LAKESHORE CAPITAL

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.

Fourth Quarter 2011

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

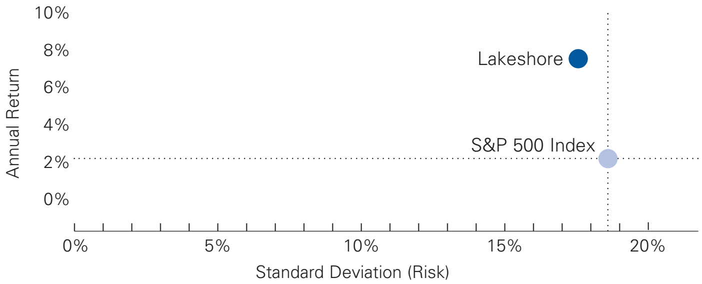
The portfolio is designed as a conservative core investment where capital preservation is of prime importance.

Performance and Portfolio Information as of 12/31/11

Rates of Return (%) as of 12/31/11

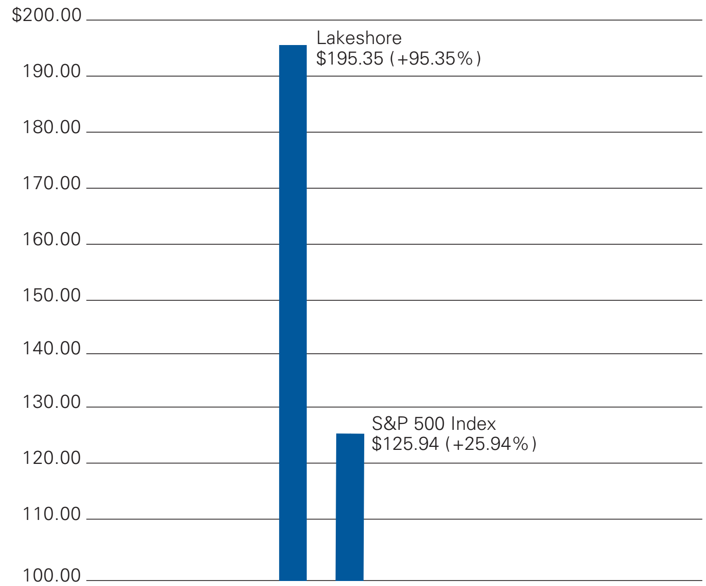
	Annualized					Cumulative
	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception 6/30/01	Since Inception 6/30/01
Lakeshore (gross of fees)	-0.77	11.35	1.49	7.39	7.49	113.45
Lakeshore (net of fees)	-1.61	10.39	0.62	6.47	6.58	95.35
S&P 500 Index	2.11	14.11	-0.25	2.92	2.22	25.94

Risk/Return July 2001 – December 2011



Lakeshore Performance (net of fees)

Growth of $100.00 for the period 6/30/01 – 12/31/11

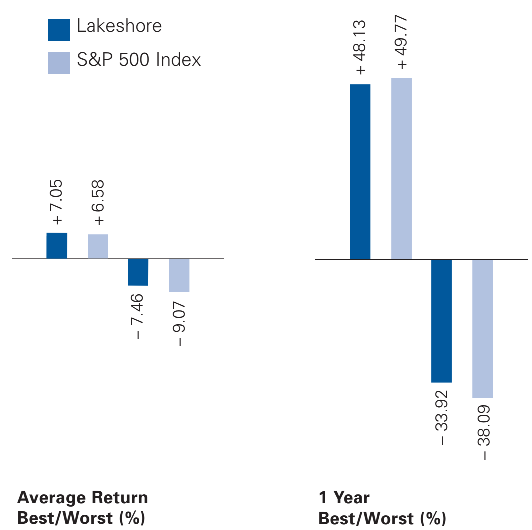


Past performance is not indicative of future results. Please see endnotes for disclosures.

Risk Management for the period 6/30/01 – 12/31/11

Beta	0.86
Annualized Alpha (%)	5.55
Sharpe Ratio	0.32

Relative Cumulative Returns 6/30/01 – 12/31/11



Portfolio Characteristics[1] as of 12/31/11

Number of Holdings	17
Median market capitalization ($BB)	28.5
P/E Ratio	13
Price/Book	1.9
Dividend Yield (%)	2.8
Average annual ROE past five years (%)	16.6
Annual Turnover (%) year ending 12/31/11	6

Up/down Capture Ratios 6/30/01– 12/31/11

	Up Capture (%)	**Down Capture (%)**
Lakeshore	104.3	72.5
S&P 500 Index	100	100
	Number of Quarters Up	**Number of Quarters Down**
Lakeshore	28	14
S&P 500 Index	27	15

Top Five Holdings[1] (%) as of 12/31/11

Rayonier	8.6
Anadarko Petroleum	8.1
BB&T Corp.	7.5
PNC Financial	7.0
Chevron	7.0

Holdings subject to change.

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, LLC claims compliance with the Global Investment Performance Standards (GIPS®). Lakeshore Capital, LLC is a registered investment advisor.

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.

The U.S. Dollar is the currency used to express performance. Past performance is not indicative of future results. Returns presented include the reinvestment of income.

Index Relative Statistics: Statistical risk/return measures

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.

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.*

For a full compliance presentation and/or a list and description of all of composites, please contact:

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