Directors for approval; (iii) reviews and approves annually the Corporation's compensation program for service on the Board of Directors or any of its committees; (iv) performs an annual assessment of the Board's performance and periodically reports its Board assessments to the Board; (v) annually reviews and assesses its Charter and makes recommendations of appropriate changes to the Board; (vi) performs periodic reviews of all Board committee structure and governance charters; (vii) recommends appropriate changes to Board committee composition and responsibility to the Board; and (viii) reviews any conflicts of interest.

The Corporate Governance/Nominating Committee consists of Jasja Kotterman (Chair), Gordon Roth and Michael Dunn. All members of the Corporate Governance/Nominating Committee are considered "independent" under applicable

NASDAQ listing standards.

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*Investment Committee*

The Investment Committee assists the full Board of Directors with oversight of the Corporation's investment portfolio and evaluates any proposed revisions to the Corporation's investment policy. The Investment Committee also assures compliance with the Corporation's policies regarding investments made in participation with other funds managed by InvestAmerica, with entities controlling, controlled by or under common control with InvestAmerica, and with other affiliates. The voting members of the Investment Committee presently include Michael W. Dunn, Gordon J. Roth, and Jasja Kotterman. All voting members are independent under NASDAQ listing standards. The nonvoting ex officio members are Benjamin Jiaravanon and Geoffrey T. Woolley. The Investment Committee did not hold any meetings in fiscal year 2006.

*Valuation Committee*

At its meeting following the 2006 Annual Shareholders Meeting, the Board of Directors determined that in light of the decrease in the Board's size and other matters, it would discontinue the Valuation Committee's service to the Board. Prior to the 2006 Annual Shareholders Meeting, the Valuation Committee did meet once in fiscal year 2006 for the purpose of assisting the full Board of Directors in valuing the Corporation's portfolio investments.

**Audit Committee Report**

The Audit Committee of the Board of Directors of the Corporation was established as a separately designated committee in accordance with section 3(a)(58)(A) of the Exchange Act and is composed of three directors. It operates under a written charter which was approved by the Board of Directors and subsequently amended by the Audit Committee on February 25, 2003, and is attached as Appendix B to this Proxy Statement. The current members of the Audit Committee are Michael W. Dunn (Chair), Jasja Kotterman and Gordon J. Roth. Under the terms of the charter and the listing standards applicable to companies listed on the Nasdaq Capital Market, all of the Audit Committee members are considered to be independent. Gordon Roth is considered the Audit Committee's financial expert.

Management is responsible for the Corporation's internal controls and the financial reporting process. The independent accountants are responsible for performing an independent audit of the Corporation's consolidated financial statements in accordance with generally accepted auditing standards and to issue a report thereon. The Audit Committee's responsibility is to monitor and oversee these processes.

In this regard, the Audit Committee has reviewed and discussed the audited financial statements for Fiscal Year 2006 with management and discussed other matters related to the audit with the independent auditors. Management represented to the Audit Committee that the Corporation's consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. The Audit Committee met with the independent auditors, with and without management present, and discussed with the independent auditors matters required to be discussed by Statement on Auditing Standards No. 61, as amended (Communication with Audit Committees). The

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independent auditors also provided to the Audit Committee the written disclosures and the letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), and the Audit Committee discussed with the independent auditors the firm's independence.

The Corporation paid KPMG LLP ("KPMG"), the Corporation's independent auditors for fiscal year 2006, the following amounts during fiscal year 2006:

Audit Fees (including quarterly reviews, security counts, and audit of Form 468):  
 Audit-related services  
 Financial Information Systems Design and Implementation:  
 Non-Audit Fees:

\$  
\$

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Preparation of federal and state income tax returns  
 Other tax research, consultation, correspondence and advice

\$  
\$

The Audit Committee has considered whether KPMG has maintained its independence during Fiscal Year 2006.

Based upon the Audit Committee's discussions with management and the independent auditors, and the Audit Committee's review of representations of management and the report of the independent auditors to the Audit Committee, the Audit Committee recommended that the Corporation's Board of Directors include the audited consolidated financial statements in the Corporation's Annual Report on Form 10-K for the year ended September 30, 2006, filed with the SEC.

AUDIT COMMITTEE:  
 Michael W. Dunn, Chair  
 Jasja Kotterman  
 Gordon J. Roth

**Independent Auditor Fees and Services**

The following table presents fees paid for professional services rendered by KPMG for the Fiscal Year 2006 and the fiscal year ending September 30, 2005 ("Fiscal Year 2005"):

Fee Category	Fiscal Year 2006 Fees	Fiscal Year 2005 Fees
Audit Fees	\$67,800	
Audit-Related Fees	-0-	
Tax Fees	\$25,900	
All Other Fees	-0-	
Total Fees	\$93,700	

Audit Fees were for professional services rendered for the audit of the Corporation's consolidated financial statements and review of the interim consolidated financial statements included in quarterly reports and services



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that are normally provided by KPMG in connection with statutory and regulatory filings or engagements and include quarterly reviews, security counts and audit of SBA Form 468.

