

**ADV Form 342**

**Dreman Value  
Management, LLC  
ADV Part II, Privacy and  
Proxy Policies  
As of 03/25/2010**

# FORM ADV

## Uniform Application for Investment Adviser Registration

### Part II – Page 1

**Name of Investor Adviser:**

Dreman Value Management, L.L.C.

**Address: (Number and Street) (City) (State) (Zip Code) Telephone Number:**

777 South Flagler Dr.  
Suite 800 – West Tower West Palm Beach FL 33401 1-800-952-6667

This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

**FORM ADV  
Part II – Page 2**

Applicant:  
Dreman Value Management L.L.C.

SEC File Number:  
801-54255

Date:  
03/25/2010

1. A. Advisory Services and Fees, (check the applicable boxes)

For each type of service provided, state the approximate % total advisory billings from that service. (See instruction below)

- Applicant:
- (1) Provides investment supervisory services..... %
  - (2) Manages investment advisory accounts not involving investment supervisory services. .... 97 %
  - (3) Furnishes investment advice through consultations not included in either service described above..... %
  - (4) Issues periodicals about securities by subscription..... %
  - (5) Issues special reports about securities not included in any service described above..... %
  - (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities..... %
  - (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities..... %
  - (8) Provides a timing service..... %
  - (9) Furnishes advice about securities in any matter not described above..... 3 %

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentage are estimates.)

- B. Does applicant call any of the services it checked above financial planning or some similar term?.....  Yes  No

C. Applicant offers investment advisory services for: (check all that apply)

- (1) A percentage of assets under management
- (2) Hourly charges
- (3) Fixed fees (not including subscription fees)
- (4) Subscription fees
- (5) Commissions
- (6) Other

D. For each checked box in A above, describe on Schedule F:

- the service provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule how fees charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients – Applicant generally provides investment advice to: (check those that apply)

- A. Individuals
- B. Bank or thrift institutions
- C. Investment companies
- D. Pension and profit sharing plans
- E. Trusts, estates, or charitable organizations
- F. Corporations or business entities other than those listed above
- G. Other (describe on Schedule F)

**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- A. Equity securities
- (1) exchange-listed securities
  - (2) securities traded over-the-counter
  - (3) foreign securities
- B. Warrants
- C. Corporate debt securities (other than commercial paper)
- D. Commercial paper
- E. Certificates of deposit
- F. Municipal securities
- G. Investment company securities:
- (1) variable life insurance
  - (2) variable annuities
  - (3) mutual fund shares
- H. United States government securities
- I. Options contracts on:
- (1) securities
  - (2) commodities
- J. Futures contracts on:
- (1) tangibles
  - (2) intangibles
- K. Interests in partnerships investing in:
- (1) real estate
  - (2) oil and gas interests
  - (3) other (explain on Schedule F)
- L. Other (explain on Schedule F)

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- (1)  Charting
- (2)  Fundamental
- (3)  Technical
- (4)  Cyclical
- (5)  Other (explain on Schedule F)

B. The main sources of information applicant uses include: (check those that apply)

- (1)  Financial newspapers and magazines
- (2)  Inspections of corporate activities
- (3)  Research materials prepared by others
- (4)  Corporate rating servicing
- (5)  Timing services
- (6)  Annual reports, prospectuses, filings with the Securities and Exchange Commission
- (7)  Company press releases
- (8)  Other (explain on Schedule F)

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- (1)  Long term purchases (securities held at least a year)
- (2)  Short term purchases (securities sold within a year)
- (3)  Trading (securities sold within 30 days)
- (4)  Short sales
- (5)  Margin transactions
- (6)  Options writing, including covered options, uncovered options, or spreading strategies
- (7)  Other (explain on Schedule F)

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Applicant: Dreman Value Management L.L.C.	SEC File Number: 801-54255	Date: 03/25/2010
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5. Education and Business Standards.

Are there any general standard of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?.....  Yes  No  
(If yes, describe these standards on Schedule F)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- |                 |  |
|-----------------|--|
| • name          | • formal education after high school               |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliation. (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.

C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

- |  |  |
|--|--|
| <input type="checkbox"/> (1) broker-dealer   | <input type="checkbox"/> (7) accounting firm                                       |
| <input type="checkbox"/> (2) investment company  | <input type="checkbox"/> (8) law firm  |
| <input type="checkbox"/> (3) other investment adviser  | <input type="checkbox"/> (9) insurance company or agency                           |
| <input type="checkbox"/> (4) financial planning firm   | <input type="checkbox"/> (10) pension consultant                                   |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer                         |
| <input type="checkbox"/> (6) banking thrift institution  | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.....  Yes  No

(If yes, describe on Schedule F the partnerships and what they invest in.)

