

PERMANENT PORTFOLIO FAMILY OF FUNDS, INC.
PROXY VOTING POLICIES AND PROCEDURES
MAY 1, 2003

Permanent Portfolio Family of Funds, Inc. ("Fund") has adopted the following policies and procedures to determine how to vote proxies relating to portfolio securities held by each series of the Fund (each, a "Portfolio").

I. Delegation. The Board of Directors of the Fund ("Board of Directors," or "Board") has delegated to Pacific Heights Asset Management, LLC, the Fund's investment adviser ("Pacific Heights," or "Adviser"), the responsibility for voting proxies relating to portfolio securities held by a Portfolio of the Fund as a part of the investment advisory services provided by Pacific Heights to the Fund. All such proxy voting responsibilities shall be subject to the Board's continuing oversight. Notwithstanding this delegation of responsibilities, each of the Fund's Portfolios shall retain the right to vote proxies relating to its portfolio securities as it may deem appropriate.

II. Fiduciary Duty. Pacific Heights is a fiduciary to each of the Fund's Portfolios and shall vote proxies in a manner consistent with the best interests of each such Portfolio and its shareholders. Every reasonable effort shall be made by Pacific Heights to vote the Fund's proxies. However, Pacific Heights shall not be required to vote a proxy if it is not practicable to do so, or if it determines that the potential costs involved with voting a proxy outweighs the potential benefits to a Portfolio or its shareholders.

III. Proxy Voting Services. Pacific Heights may engage an independent proxy voting service to assist it in the voting of the Fund's proxies. Such a service would be responsible for coordinating with the Fund's custodian to ensure that all applicable proxy solicitation materials received by the custodian are processed in a timely fashion.

IV. Conflicts of Interest. The proxy voting guidelines of Pacific Heights shall address the procedures it would follow with respect to conflicts of interest.

V. Reports. Pacific Heights shall provide a quarterly report to the Board of Directors regarding its records of each proxy voted by it during the quarter, including any conflicts of interest information required by Section IV of these policies and procedures. Such report shall include the information required by Form N-PX for each proxy voted. In addition, Pacific Heights shall provide a quarterly report to the Board of Directors detailing the proxies, if any, that were not voted during the period and the reasons for such non-votes.

VI. Review of Policies and Procedures. Pacific Heights shall present to the Board of Directors its policies, procedures and other guidelines for voting the Fund's proxies at least annually, and shall notify the Board promptly of material changes to any of these documents. Any such material change shall not apply to proxies voted for a Portfolio unless and until such change is approved by the Board of Directors.

VII. Role of the Board of Directors. The Board of Directors shall oversee Pacific Heights' proxy voting processes and periodically review the Fund's proxy voting policies and procedures.