*Audit-Related Fees* were for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's consolidated financial statements and are not reported under "Audit Fees." These services include accounting consultations in connection with acquisitions, consultations concerning financial accounting and reporting standards.

*Tax Fees* were for professional services for federal, state and international tax compliance, tax advice and tax planning and include preparation of federal and state income tax returns, and other tax research, consultation, correspondence and advice.

*All Other Fees* are for services other than the services reported above. The Corporation did not pay any fees for such other services in Fiscal Year 2005 or Fiscal Year 2004.

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The Audit Committee has concluded the provision of the non-audit services listed above is compatible with maintaining the independence of KPMG. KPMG did not bill the Corporation's investment advisor, InvestAmerica, for any non-audit services in either fiscal year 2006 or fiscal year 2005.

### **Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditors**

The Audit Committee pre-approves all audit and permissible non-audit services provided by the independent auditors. These services may include audit services, audit-related services, tax services and other services. Pre-approval is generally provided for up to one year and any pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget. The independent auditors and management are required to periodically report to the Audit Committee regarding the extent of services provided by the independent auditors in accordance with this pre-approval, and the fees for the services performed to date. The Audit Committee may also pre-approve particular services on a case-by-case basis.

### **Compensation of Directors and Executive Officers**

#### *Compensation Committee*

The Corporation does not have a separate compensation committee utilized to determine the appropriate compensation payable to the Directors due to the size of the Corporation. The Corporate Governance/Nominating Committee, however, is responsible for, among other things, annually reviewing and approving the Corporation's compensation policies, and operates under a Charter attached to this Proxy Statement as Appendix A. The Charter provides that the Corporate Governance/Nominating Committee may form subcommittees and delegate its responsibilities to subcommittees where appropriate. The Corporation's executive officers do not participate in determining or recommending the compensation for the Directors or the executive officers; however, at the time the Compensation Policy discussed below was initially adopted by the Board of Directors, certain of the Corporation's officers did serve on the Board of Directors. Accordingly,

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the Compensation Policy provided that no Director would be compensated by the Corporation if the Director also served as an officer of an investment adviser of the Corporation. The Corporate Governance/Nominating Committee has not engaged consultants to assist it in these determinations.

### *Compensation Committee Interlocks and Insider Participation*

The members of the Corporate Governance/Nominating Committee for Fiscal Year 2006 were Jasja Kotterman (Chair), Gordon Roth and Michael Dunn. All members of the Corporate Governance/Nominating Committee are considered "independent" under applicable NASDAQ listing standards. No members of the Committee have ever served as officers or employees of the Corporation. However, at the time the Compensation Policy was adopted by the Board of Directors, certain of the Corporation's executive officers did serve on the Board of Directors. No executive officers of the Corporation served, during Fiscal Year 2006: (i) on a compensation committee of another entity which had an executive officer serving on the Corporate Governance/Nominating Committee; (ii) as a director of another entity which had an executive officer serving on the Corporate Governance/Nominating Committee; or (iii) as a member of a compensation committee of another entity which had an executive officer who served as a Director of the Corporation.

### *Compensation Committee Report*

The Corporate Governance/Nominating Committee has not reviewed or discussed with the Corporation's management the compensation indicated below under the caption of "Summary Compensation Table" because the Corporation's standing policy is to not compensate executive officers, and because compensation of the Board and its committees is determined only by the Board of Directors and the Corporate Governance/Nominating Committee.

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The Corporate Governance/Nominating Committee did recommend to the Board of Directors that the information provided below under the caption "Summary Compensation Table" be included in this Proxy Statement.

CORPORATE GOVERNANCE /  
NOMINATING COMMITTEE:  
Jasja Kotterman, Chair  
Gordon J. Roth  
Michael W. Dunn

### *Compensation of Directors*

From February 2004 through July 18, 2006, the compensation of the Corporation's Directors was governed by a compensation policy adopted via resolution of the Board of Directors on February 24, 2004 (the "Compensation Policy"). The Compensation Policy provided that: (i) Directors of the Corporation and of MorAmerica who are also officers or directors of any investment advisor of either the Corporation or of MorAmerica receive no compensation for serving on the Boards of Directors of the Corporation and of MorAmerica, (except that this policy does not apply to the Chairman of the Board); (ii) the Chairman of the Board receives an annual retainer of \$21,600; (iii) all other outside Directors receive an annual retainer of \$7,200; (iv) the Chairman of the Board and all other outside Directors receive \$1,000 for each Board of Directors meeting attended (whether such attendance is in person or by