Applicant: Dreman Value Management L.L.C.	SEC File Number: 801-54255	Date: 03/25/2010
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**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

10. **Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory, accounts or hold itself out as providing financial planning or some similarly termed services and impose a minimum dollar value of assets or other conditions for starting or maintaining an account?..... Yes No

(If yes, describe on Schedule F.)

11. **Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

The Investment Operations Department is responsible for implementing the appropriate strategy for each client, taking into account the specific guidelines and restrictions agreed with each client.

All accounts are monitored on a continuous basis and reviewed at least quarterly by members of the Registrant's Investment Policy Committee. The Registrant's client account review policy requires that all accounts be reviewed to ensure continuous compliance with investment guidelines and specific client investment restrictions including rebalancing of portfolio holdings to conform to the respective model portfolios. The number of accounts assigned to each member varies and is determined by the mandate, existing account loads and the complexities of the guidelines

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Clients are provided at least quarterly, a report which includes a performance report showing absolute portfolio performance and the selected benchmark or index performance, a summary report showing sector weights and the value of investments in that sector, a detailed portfolio appraisal which shows all portfolio holding, cost basis and end-of-quarter market values, a transaction report listing buys and sells made during the period for the account and an invoice which shows a detail computation and the amount of the fee owed to the Registrant. The Registrant does not provide reports to wrap program clients as the wrap sponsor provides wrap account clients with such reports. Clients may have more frequent and/or detailed reporting requirements.

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Part II – Page 6**

Applicant:  
Dreman Value Management L.L.C.

SEC File Number:  
801-54255

Date:  
03/25/2010

**12. Investment or Brokerage Discretion.**

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- (1) securities to be bought or sold? .....  Yes  No
- (2) amount of the securities to be bought or sold? .....  Yes  No
- (3) broker or dealer to be used? .....  Yes  No
- (4) commission rates paid? .....  Yes  No

- B. Does applicant or a related person suggest brokers to client? .....  Yes  No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? .....  Yes  No
- B. directly or indirectly compensates any person for client referrals? .....  Yes  No

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?

Yes No

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:  
**Dreman Value Management  
L.L.C.**

SEC File Number:  
**801-54255**

Date:  
**03/25/2010**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1 A of Part I of Form ADV:  
**Dreman Value Management, L.L.C.**

IRS Empl. Ident. No.:  
22-3499132

Item of Form  
(identify)

Answer

- Item: 1 Registrant provides investment advisory services covering equity and fixed income securities on a discretionary basis to a number of different types of advisory clients through two operating divisions, Dreman Value Management ("DVM") and Dreman Asset Management ("DAM"). DVM provides advisory services to registered investment companies, separate accounts and high net worth individuals. DVM provides advisory services to separately managed accounts through wrap fee and model based programs. Registrant's standard fee scales are calculated and are generally charged quarterly in advance at the annual rate of:

**Large Cap Value**

1% on the first \$3 million,  
0.65% on the next \$17 million,  
0.60% on the next \$30 million,  
0.55% over \$50 million.  
Minimum account size: \$1 million

**Mid Cap Value**

0.90% on the first \$20 million,  
0.70% on the next \$30 million,  
0.65% over \$50 million  
Minimum account size: \$3 million

**Small-Mid (SMID) Cap Value**

0.95% on the first \$20 million,  
0.75% on the next \$30 million,  
0.70% over \$50 million  
Minimum account size: \$3 million

**Institutional Small Cap Value**

1% on the first \$50 million,  
0.95% on the next \$25 million,  
0.90% over \$75 million  
Minimum account size: \$10 million

**All Cap Value**

0.75% on the first \$20 million,  
0.70% on the next \$30 million,  
0.65% over \$50 million  
Minimum account size: \$3 million

**International Value**

0.85% on the first \$20 million,  
0.80% on the next \$30 million,  
0.75% over \$50 million  
Minimum account size: \$3 million

Proportionate fees are charged for parts of a calendar quarter at the beginning or on the termination of a contract during which services are provided. The notice requirement for termination is normally 30 days unless otherwise agreed. Any significant cash flows on a client account during the billing period will be pro-rated for fee calculation purposes, unless otherwise agreed in client contract. In certain circumstances, the fee level is negotiable.

For sub-advisory services provided to Investment Advisors the Registrant receives a monthly fee from each of the Investment Advisors at rates specified in the sub-advisory agreements between the Registrant and the Investment Advisors. The sub-advisory fee varies from 0.75%



**Schedule F of  
Form ADV  
Continuation Sheet (2) for Form ADV Part II**

Applicant: Dreman Value Management L.L.C.	SEC File Number: 801-54255	Date: 03/25/2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1 A of Part I of Form ADV: **Dreman Value Management, L.L.C.** IRS Empl. Ident. No.: 22-3499132

Item of Form  
(identify)

Answer

Item: 1 (cont'd) per year to 0.25% per year based on certain asset levels and is computed and paid monthly on the average daily net assets under management for each of the funds.

