


Lakeshore Capital is a
value equity investor that seeks
to provide superior performance
over the long term by providing
competitive returns in up markets
while minimizing declines.

The Lakeshore Investment Process

Lakeshore Capital looks for emerging, overlooked investment themes and employs proprietary fundamental analysis to identify related companies that have the potential to provide superior long-term performance.



Actively follow approximately 100 U.S. companies with market caps of at least \$500 million searching for companies that are judged to combine attractive long-term capital appreciation potential with a high degree of safety. No arbitrary sector/industry limitations are imposed.

Relevant factors considered include high return on equity, accelerating earnings, low P/E, low price to book, strong balance sheet and increasing dividends and management tenure. Companies should have a strong competitive position, including high barriers to entry.

Portfolio companies are generally “under followed” and “under valued” by Wall Street and/or are turnaround situations.

Companies are typically researched for an extended period before being added to the portfolio. Portfolio consists of 20-25 securities. The companies are generally equally weighted and no position is greater than 10%.

Securities will be sold if the original investment thesis is fundamentally impaired or if the performance outstrips the fundamentals. If a company continues to perform as expected the security will be held indefinitely.



Portfolio Positioning

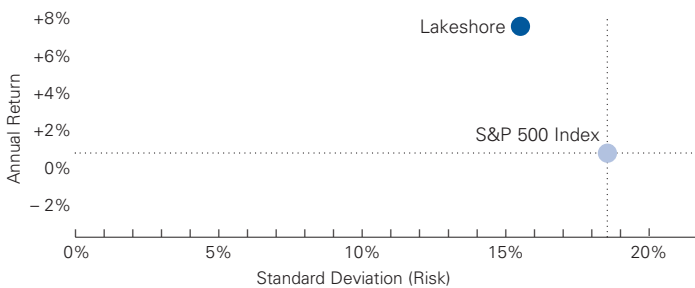
The portfolio is designed as a conservative core investment where capital preservation is of prime importance.

Performance and Portfolio Information as of 12/31/09

Rates of Return (%) as of 12/31/09

	Annualized				Cumulative
	1 Yr	3 Yrs	5 Yrs	Since Inception 6/30/01	Since Inception 6/30/01
Lakeshore (gross of fees)	22.58	-1.48	4.11	7.81	89.52
Lakeshore (net of fees)	21.50	-2.33	3.17	6.91	76.45
S&P 500 Index	26.46	-5.63	0.42	0.82	7.19

Risk/Return* July 2001 – December 2009



Risk Management* (%) for the period 6/30/01 – 12/31/09

Beta	0.90
Annualized Alpha	5.80
Sharpe Ratio	0.35

Portfolio Characteristics*¹ as of 12/31/09

Number of Holdings	18
Median market capitalization (\$BB)	19
P/E Ratio	14
Price/Book	1.9
Dividend Yield (%)	2.7
Average annual ROE past five years (%)	18
Annual Turnover (%) year ending 12/31/09	6

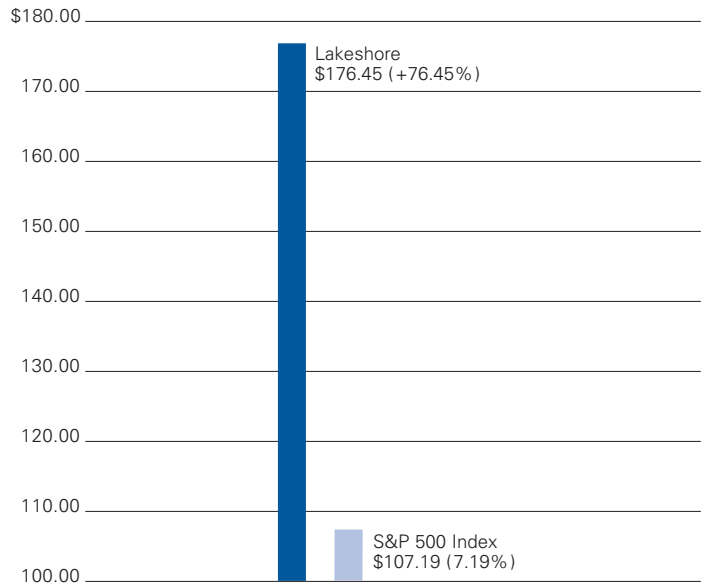
Top Five Holdings*¹ (%) as of 12/31/09

Anadarko Petroleum	7.2
Hewlett-Packard Co.	7.1
MDU Resources Group	6.4
BB&T Corporation	6.3
Rayonier	6.3

Holdings subject to change.