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telephone) if the meeting is scheduled as an in-person meeting and \$250 for each Board of Directors meeting attended by telephone if the meeting is scheduled to be held by teleconference; (v) the Chairman of the Board and all other Directors receive \$250 for each committee meeting attended (whether such attendance is in person or by telephone) if the committee meeting is scheduled as an in-person meeting and \$100 for each committee meeting attended by telephone if the meeting is scheduled to be held by teleconference; (vi) the Directors do not receive separate compensation for serving on the Board of Directors of MorAmerica; and (vii) the Corporation reimburses all reasonable expenses of the Directors and the Chairman of the Board in attending Board of Directors and committee meetings. Directors' meetings are normally held on a quarterly basis, with additional meetings held as needed. All Director compensation is payable quarterly, in arrears.

On June 9, 2006, the Corporate Governance/Nominating Committee recommended to the full Board of Directors that, in light of the Board's smaller size and resulting increase in the time the Directors must devote to the Corporation's oversight, the Compensation Policy be amended as follows: (i) the annual retainer paid to the Chairman of the Board be increased from \$21,600 to \$24,000; (ii) the annual retainer paid to the outside Directors be increased from \$7,200 to \$8,000; (iii) the attendance fees payable to Directors for teleconference Board meetings be increased from \$250 to \$500 per meeting; and (iv) the attendance fees payable to Directors for teleconference committee meetings be increased from \$100 to \$250 per meeting (collectively, the "Compensation Policy Revisions"). The Corporate Governance/Nominating Committee also recommended that all other components of the Compensation Policy remain in effect. The full Board of Directors approved the Compensation Policy Revisions on July 18, 2006, which are effective for all Board and committee meetings beginning July 18, 2006.

### *Summary Compensation Table*

The following table sets forth the details of the compensation paid to Directors during Fiscal Year 2006, which includes compensation for serving on the Boards of Directors of the Corporation and MorAmerica Capital (the only wholly owned subsidiary of the Corporation). The Corporation does not compensate its executive officers. For purposes of the following table, the Fund Complex (as that term is defined in Item 22(a)(1)(v) of Reg. ss.240.14a-101 adopted under the Exchange Act) consists solely of the Corporation and MorAmerica. The Corporation presently maintains no pension or retirement plans for its Directors.

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<u>Name and Position</u>	<u>Aggregate Compensation From Corporation and Fund Complex(1)</u>
Geoffrey T. Woolley Chairman of the Board	\$22,200
Benjamin Jiaravanon, Director	\$0
Jasja De Smedt Kotterman, Director	\$10,650
Michael W. Dunn, Director	\$11,550
Gordon J. Roth, Director	\$11,800

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Paul M. Bass, Jr.(2)	\$5,650
Martin Walton(3)	\$5,100

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(1) Consists only of directors' fees and does not include reimbursed expenses. The Corporation presently maintains no pension or retirement plans for its Directors.

(2) Mr. Bass did not seek re-election at the 2006 Annual Meeting.

(3) Mr. Walton did not seek re-election at the 2006 Annual Meeting.

### *Compensation of Executive Officers*

The Corporation has no employees and does not pay any compensation to any of its officers. The Corporation has not compensated its executive officers in any of the last three fiscal years. The Corporation does not provide any of bonus, stock options, stock appreciation rights, non-equity incentive plans, non-qualified deferred compensation or pension benefits to its executive officers. Further, the Corporation has no agreements with any officer pertaining to change in control payments. All of the Corporation's officers and staff are employed by InvestAmerica Investment Advisors, Inc., which pays all of their cash compensation.

### **Performance Graph**

The following graph compares the semi-annual percentage change in cumulative stockholder return on the Common Stock of the Corporation since September 30, 2001, with the cumulative total return over the same period of (i) the NASDAQ Stock Market Total Return Index (U.S. Companies), and (ii) the Corporation's peer group selected in good faith by the Corporation and which it composed of the following eleven business development companies or other funds known by the Corporation to have similar investment objectives to the Corporation: Ares Capital Corporation (ARCC), Brantley Capital Corporation (BBDC), Capital Southwest Corp (CSWC), Equus Total Return Inc. (EQS), Gladstone Investment Corporation (GAIN), Harris & Harris Group, Inc. (TINY), MVC Capital (MVC), NGP Capital Resources Company (NGPC), Rand Capital Corp (RAND), and Winfield Capital Corp (WCAP) (the "Peer Group").

In the graph, the comparison assumes \$100 was invested on October 1, 2001, in shares of the Corporation's Common Stock and in each of the indices. The comparison is based upon the closing market bid price for shares of the Corporation's Common Stock, and assumes the reinvestment of all dividends, if any. The returns of each of the companies in the Peer Group are weighted according to the respective company's stock market capitalization at the beginning of each period for which a return is indicated.