The Registrant enters into agreements with Wrap Sponsors (“the Wrap Fee Agreements”) to manage wrap accounts and to make investment decisions. Pursuant to the Wrap Fee Agreements, the Registrant is paid a fee rate by each Sponsor which is a portion of the Wrap Fee the Sponsor receives from its wrap account clients. The annual fee generally ranges from 0.38% to 0.80% and is based on the total assets managed by the Registrant for each Sponsor. Fees are either paid in advance or in arrears by the Sponsor. Fees paid in advance are reimbursed when accounts are terminated or are deducted by the Sponsor from fees owed to the Registrant.

The Registrant also provides its Model Portfolios to Sponsors who at their discretion may use it to manage their clients. The Registrant is paid an annual fee which ranges from 0.20% to 0.40% of assets managed pursuant to its Model Portfolio. The Registrant believes that this arrangement does not create any conflicts of interest.

Item 2.G. Other Types of Clients

The Registrant also provides its Model Portfolios to Sponsors who at their discretion may use it to manage their clients. The Registrant is paid an annual fee which ranges from 0.20% to 0.40% of assets managed pursuant to its Model Portfolio. The Registrant believes that this arrangement does not create any conflicts of interest.

Item: 3. L. Other Types of Investments

The Registrant may invest client assets in initial public offerings (“IPOs”) and Rule 144A offerings. The Registrant may also invest in foreign governments and supranational institutions such as the European Union and its Agencies. Derivatives may also be used for hedging or risk management or for non hedging purposes to seek to enhance potential returns

Item: 4. C. (7) Other Investment Strategies

The Registrant may use positions in S&P Index futures on a temporary basis in lieu of investing in individual stocks. The total market value of futures contracts and individual stock holdings will generally never represent more than 100% of the equity portfolio value. The market value of futures positions will not exceed 50% of the total portfolio value.

Item: 5 Education and Business Standards

The Registrant very carefully selects its portfolio managers and has experienced very modest turnover in this area. In general the Registrant has established certain minimum educational and experience standards for this position. These standards would include, but are not limited to: (1) a college degree, (2) an advanced degree and/or certification as a Chartered Financial Analyst, and/or (3) individuals who have obtained a high degree of expertise in portfolio management and who possess a demonstrated record of success.

**Schedule F of  
Form ADV  
Continuation Sheet (3) for Form ADV Part II**

Applicant: Dreman Value Management L.L.C.	SEC File Number: 801-54255	Date: 03/25/2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1 A of Part I of Form ADV: **Dreman Value Management, L.L.C.** IRS Empl. Ident. No.: 22-3499132

Item of Form (identify) Answer

Item 6.	Education and Business Background	
	<b>David N. Dreman, Chairman, Born 1936</b>	Chariman, Chief Investment Officer and Founder Investment Policy Committee Chair Dreman Value Management, L.L.C. July 1997 - Present
	University of Manitoba University of Manitoba	B. Commerce (1957) Hon. Doctors of Law Degree (1999)
	<b>E. Clifton Hoover Jr. CFA Born 1957</b>	Co-Chief Investment Officer Investment Policy Committee member Portfolio Manager & Managing Director Dreman Value Management, L.L.C. December 2006 – Present
	Texas Tech University	NFJ Investment Group Managing Director & Portfolio Manager January 1997 – December 2006
	<b>Mark Roach Born 1973</b>	BBA Finance (1984) Masters in Finance (1985)
	Baldwin Wallace College University of Chicago Graduate School of Business	Managing Director & Portfolio Manager Dreman Value Management, L.L.C. November 2006 – Present
	<b>F. James Hutchinson Born 1945</b>	Portfolio Manager – Equity Investments July 2002 – November 2006
	Moravian College	Bachelors Degree (1995) MBA (2002)
	<b>Emily Mead Born 1975</b>	President & Managing Director Investment Policy Committee member Portfolio Manager Dreman Value Management, L.L.C. January 2007 – Present
	Cornell University	Executive Vice President, Managing Director Dreman Value Management, L.L.C. August 2000 – December 2006
		B.A. Economics (1969)
		Director Managed Accounts Investment Policy Committee Member Dreman Value Management, L.L.C. January 2009 – Present
		Vice President of Managed Accounts Dreman Value Management, L.L.C. February 2004 – December 2008_ BS. (1997)