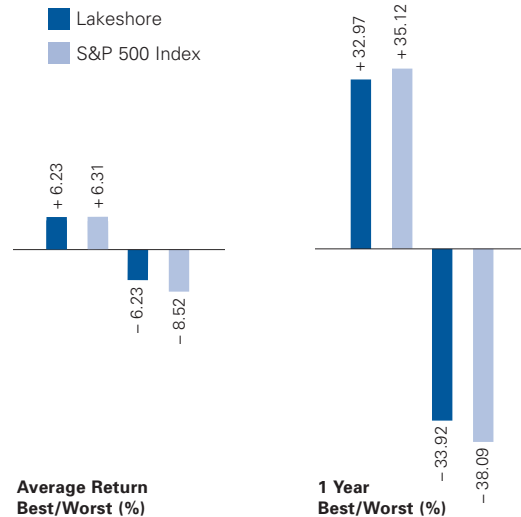
Lakeshore Performance (net of fees)

Growth of \$100.00 for the period 6/30/01 – 12/31/09



Past performance is not indicative of future results. Please see endnotes for full performance disclosures.

Relative Cumulative Returns* 6/30/01 – 12/31/09



Up/down Capture Ratios* 6/30/01– 12/31/09

	Up Capture (%)	Down Capture (%)
Lakeshore	101.6	58.2
S&P 500 Index	100	100

	Number of Quarters Up	Number of Quarters Down
Lakeshore	23	11
S&P 500 Index	21	13

*Information provided to supplement the compliant disclosures in the endnotes.

Footnotes

¹ Lakeshore Capital portfolio characteristics, holdings and sector weightings are subject to change at any time and are based on a representative portfolio. Holdings, sector weightings and portfolio characteristics of individual client portfolios may differ, sometimes significantly, from those shown. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the securities and sectors listed.

Endnotes

Lakeshore Capital Value Composite contains fully discretionary accounts with similar value equity investment strategies and objectives. For comparison purposes the Lakeshore Value Composite is measured against the S&P 500 Index. In presentations shown prior to June 30, 2006, the composite was measured against the S&P 500 Index and the S&P 500 Index/Citigroup Value indices, excluding the reinvestment of dividends. The benchmarks were changed to more accurately reflect the strategy of the composite. Additional information regarding the prior benchmarks is available upon request. Beginning September 1, 2004, the minimum account size for this composite is \$80 thousand.

Lakeshore Capital, LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Lakeshore Capital, LLC is a registered investment advisor. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented net of withholding taxes paid by foreign investors. Withholding taxes may vary according to the investor's domicile. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. Net of fee performance was calculated using actual management fees. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for calculating and reporting returns is available upon request.

Beginning April 1, 2007, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of at least 15% of portfolio assets. This cash flow threshold was increased to 35% effective September 30, 2009. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite at the beginning of the month which follows the cash flow by at least 30 days. Additional information regarding the treatment of significant cash flows is available upon request.

The investment management fee schedule is as follows: U.S. Clients – 1.0% on the first \$5 million, 0.75% on assets over \$5 million. Non-U.S. Clients – 1.5% on the first \$1 million, 1.0% on the next \$4 million, 0.75% on assets over \$5 million. The minimum annual fee for U.S. clients is \$1,500 and for non-U.S. clients is \$2,500. Under special circumstances, fees may be negotiable.