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### **SHAREHOLDER PROPOSALS FOR 2008 ANNUAL MEETING**

Under the rules of the SEC, any shareholder proposal to be considered by the Corporation for inclusion in the proxy material for the February, 2008 Annual Meeting of shareholders must be received by the Secretary of the Corporation, 101 Second Street, S.E., Suite 800, Cedar Rapids, Iowa 52401, no

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later than September 16, 2007. The submission of a proposal does not guarantee its inclusion in the proxy statement or presentation at the annual meeting unless certain securities laws requirements are met.

In addition, under the Corporation's Amended and Restated Bylaws, shareholders desiring to nominate persons for election as Directors or to propose other business for consideration at an annual meeting must notify the Secretary of the Corporation in writing not less than 60 days, nor more than 90 days, prior to the date on which the Corporation first mailed its proxy materials for the prior year's annual meeting. Accordingly, shareholders desiring to submit a proposal for consideration at the 2008 Annual Meeting of shareholders must give written notice of the proposal to the Secretary of the Corporation not earlier than October 15, 2007, and not later than November 14, 2007. The Corporation's proxies will have discretionary authority to vote with respect to any shareholder proposal that may be presented at an annual meeting which does not comply with these notice requirements. Shareholders' notices must contain the specific information set forth in the Corporation's Amended and Restated Bylaws. A copy of the Corporation's Amended and Restated Bylaws will be furnished to shareholders without charge upon written request to the Secretary of the Corporation.

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### SHAREHOLDER COMMUNICATION

Pursuant to the policy adopted by the Board of Directors on February 28, 2006, any shareholder wishing to communicate with any of the Corporation's Directors regarding matters related to the Corporation may provide correspondence to the Director in care of Secretary, MACC Private Equities Inc., 101 Second Street S.E., Suite 800, Cedar Rapids IA 52401. The Chairman of the Corporate Governance/Nominating Committee will review and determine the appropriate response to questions from shareholders, including whether to forward communications to individual Directors. The independent members of the Board of Directors review and approve the shareholder's communication process periodically to ensure effective communication with the shareholders.

### EXPENSES OF SOLICITATION OF PROXIES

In addition to the use of the mails, proxies may be solicited by personal interview and telephone by directors, officers and other employees of the Corporation, who will not receive additional compensation for such services. The Corporation has employed Mellon Investor Services, LLC ("Mellon") to aid in the solicitation of proxies at an estimated fee of \$5,000. The Corporation's agreement with Mellon to solicit proxies generally provides that Mellon will: (i) assist the Corporation in its planning and organization of proxy solicitation matters, (ii) establish communications with banks, brokers and other parties for purposes of the solicitation, (iii) disseminate all proxy materials in a timely manner, (iv) solicit and collect proxies according to Mellon's calling and reporting procedures.

The Corporation will also request brokerage houses, nominees, custodians and fiduciaries to forward soliciting materials to the beneficial owners of stock held of record by them and will reimburse such persons for forwarding materials. The cost of soliciting proxies will be borne by the Corporation.

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**PERIODIC REPORTS**

The Corporation's financial statements and related financial information required by Item 13(a) of Schedule 14A are incorporated herein by this reference to the Corporation's Annual Report to Shareholders for its fiscal year ended September 30, 2006 (the "Annual Report"). The Annual Report accompanies this proxy statement, but is not deemed a part of the proxy soliciting material, except to the extent that portions thereof have been incorporated herein pursuant to the preceding sentence.

A copy of the Fiscal Year 2006 Form 10-K report to the SEC, excluding exhibits, will be mailed to shareholders without charge upon written request to Secretary, MACC Private Equities Inc., 101 Second Street, S.E., Suite 800, Cedar Rapids, Iowa 52401 or by calling (319) 363-8249. Such requests must set forth a good faith representation that the requesting party was either a holder of record or a beneficial owner of Common Stock of the Corporation on December 29, 2006. Exhibits to the Form 10-K will be mailed upon similar request and payment of specified fees.

Please date, sign and return the proxy at your earliest convenience in the enclosed envelope. No postage is required for mailing in the United States. A prompt return of your proxy will be appreciated as it will save the expense of further mailings and telephone solicitations.