**Schedule F of  
Form ADV  
Continuation Sheet (4) for Form ADV Part II**

Applicant:  
**Dreman Value Management  
L.L.C.**

SEC File Number:  
**801-54255**

Date:  
**03/25/2010**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1 A of Part I of Form ADV:  
**Dreman Value Management, L.L.C.**

IRS Empl. Ident. No.:  
22-3499132

Item of Form  
(identify)

Answer

Item: 6. (cont'd)

**Salvatore Faia,  
Born 1962**

Chief Compliance Officer, Interim  
Dreman Value Management, L.L.C.  
October 2009 – Present

President & Founder  
Vigilant Compliance Services (2004)

La Salle University  
University of Pennsylvania Law School

Degree in Accounting & Finance  
Law Degree (1988)

**Karan Chopra  
1968**

High Yield Portfolio Manager  
Dreman Value Management, L.L.C.  
February 2010 – Present

Vice President – Portfolio Manager  
& Proprietary Trader  
National City Bank  
2004 – January 2009

Colgate University  
Case Western University

BA (1990)  
MBA (1996)

**Schedule F of  
Form ADV  
Continuation Sheet (5) for Form ADV Part II**

Applicant: <b>Dreman Value Management L.L.C.</b>	SEC File Number: <b>801-54255</b>	Date: <b>03/25/2010</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1 A of Part I of Form ADV:  
**Dreman Value Management, L.L.C.**

IRS Empl. Ident. No.:  
22-3499132

Item of Form  
(identify)

Answer

Item: 9. Participation or Interest in Client Transactions.

Registrant carries out transactions for its clients based solely on investment considerations having regard to particular client needs. The interests of its clients are the overriding considerations in all activities of the Registrant.

Summary Code of Ethics

The Registrant has adopted a code of ethics policy that is designed to reduce the risk of actual or potential conflicts of interest with dealings on behalf of clients. The code reflects the Registrant's fiduciary obligations and those of its employees, and requires that all employees comply with all applicable federal securities laws.

The following are the key principles that are embodied throughout the code:

- The Registrant's employees have a fiduciary duty to place the interests of clients first;
- The Registrant's employees should not take inappropriate advantage of their positions;  
Employees should avoid any situation that may compromise, or call into question, the exercise of their fully independent judgement in the interests of clients;
- All personal securities transactions should avoid any actual or potential conflicts of interest;  
and
- Independence in the investment decision-making process is paramount.

The Registrant's personal trading rules apply to all employees. In summary, the code required pre-clearance of all equity securities or securities that derive their value from equity securities. The code required employees to report any transactions in mutual funds where Registrant acts as an adviser or sub-adviser to the fund. The code also covers issues such as prohibited transactions, blackout periods for transactions, and short term trading.

No employee should accept inappropriate gifts or entertainment of material value that could influence their decision-making or make them feel beholden to a person or firm.

Any breaches of these rules will be viewed as very serious and may result in disciplinary action up to and including dismissal. A copy of the Registrant's complete Code of Ethics Policy is available upon request.

Item: 10. Conditions for Managing Accounts

The Registrant generally accepts large cap value accounts with a value of \$1 million or greater and all other mandate accounts with a value of \$3 million or greater (except Institutional Small Cap value which is \$10 million), however the Registrant may negotiate separately with each client regarding minimum acceptable account size. Wrap fee and other managed account arrangements in which the Registrant participates generally have minimum account size requirements imposed by wrap fee sponsors. The Registrant does not sponsor, organize, or administer wrap fee programs. The Registrant also provides investment supervisory services to individuals on a discretionary basis and may serve as the investment adviser or sub-adviser to various registered investment company clients. A registered investment company client may impose minimum account size requirements. It may, at its discretion and upon special circumstances, accept accounts which do not satisfy these conditions.

**Schedule F of  
Form ADV  
Continuation Sheet (6) for Form ADV Part II**

Applicant: Dreman Value Management L.L.C.	SEC File Number: 801-54255	Date: 03/25/2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1 A of Part I of Form ADV: IRS Empl. Ident. No.:  
**Dreman Value Management, L.L.C.** 22-3499132

Item of Form  
(identify)

Answer

- Item: 12. Investment or Brokerage Discretion:

The Registrant may provide investment advice to some clients on a non-discretionary basis. For such clients, it is the responsibility of the clients themselves to select the brokers who will execute their transactions and to negotiate the commission rates that will be paid.

Certain clients may give the Registrant discretionary authority to make investment decisions for their accounts, but may request the Registrant use a specific broker when executing transactions. Under these circumstances, the Registrant will use the brokers that have been selected by the client, but will inform the client when the rates negotiated between the client and the broker are not the best price or when the broker is not providing best execution.