The Lakeshore Capital Value Composite was created September 1, 2004. Performance presented for the period July 1, 2001 through July 14, 2004 represents the value track record established by the Portfolio Manager while affiliated with a prior firm. Performance presented for the period July 15, 2004 through August 31, 2004 represents the value track record while the Portfolio Manager was in a transitional period and was not affiliated with the prior firm. During these periods, the Portfolio Manager was the only individual responsible for selecting the securities to buy and sell. A review of this track record for compliance with the portability requirements of the GIPS standards was conducted by Ashland Partners & Company, LLP.

Lakeshore's compliance with GIPS® standards has been verified for the period September 1, 2004 through September 30, 2009 by Ashland Partners & Company, LLP. Performance for the period October 1, 2009 through December 31, 2009 is preliminary and subject to change. In addition, a performance examination was conducted on the Lakeshore Capital Value Composite beginning September 1, 2004. A copy of the verification report is available upon request.

Up/Down Table: This table is a measure of managers' performance in up and down markets relative to the market itself. A down market is one in which the index's quarterly return is less than zero. To calculate down-market capture ratio, we link returns for the manager and the market for all down-market quarters over the selected time frame, then divide the manager's return during down-market quarters by the index's return during the same quarters. To calculate up-market capture ratio, this same process is carried out using returns from periods when the index's return was greater than zero. The lower the manager's down-market capture ratio, the better the manager protected capital during a market decline. A value of 90 suggests that a manager's losses were only 90% of the market loss when the market was down. Caution: The up/down table capture ratios can be deceiving if the nominal numbers involved are small. For example, if a manager's return during down market periods was 3%, while the index's return during those same periods was -1%, the manager's down market capture ratio would be 300.

Index Relative Statistics: Statistical risk/return measures

Alpha measures nonsystematic return, or the return that cannot be attributed to the market. Thus, it can be thought of as how the manager performed if the market has had no gain or loss. In contrast, beta measures the return that is attributable to the market and is a measure of the portfolio's overall volatility. If the market's return as measured by an index was equal to the risk-free rate, the manager's expected excess return would be alpha. A positive alpha implies that the manager has added value to the return of the portfolio over that of the market. Returns with a negative alpha do not reflect any positive contribution by the manager over the performance of the market. An alpha of zero implies that a manager has provided a return that is equivalent to the market return for the manager's specific risk class.

Beta measures the risk level of the manager. Beta measures the systematic risk, or the return that is attributable to market movements. In contrast, alpha measures the nonsystematic return of the portfolio, and standard deviation measures the volatility of a portfolio's returns compared to the average return of the portfolio. A beta equal to one indicates a risk level equivalent to the market. Higher betas are associated with higher risk levels, while lower betas are associated with lower risk levels.

Sharpe ratio is used to measure risk-adjusted performance. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns.

Annual Performance Results

Year End	Total Firm Assets (\$MM)	Composite Assets USD (\$MM)	Number of Accounts	Composite Gross %	Composite Net %	S&P 500 Index %	Composite Dispersion %
2009	112	40	67	22.58	21.50	26.46	2.63
2008	87	33	65	-25.68	-26.31	-37.00	2.10
2007	101	30	58	4.95	4.05	5.49	0.89
2006	76	16	24	14.63	13.60	15.80	0.80
2005	47	23	32	11.62	10.46	4.91	1.80
2004	46	29	69	15.60	14.48	10.88	NA
2003	-	6	13	25.61	24.58	26.68	NA
2002	-	3	5 or fewer	2.00	1.43	-22.06	NA
2001*	-	1	5 or fewer	4.60	4.34	-5.61	NA

*Represents non-annualized (partial year) performance from July 1, 2001 through December 31, 2001.

NA indicates that information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

On August 1, 2006, several Lakeshore Value Composite accounts switched to the Lakeshore Value Wrap Composite as a result of the accounts entering into a wrap fee program where transaction costs could not be segregated from the total fee. The total value assets managed by the firm as of December 31, 2009 are \$76.8 million, which represents 69% of the total firm assets.