By Order of the Board of Directors  
David R. Schroder  
Secretary

Cedar Rapids, Iowa  
January 12, 2007

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**Appendix A**

**MACC PRIVATE EQUITIES INC.  
MORAMERICA CAPITAL CORPORATION**

**CORPORATE GOVERNANCE/NOMINATING  
COMMITTEE CHARTER**

**Purpose**

The Corporate Governance/Nominating Committee (the "Committee") is appointed by the Board of Directors (the "Board") of MACC Private Equities Inc. (the "Company"): (1) to identify individuals qualified to become Board members, and to recommend to the Board persons to fill Board vacancies or to stand for

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election by shareholders; (2) to recommend to the Board corporate governance guidelines applicable to the Company; (3) to lead the Board in its annual review of the Board's performance; and (4) to recommend to the Board nominees for each Board committee. Because the Board members also serve on the board of directors for the Company's wholly-owned subsidiary, MorAmerica Capital Corporation ("MorAmerica"), the Committee's actions will also apply to and be used by MorAmerica's board of directors to the extent applicable.

### **Committee Membership**

The Committee shall consist of no fewer than two members who shall meet the independence requirements of the NASDAQ Stock Market and shall be persons who are not "interested persons" of the Company under applicable rules of the Securities and Exchange Commission.

The members of the Committee shall be appointed and may be replaced by the Board at any time. The Committee chairperson shall be designated by the Board, or if the Board chooses not to do so, by a majority vote of the Committee.

### **Meetings**

The Committee shall meet at least once a year, and more frequently as circumstances dictate. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The Committee will maintain written minutes of its meetings, which minutes will be filed with the Secretary of the Company.

The Committee will report to the Board regarding recommendations of the Committee submitted to the Board for action, and provide the Board copies of the minutes of its meetings.

### **Committee Authority and Responsibilities**

1. The Committee shall have the sole authority to retain and terminate any search firm to identify director candidates and shall have sole authority to approve the search firm's fees and other retention terms. The Committee shall also have authority to access Company resources and to obtain advice and assistance from internal or external legal, accounting or other advisors.
2. Each year, the Committee shall implement and follow a process designed to seek individuals qualified to become board members for recommendation to the Board and shall consider the re-election of existing directors. The Committee believes that having directors with relevant experience in business and industry, government, finance and other areas is beneficial to the Board as a whole. Directors with such backgrounds can provide a useful perspective on significant risks and competitive advantages and an understanding of the challenges the Company faces. The Committee shall monitor the mix of skills and experience of its directors

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and committee members in order to assess whether the Board has the appropriate tools to perform its oversight function effectively.

3. Taking this into account, for each year's nominations the Committee will take the following steps:

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- a. With respect to nominating existing directors, the Committee will review relevant information available to it, including the latest Board evaluations for such persons, if any, and assess their continued ability and willingness to serve as a director. The Committee will also assess such persons' contributions in light of the mix of skills and experience the Committee has deemed appropriate for the Board.
- b. With respect to nominations of new directors, the Committee will conduct a thorough search to identify candidates based upon criteria the Committee deems appropriate and considering the mix of skills and experience necessary to complement existing Board members. The Committee will then review selected candidates and make a recommendation to the Board. The Committee may seek input from other Board members or senior management in identifying candidates.

The Committee will consider nominations for the Board by stockholders the same way it evaluates other individuals for nomination as a new director. Such nominations must be made in accordance with the Company's Bylaws to be considered.

4. The Committee shall perform an annual assessment of the Board's performance. In addition, the Committee shall solicit and receive comments from all directors, assess each director's performance and periodically, but not less often than every three (3) years, report to the Board with an assessment of the director's performance, to be discussed with the full Board at the first Board meeting following the completion of such assessment.
5. The Committee shall oversee the formulation of, and shall recommend for adoption to the Board, a set of Corporate Governance Guidelines. The Committee shall periodically review and reassess the Corporate Governance Guidelines of the Company and recommend appropriate changes to the Board for approval.
6. The Committee may form and delegate authority to subcommittees when appropriate.
7. The Committee shall review and approve annually the Company's compensation program for service on the Board or any of its committees.
8. The Committee shall review and reassess this Charter annually and recommend any appropriate changes to the Board for approval. The Committee shall annually review its own performance.
9. The Committee shall perform a periodic review of all Board committees' structure and governance charters to assess the need for any modifications or updates. In addition, the Committee shall make recommendations to the Board regarding the composition and responsibility of the Board committees.
10. The Committee shall review all conflicts of interest which may arise from time to time regarding members of the Board or executive officers and review and approve all related party transactions which would require disclosure in the Company's proxy statement.