The Registrant may, on occasion, be recommended to clients by consulting brokers who charge "soft-dollar" consulting fees for clients rather than charge regular cash consulting fees. Clients under these circumstances will commonly agree on a commission schedule with the broker before engaging the Registrant. Although the commission schedule so arrived at, in some cases, may be above the Registrant's normal client commission schedule, the Registrant will place such client's transactions through the consulting broker.

For the Registrant's other clients, the Registrant has discretionary authority to determine, without specific client consent, the broker-dealer to be used in any securities transaction or the commission rate to be paid. For these client accounts, the Registrant will select brokers who provide "best execution." In seeking "best execution," the Registrant considers a number of factors, including security price, commission charge, and promptness and reliability of execution. The value of any research products and services provided by the broker to the Registrant is also a factor in selecting brokers. Clients may pay brokerage commissions higher than that obtainable elsewhere from other brokers in return for these research products and services provided to the Registrant. Such higher commissions would be paid in accordance with Section 28 (e) of the Securities Exchange Act of 1934, which requires the Registrant to determine in good faith that the commission paid is reasonable in relation to the value of the research provided. This determination may be based either in terms of the particular transaction involved or the overall responsibilities of the Registrant with respect to all accounts over which it exercises discretion. Accordingly, the research that is obtained normally benefits many, if not all of the Registrant's accounts, rather than just the one(s) for which the order is being executed. Not all research may be used by the Registrant in connection with the account, which paid commissions to the broker providing research.

The clear preponderance of service provided to the Registrant through soft dollar payments is research data. Registrant receives written research data from brokers relative to economic and individual security analysis. The Registrant also expects to enter into "soft-dollar" arrangements with certain brokers whereby such brokers partially pay for Registrant's use of various data services for investment decision-making purposes, that is within Section 28(e) of the Securities Exchange Act of 1934. In addition to the payments for non-proprietary data services, brokers may provide the Registrant with proprietary research reports prepared by employees of the broker who are sell-side analysts. The Registrant is unable to determine the value of the proprietary research reports since brokers do not ascribe a specific value to their own sell-side reports. Soft dollar payments to third-party vendors will be made in exchange for Registrant employing the broker to execute client transactions. The research products and services and on-line data services provided or paid for by brokers are to be used by registrant in servicing all of its clients' accounts. In addition, assuming a broker provides the best price and best execution, Registrant may direct client transactions to such broker in return for research used by Registrant in conducting its advisory business.

Trade Rotation Policy

When Registrant's portfolio manager's investment decision is implemented, a trade rotation policy between *Freely Traded Accounts* and *Wrap Accounts/Wrap Model Accounts* is followed. The rotation is based on the percentage of assets each group represents out of the total assets managed for the strategy. For example, if *Wrap Accounts/Wrap Model Accounts* represent 10% of the total assets, then *Wrap Accounts/Wrap Model Accounts* will go first in the rotation one in every ten times. Asset levels are reviewed periodically to determine if the percentage of assets, and thus the trade rotation, should be modified. Accounts with directed brokerage arrangements are always traded last.

**Schedule F of  
Form ADV  
Continuation Sheet (7) for Form ADV Part II**

Applicant:  
**Dreman Value Management  
L.L.C.**

SEC File Number:  
**801-54255**

Date:  
**03/25/2010**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1 A of Part I of Form ADV:  
**Dreman Value Management, L.L.C.**

IRS Empl. Ident. No.:  
22-3499132

Item of Form  
(identify)

Answer

Item 12. Contd... Aggregation of Trades

- 1) The Registrant aggregates the purchase of shares for its clients in the belief that provides a benefit to its clients by doing so. The Registrant believes that aggregation of shares is consistent with the Registrant's duty to seek best execution (which includes the duty to seek the best price) for its clients, and is consistent with the terms of the Registrant's investment advisory agreement with each client for which trades are being executed.
- 2) No client is favored over any other client in an aggregated order. Each client that participates in an aggregated order does so at the average share price for all of the Registrant's transactions in a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction.
- 3) The Registrant uses the Charles River system to create order tickets. All accounts managed to similar investment guidelines are grouped, and all allocations thereon are done pro-rata.
- 4) When the aggregated order is filled in its entirety, it is allocated among clients in accordance with the Pre-Allocation Statement. If the order is partially filled, it will generally be allocated using a "layering effect" approach to guard against disadvantaging smaller clients. In the course of orders being partially filled, the portfolio management system allocates first to clients without any shares. Only after all clients have partial fills does the system return and start to add "layers" to clients with previous partial fills. This "layering" continues until an aggregated order is fully allocated. Occasionally, exceptions are made to this "layering" system when additional lots of a certain stock are allocated to clients who have, for various reasons such as sector restrictions, extra cash in their portfolios. The Registrant strongly believes aggregating orders protect all clients of the firm, no matter their size, from being disadvantaged by price or time of execution.
- 5) The Registrant receives no additional compensation or remuneration of any kind as a result of its policy of aggregation.

In some circumstance, a client may direct Registrant to utilize a particular broker-dealer to execute some or all of its transactions for the client's account. In such circumstances, the client is responsible for negotiating the terms and arrangements for the account with that broker-dealer. Registrant will not seek better execution services or prices from other broker-dealers or be able to aggregate the client's transactions, for execution through other broker-dealers with orders for other accounts advised or managed by the Registrant. As a result, Registrant may not obtain best execution on behalf of the client, who may pay materially disparate commissions, greater spreads or other transactions costs, or receive less favorable net prices on transactions for the account that would otherwise be the case. In the event that a client is referred to Registrant by a broker-dealer, Registrant has a potential conflict between the client's interest in obtaining best execution and Registrant receiving future referrals from the broker-dealer.

Occasionally Registrant may use a "step out" transaction. A "step out" transaction is one in which Registrant instructs the executing broker to "step out" the client's order to another broker who will clear, settle and confirm the transaction and charge the client a commission rate that it has negotiated by Registrant. The executing broker does not receive a commission for the trade.

Other

Summary Proxy Voting Policy

The Registrant recognizes that proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised. Where the Registrant has discretion to vote the proxies of its clients, it will vote those proxies in the best interest of its clients and in accordance with its Proxy Voting Policies and Procedures. The Registrant's proxy policies are administered by its Chief Compliance Officer who has the responsibility to ensure that the Registrant votes proxies for accounts in which it has been designated by the client to vote proxies and also maintain a record of all proxy voting. Unless specifically directed by the client, the Registrant generally will vote proxies in the best interest of each particular client, which may result in different voting results for proxies for the same issuer. The Portfolio Manager and Chief Investment Officer will identify any conflicts that exist between the interests of the Registrant and its clients. The Chief Compliance Officer will examine the relationship between the Registrant and its affiliates with the issuer of each security and any of the issuer's affiliates to determine if the issuer is a client of the Registrant or an affiliate of the Registrant or has some other relationship with Registrant or is a client of the Registrant. If a material conflict exists, the Registrant will determine whether voting in accordance with its Proxy Voting Policy is in the best interest of the client. The

**Schedule F of  
Form ADV**

**Continuation Sheet (8) for Form ADV Part II**

Applicant: Dreman Value Management L.L.C.	SEC File Number: 801-54255	Date: 03/25/2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1 A of Part I of Form ADV:  
**Dreman Value Management, L.L.C.**

IRS Empl. Ident. No.:  
22-3499132

Item of Form  
(identify)

Answer

Other Contd..

Registrant will also determine whether it is appropriate to disclose the conflict to the affected clients and, except in the case of clients that are subject to The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), give the clients the opportunity to vote their proxies themselves. In the case of ERISA clients, if the client's agreement reserves to the ERISA client the authority to vote proxies when the Registrant determines it has a material conflict that affects its best judgment as an ERISA fiduciary, The Registrant will give the ERISA client the opportunity to vote the proxies themselves. If a client would like to obtain information on how the Registrant voted proxies for their account they may contact the Registrant's Compliance Department, via e-mail at COMPLIANCEGROUP@DREMAN.COM or telephone at 201-793-2000. A client may also request a copy of the Registrant Proxy Voting Policy and Procedures. The Chief Compliance Officer will maintain files relating to the Registrant's proxy voting procedures. Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record, with records for the first two years kept in the offices of the Registrant.

Item: 13. B.

Additional Compensation. Client Referrals.

The Registrant currently compensates members of its marketing department by paying them an incentive-based compensation in addition to their base salary. The incentive based compensation is structured as a commission which is a percentage of gross revenues derived from new clients who are introduced to the Registrant and become clients of the Registrant. Generally marketing professionals will receive a guaranteed draw against which commissions are applied. Any commission earned in excess of the guaranteed draw is then paid to the marketing professional at the end of the calendar year.

# DREMAN VALUE MANAGEMENT L.L.C.

## PRIVACY NOTICE

(As Revised on March 19, 2008)

This Privacy Notice describes Dreman Value Management L.L.C. (the “Company”) privacy policies and procedures with respect to nonpublic personal information of the Company’s clients, prospective clients and former clients. These policies serve as a standard for all Dreman Value Management L.L.C. employees for the collection, use, retention and security of nonpublic personal information. These policies may be updated as required to provide additional safeguards and ensure that the Company complies with any federal or state regulatory agencies compliance requirements.