Adopted by the Board of Directors of  
MACC Private Equities Inc. and  
MorAmerica Capital Corporation



December 22, 2003

Revised February 28, 2006

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**Appendix B**  
**MACC PRIVATE EQUITIES INC.**  
**MORAMERICA CAPITAL CORPORATION**

**AUDIT COMMITTEE CHARTER**

I. ORGANIZATION

There shall be a committee of the Board of Directors to be known as the Audit Committee. The Audit Committee shall consist of three or more directors, as determined by the Board of Directors, each of whom shall not be an officer or employee of the MACC Private Equities Inc. (the "Company") or any of its affiliates, but shall be independent of the management of the Company and free of any relationship that, in the opinion of the Board of Directors, would interfere with his or her exercise of independent judgment as an Audit Committee member.(1)

All members of the Audit Committee shall be able to read and understand fundamental financial statements, including a company's balance sheet, income statement, and cash flow statement, and at least one member of the Audit Committee shall be an "audit committee financial expert," as that term is defined in rules promulgated by the Securities and Exchange Commission ("SEC").

The members of the Audit Committee shall be elected by the Board of Directors at the annual meeting of the Board of Directors to serve a term of one year or until their successors shall be duly elected and qualified. The Board of Directors will appoint a Chair to preside at the Audit Committee meetings and schedule meetings as appropriate. The Board of Directors shall make the determination as to (a) the independence of each member of the Audit Committee; and (b) which member(s) of the Audit Committee qualify as an "audit committee financial expert."

A. Definition of Independence

The following persons are not considered independent:

- (1) a director who is employed by the Company or any of its affiliates for the current year or any of the past three years;

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(1) Prior to the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley"), NASDAQ rules contained an exemption to the independence standards under "exceptional and limited circumstances." Following Sarbanes-Oxley and SEC proposed rules, there are no longer any exceptions to the requirement that the entire Audit Committee be independent. See Securities and Exchange Act of 1934 ss. 10A(m), as amended by Sarbanes-Oxley; Proposed Rule: Standards Relating to Listed Company

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Audit Committees, Exchange Act Release No. 34-47137 (Feb. 18, 2003) (rule to become effective by April 26, 2003 and new requirements to become operative no later than the first anniversary of the publication of the final rule in the Federal Register).

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- (2) a director who accepts any consulting, advisory or other compensatory fee from the Company or any of its affiliates, other than compensation for board or committee service;(2)
  - (3) a director who is any member of the family of an individual who is, or has been in any of the past three years, employed by the Company or any of its affiliates as an executive officer;(3)
  - (4) a director who is a partner in, or a controlling stockholder or an executive officer of, any for-profit business organization to which the Company made, or from which the Company received, payments (other than those arising solely from investments in the Company's securities) that exceed 5% of the Company's or business organization's consolidated gross revenues for that year, or \$200,000, whichever is more, in any of the past three years;
  - (5) a director who is employed as an executive of another entity where any of the Company's executives serve on that entity's compensation committee;
  - (6) a director who owns or controls 20% or more of voting stock of the Company;(4) or
  - (7) a director who is an "interested person" of the Company as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the "1940 Act").(5)

### B. Definition of "Audit Committee Financial Expert"(6)

An "audit committee financial expert" is a person who has, through education and experience as a public accountant or auditor or a principal financial officer, controller, or principal accounting officer of a company that, at the time the person held such position, was required to file reports pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or experience in one or more positions that involve the performance of similar functions (or that results, in the judgment of the Company's Board of Directors, in the person's having similar expertise and experience), the following attributes:

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(2) See Proposed Rule: Standards Relating to Listed Company Audit Committees, Exchange Act Release No. 34-47137 (Feb. 18, 2003) (rule to become effective by April 26, 2003 and new requirements to become operative no later than the first anniversary of the publication of the final rule in the Federal Register).

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(3) See NASDAQ Corporate Governance Proposal (Nov. 20, 2002) (the proposed rule would broaden its scope to encompass any family member instead of only immediate family members.

(4) *Id.*

(5) See Proposed Rule: Standards Relating to Listed Company Audit Committees, Exchange Act Release No. 34-47137 (Feb. 18, 2003) (rule to become effective by April 26, 2003 and new requirements to become operative no later than the first anniversary of the publication of the final rule in the Federal Register).

(6) See Final Rule: Disclosure Required by Sections 406 and 407 of the Sarbanes-Oxley Act of 2002, 1933 Act Release No. 33-8177 (Jan. 24, 2003) (effective date: March 3, 2003).

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- (1) an understanding of generally accepted accounting principles and financial statements;
  - (2) experience applying such generally accepted accounting principles in connection with the accounting for estimates, accruals and reserves that are generally comparable to the estimates, accruals and reserves, if any, used in the Company's financial statements;
  - (3) experience preparing or auditing financial statements that present accounting issues that are generally comparable to those raised by the Company's financial statements;
  - (4) experience with internal controls and procedures for financial reporting; and
  - (5) an understanding of audit committee functions.

### II. PURPOSE

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to any governmental body or the public; the Company's systems of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board of Directors has established; and the Company's auditing, accounting and financial reporting processes generally. Consistent with this function, the Audit Committee should encourage continuous improvement of, and should foster compliance with, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are as follows:

To serve as an independent and objective party to monitor the Company's financial reporting process and internal control system.

To review and appraise the audit efforts of the Company's independent auditors and management of the Company.

To provide an open avenue of communication among the independent auditors, financial and senior management, employees(7) and the Board

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of Directors.

The Audit Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter.

### III. MEETINGS

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(7) Under SEC proposed rules, it is imperative for the Audit Committee to cultivate open and effective channels of information about the Company's financial reporting process among not only management, but also employees. See Proposed Rule: Standards Relating to Listed Company Audit Committees, Exchange Act Release No. 34-47137 (Feb. 18, 2003) (rule to become effective by April 26, 2003 and new requirements to become operative no later than the first anniversary of the publication of the final rule in the Federal Register).

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The Audit Committee shall meet regularly as determined by the members of the Audit Committee or as directed by the Board of Directors. The Chair of the Audit Committee shall prepare or approve an agenda in advance of each meeting. The President, Chief Financial Officer, outside legal counsel, and a representative from the independent auditors may be invited to all meetings. Other management may be invited as necessary. Non-committee members may be excused from attendance at any meeting or portion of any meeting by the Chair.

As part of its job to foster open communication, the Audit Committee should meet at least annually with management and the independent auditors in separate executive sessions to discuss any matter that the Audit Committee or each of these groups believes should be discussed privately. In addition, the Audit Committee or its Chair should meet with the independent auditors and management quarterly to review the Company's financial statements and significant findings based upon the auditor's limited review procedures.

### IV. AUTHORITY AND RESPONSIBILITIES

The Audit Committee shall be solely responsible<sup>(8)</sup> for the retention, compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.

The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors.<sup>(9)</sup> The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Audit Committee.

To fulfill its duties and responsibilities the Audit Committee shall:

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### Review Procedures

1. Review and reassess the adequacy of this Charter at least annually and recommend any proposed changes to the Board of Directors for approval.

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(8) See Proposed Rule: Standards Relating to Listed Company Audit Committees, Exchange Act Release No. 34-47137 (Feb. 18, 2003) (rule to become effective by April 26, 2003 and new requirements to become operative no later than the first anniversary of the publication of the final rule in the Federal Register) (Because Section 32(a) of the Investment Company Act currently requires that independent auditors of registered investment companies be selected by a majority of disinterested directors, this rule exempts registered investment companies from the requirement that the Audit Committee be solely responsible for the selection of independent auditors.

- (9) See *id.*

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2. Review the Company's audited financial statements prior to the release of year-end earnings and/or the Company's financial statement and prior to filing the Company's Annual Report on Form 10-K.
  3. Review the Company's quarterly financial results prior to the release of quarterly earnings and/or the Company's financial statement and prior to filing the Company's Quarterly Report on Form 10-Q.
  4. Review, as appropriate, any other material financial information submitted to any governmental or public body, including any certification, report, opinion, or review rendered by the independent auditors.

### Independent Auditors

5. The independent auditors are ultimately accountable to the Audit Committee and the Board of Directors, as representatives of the Company's stockholders. The Audit Committee and the Board of Directors have the ultimate authority and responsibility to select the independent auditors and the Audit Committee has the ultimate responsibility to evaluate and, where appropriate, replace the independent auditors (or to nominate the independent auditors to be proposed for stockholder approval in any proxy statement).(10)
6. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company. Evaluate the qualifications, performance and independence of the independent auditor, including

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considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors. The Audit Committee shall present its conclusions to the Board.(11)

7. Pre-approve any non-audit services that are permitted under the Exchange Act and SEC rules.(12)

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(10) See *id.*

(11) See Final Rule: Strengthening the Commission's Requirements Regarding Auditor Independence, 1933 Act Release No. 33-8183 (Effective Date: May 6, 2003) (requiring the independent auditor to prepare such reports).

(12) See *id.*

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8. Ensure receipt from the independent auditors of a formal written statement delineating all relationships between the auditor and the Company, consistent with Independence Standards Board Standard No. 1.
  9. Actively engage in dialogue with the independent auditors and legal counsel with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors.
  10. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the independent auditors.
  11. Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company.(13)
  12. Approve, where appropriate, fees and other significant compensation to be paid to the independent auditors.
  13. Meet with the independent auditors to review the scope of the proposed audit for the current year, the audit procedures to be utilized, the location, reliance on management, and staffing for the audit.
  14. Following each audit by the independent auditors, obtain from the independent auditors assurance that Section 10A of the Exchange Act has not been implicated.
  15. In connection with the Company's year-end financials, discuss with financial management and the independent auditors significant issues regarding accounting principles, practices and judgments and any items required to be communicated by the independent auditors in accordance with Statement on Accounting Standards No. 61.
  16. In connection with the Company's interim financials, discuss with

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financial management and independent auditors any significant changes to the Company's accounting principles and any items required to be communicated by the independent auditors in accordance with Statement on Accounting Standards No. 71. The Chair of the Audit Committee may represent the entire Audit Committee for purposes of the quarterly review and communication.