The Company collects and maintains nonpublic personal information about clients as follows:

- Information we receive in investment management agreements, client profile questionnaires, and other forms which clients may complete and submit to us, such as names, addresses, phone numbers, social security numbers, and employment, income and other household information;
- Information we receive and maintain relating to clients’ assets, such as brokerage statements;
- Information about your investments and transactions with us and our affiliates, including information we receive and maintain relating to hot issue and other securities transactions with and through account we manage; and
- Information we receive about a client from the client’s financial advisor, investment consultant or other financial institution with whom the client has a relationship and /or whom the client may have authorized to provide such information to the Company.



The Company does not disclose any nonpublic personal information about its clients, prospective clients or former clients except as may be required or permitted by law. The Company may disclose information about a client to its affiliate (Contrarian Services Corp., a wholly owned subsidiary of the Company that provides back office administrative services to the Company), and to the following types of third parties:

- Financial Service providers such as the Company's prime broker who assist the Company as part of the ordinary course of servicing your accounts that are managed by the Company;
- Legal representatives of the Company, such as our counsel, accountants and auditors;
- Persons or organizations acting in a fiduciary or representative capacity on behalf of a client, such as a custodial firm or a transfer agent.

On all occasions when it is necessary for the Company to share your personal information with non-affiliated companies, the Company will require that such information only be used for the limited purpose for which it is shared and will advise these companies not to further share your information with others except to fulfill that limited purpose.

The Company takes its responsibility to protect the privacy and confidentiality of client information very seriously. We restrict access to nonpublic information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information. We provide clients with a Privacy Notice as part of the investment management materials and annually after that. If the Company changes its privacy policies to permit it or its affiliates to share additional information the Company has about you, or to permit disclosures to additional types of parties, you will be notified in advance, and, if required by law, you will be given the opportunity to opt out of such additional disclosure and to direct us not to share your information with such parties.

If you have any questions or concerns about this Privacy Notice, please contact us at:  
Dreman Value Management. L.L.C.

Salvatore Faia  
Chief Compliance Officer, Interim  
Harborside Financial Center Plaza 10  
8<sup>th</sup> Floor - Suite 800  
Jersey City, NJ 07311

## **I. PROXY VOTING POLICY AND PROCEDURES**

### **A. Policy.**

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised. When DVM has discretion to vote the proxies of its Clients, it will vote those proxies in the best interest of its Clients and in accordance with these policies and procedures.

### **B. Proxy Voting Procedures.**

All proxies received by Dreman Value Management, LLC will be sent to the Chief Operating Officer, VP of Operations, or their designate. The person that receives the proxy will:

1. Keep a record of each proxy received.
2. Forward the proxy to both the Portfolio Manager and DVM's Chief Investment Officer (the "CIO").
3. Determine which accounts managed by DVM holds the security to which the proxy relates.
4. Provide the Portfolio Manager and the CIO with a list of accounts that hold the security, together with the number of votes each account controls (reconciling any duplications), and the date by which DVM must vote the proxy in order to allow enough time for the completed proxy to be returned to the issuer prior to the vote taking place.
5. Absent material conflicts (see Section V), the Portfolio Manager and CIO will determine how DVM should vote the proxy. The Portfolio Manager and the CIO will send their decision on how Dreman Value Management, LLC will vote the proxy to the Chief Operating Officer, VP of Operations, or their designee. The person receiving the instructions is responsible for completing the proxy and mailing the proxy in a timely and appropriate manner.
6. DVM may retain a third party to assist it in coordinating and voting proxies with respect to Client securities. If so, the Chief Operating Officer or VP of Operations shall monitor the third party to assure that all proxies are being properly voted and appropriate records are being retained.
7. Where a Client specifies in writing that it will maintain the authority to vote proxies itself or that it has delegated the right to vote proxies to a third party, DVM will not vote the securities and will direct the relevant custodian to send the proxy material directly to the Client. If any proxy material is received by DVM for such account, it will promptly be forwarded to the Client or specified third party.
8. DVM shall promptly provide to each investment company Client for which it has discretion to vote proxies, any and all information necessary for such investment company Client, or its investment adviser or administrator, to timely file its Form N-PX under the 1940 Act. Form N-PX will provide information concerning each matter relating to a portfolio security considered at any shareholder meeting with respect to which an investment company Client was entitled to vote. Each Form N-PX

will need to be filed no later than August 31<sup>st</sup> of each year, and will cover all proxy votes with respect to which a mutual fund was entitled to vote for the period July 1st through June 30th. DVM shall maintain and provide the following information concerning any shareholder meetings with respect to which an investment company Client was entitled to vote:

- the name of the issuer of the portfolio security;
- the exchange ticker symbol of the portfolio security<sup>1</sup>;
- the CUSIP number of the portfolio security<sup>1</sup>;
- the shareholder meeting date;
- a brief description of the matter voted on;
- whether the matter was put forward by the issuer or a shareholder;
- whether the investment company Client voted;
- how the investment company Client cast its vote; and
- whether the investment company Client cast its vote for or against management.

**C. Voting Guidelines.**

In the absence of specific voting guidelines from a Client, DVM will vote proxies in the best interest of each particular Client, which may result in different voting results for proxies for the same issuer. DVM believes that voting proxies in accordance with the following guidelines is in the best interest of its Client.

Generally, DVM will vote in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated), selection of auditors, and increases in or reclassification of common stock.

Generally, DVM will vote against proposals that make it more difficult to replace members of the issuer's board of directors, including proposals to stagger the board, cause management to be overrepresented on the board, introduce cumulative voting, introduce unequal voting rights, and create supermajority voting.

For other proposals, DVM shall determine whether a proposal is in the best interest of its Clients and may take into account the following factors, among others:

1. Whether the proposal was recommended by management and DVM's opinion of management;
2. Whether the proposal acts to entrench existing management; and
3. Whether the proposal fairly compensates management for past and future performance.

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<sup>1</sup> The exchange ticker symbol and CUSIP number may be difficult to obtain for certain portfolio securities, such as foreign issuers. Accordingly, such information may be omitted if it's not available through reasonably practicable means.

DVM reserves the right to add to these factors as it deems necessary in order to ensure that further categories of proposals are covered and that the general principles in determining how to vote all proxies are fully stated.

**D. Conflicts of Interest.**

The Compliance Officer will identify any conflicts that exist between the interest of DVM and its Clients. This examination will include a review of the relationship of DVM and its affiliates with the issuer of each security [and any of the issuer's affiliates] to determine if the issuer is a Client of DVM or an affiliate of DVM or has some other relationship with DVM or a Client of DVM.

If a material conflict exist, DVM will determine whether voting in accordance with the voting guidelines and factors described above is in the best interest of the Client. DVM will also determine whether it is appropriate to disclose the conflict to the affected Clients and, except in the case of Clients that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), give the Clients the opportunity to vote their proxies themselves. In the case of ERISA Clients, if the Investment Management Agreement reserves to the ERISA Client the authority to vote proxies when DVM determines it has a material conflict that affects its best judgment as an ERISA fiduciary, DVM will give the ERISA Client the opportunity to vote the proxies themselves.

**E. Disclosure.**

DVM will disclose in its Form ADV, Part II that Clients may contact the COO or CCO or Compliance Manager, or Compliance staff person, via e-mail or telephone at [compliancegroup@dreman.com](mailto:compliancegroup@dreman.com) or 201-793-2000 in order to obtain information on how DVM voted such Client's proxies, and to request a copy of these policies and procedures. If a Client requests this information, the CCO will prepare a written response to the Client that lists, with respect to each voted proxy that the Client has inquired about, (1) the name of the issuer; (2) the proposal voted upon and (3) how DVM voted the Client's proxy.

A concise summary of these Proxy Voting Policies and Procedures will be included in DVM's Form ADV, Part II, and will be updated whenever these policies and procedures are updated. The CCO or his designee will arrange for a copy of this summary to be sent to all existing Clients, either as a separate mailing or along with a periodic account statement or other correspondence sent to Clients.

**F. Record Keeping.**

The Compliance Officer will maintain files relating to DVM proxy voting procedures. Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record, with records for the first two years kept in the offices of DVM. Records of the following will be included in the files:

1. Copies of these proxy voting policies and procedures and any amendments thereto.
2. A copy of each proxy statement that DVM receives provided however that DVM may rely on obtaining a copy of proxy statements from the SEC's EDGAR system for those proxy statements that are so available. DVM may also choose to have a third party retain a copy of the proxy

statements, provided that third party undertakes to provide a copy of the proxy statement promptly upon request.

3. A record of each vote that DVM casts. DVM may also rely on a third party to retain a copy of the votes cast, provided that third party undertakes to provide a copy of the record promptly upon request.

4. A copy of any document DVM created that was material to making a decision how to vote proxies, or that memorializes that decision.

5. A copy of each written Client request for information on how DVM voted such Client's proxies, and a copy of any written response to any (written and oral) Client request for information on how DVM voted its proxy.

6. DVM will coordinate with all investment company Clients to assist in the provision of all information required to be filed on Form N-PX.