17. Consider and approve, if appropriate, significant changes to the Company's auditing and accounting principles and practices as suggested by the independent auditors or management.

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(13) See *id.* (prohibiting any person who was employed by the independent auditor and who participated in any capacity in the audit of the Company during the preceding one-year period from being a chief executive officer, controller, chief financial officer, chief accounting officer, or serving in an equivalent position in the Company.).

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18. Ensure the rotation of the audit partners as required by law. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.(14)

### Improvement Process

19. Meet periodically with management to review the Company's major financial risk exposure and the steps management has taken to monitor and control such exposures.

### Proxy Statement

20. Approve the report of the Audit Committee required by the rules of the SEC to be included in the Company's annual proxy statement.
21. Oversee the publication of this Charter, following amendment, and, in any event, at least every three years, in the Company's annual proxy statement in accordance with SEC regulations.

### Ethical Compliance

22. Establish, review and update periodically the Company's Code of Ethics(15) and Policy Against Insider Trading and Prohibited Transactions ("Insider Trading Policy"). The effectiveness of Code of Ethics and Insider Trading Policy shall be reviewed annually by the Audit Committee, with a report thereafter by the Audit Committee to the Board of Directors. The report shall include any recommendations for proposed changes to the Code of Ethics and Insider Trading Policy which the Audit Committee believes are reasonably necessary to ensure high ethical conduct by the Company's chief executive and senior financial officers and to prevent fraudulent, deceptive, misleading or manipulative acts by "Access Persons" as that term is defined in the Insider Trading Policy.

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23. Review management's monitoring of the Company's compliance with the Insider Trading Policy or any other potential conflict of interest situations arising in respect of the Company's affairs and involving the Company's investment adviser, affiliates and employees.

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(14) *See id.* (The Sarbanes-Oxley Act requires rotation of certain audit partners on a five-year basis in order to continue to provide audit services for a registrant.).

(15) Under SEC final rules, the Company is required to disclose whether it has a Code of Ethics applicable to the chief executive and senior financial officers; if the Company has not adopted such Code of Ethics, it must disclose why it has not done so. See Final Rule: Disclosure Required by Sections 406 and 407 of the Sarbanes-Oxley Act of 2002, 1933 Act Release No. 33-8177 (Jan. 24, 2003) (effective date: March 3, 2003).

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### Procedures for Handling Complaints(16)

24. Establish procedures for the receipt, retention and treatment of (a) complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### Miscellaneous

25. Review with the Company's general counsel legal matters that may have a material impact on the financial statements, the Company's compliance policies related to financial matters or the Insider Trading Policy and any material reports or inquiries related to financial matters that are received from regulators or governmental agencies.
26. At each meeting of the Audit Committee, the Audit Committee shall review all invoices for payment of fees and expenses to the Company's investment adviser together with any related records requested by the Audit Committee from time to time.
27. The Audit Committee shall oversee the maintenance of investments in compliance with Section 17(f) of the 1940 Act. The Chair shall have the responsibility to review the documentation required in connection with the deposit or withdrawal of the Company's securities or similar investments by persons authorized by the Board of Directors to have access to such securities.
28. The Audit Committee is authorized to review, from time to time, in the Committee's discretion, electronic data processing procedures and controls, policies and procedures regarding expenses and use of corporate assets.



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29. The Audit Committee shall review and approve any changes to the Disclosure Committee Charter, the Disclosure Policy and the Internal Control Policy proposed by the Disclosure Committee of the Company.
30. Periodically conduct a self-assessment of the Audit Committee's performance.
31. Perform any other activities consistent with this Charter, the Company's Bylaws and governing law, as the Audit Committee or the Board of Directors deems necessary or appropriate.

### LIMITATION OF AUDIT COMMITTEE'S ROLE

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(16) This section addresses the "whistleblower" requirements of Sarbanes-Oxley and SEC proposed rules. See Proposed Rule: Standards Relating to Listed Company Audit Committees, Exchange Act Release No. 34-47137 (Feb. 18, 2003) (rule to become effective by April 26, 2003 and new requirements to become operative no later than the first anniversary of the publication of the final rule in the Federal Register).

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While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. These are the responsibilities of management and the independent auditors. Nor is it the duty of the Audit Committee to assure compliance with laws and regulations, the Code of Ethics and the Insider Trading Policy.

As amended on February 25, 2003

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