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*Ashland Partners & Company LLP*

### Independent Accountant's Report

Mr. Joel F. Conn, President  
Lakeshore Capital, LLC:

#### **Report on Firm-Wide Verification and Performance Examination**

We have examined Lakeshore Capital, LLC's (the "Company") (1) compliance with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the periods September 1, 2004 through December 31, 2011, and (2) design of its policies and procedures to calculate and present performance results in compliance with the GIPS standards as of December 31, 2011. We have also examined the accompanying performance presentation and Annual Disclosure Presentation of the Company's **Lakeshore Capital Value Composite** for the periods September 1, 2004 through December 31, 2011. The periods July 1, 2001 through July 14, 2004 represent the performance record established by the Portfolio Manager while affiliated with a prior firm and, for the periods July 15, 2004 through August 31, 2004, performance represents the value performance record while the Portfolio Manager was in a transitional period and was not affiliated with the prior firm. We have reviewed the performance records for compliance with the portability requirements of the GIPS standards.

#### **Management and Accountant's Responsibility**

The Company's management is responsible for compliance with the GIPS standards, the design of its policies and procedures and for the Quarterly Performance and Annual Disclosure Presentations. Our responsibility is to express an opinion based on our examination.

#### **Opinion**

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Company's compliance with the above-mentioned requirements; evaluating the design of the Company's policies and procedures referred to above; examining, on a test basis, evidence supporting the accompanying composite performance presentation; and performing the procedures for a verification and a performance examination set forth by the GIPS standards and such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, Lakeshore Capital, LLC has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods September 1, 2004 through December 31, 2011;
- Designed its policies and procedures to calculate and present performance results in compliance with the GIPS standards as of December 31, 2011; and
- Complied with the portability requirements of the GIPS standards for the aforementioned performance record.

Also, in our opinion, the Annual Disclosure Presentation of the Company's **Lakeshore Capital Value Composite** for the periods July 1, 2001 through December 31, 2011, is presented, in all material respects, in conformity with the GIPS standards.

This report does not relate to any composite presentation of the Company other than the Company's **Lakeshore Capital Value Composite**.

*Ashland Partners + Company LLP*

Ashland Partners & Company LLP  
March 30, 2012

**LAKESHORE CAPITAL, LLC**  
**LAKESHORE CAPITAL VALUE COMPOSITE**  
**QUARTERLY PERFORMANCE PRESENTATION**

*Asset-Weighted Returns Gross and Net of Management Fees*  
*Results have been calculated in U.S. Dollars*

		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
2011	Gross	10.16%	(3.09%)	(19.64%)	15.67%	(0.77%)
	Net	9.93%	(3.29%)	(19.82%)	15.43%	(1.61%)
2010	Gross	4.60%	(13.17%)	11.06%	12.52%	13.50%
	Net	4.37%	(13.36%)	10.83%	12.27%	12.52%
2009	Gross	(13.45%)	14.14%	17.16%	5.90%	22.58%
	Net	(13.64%)	13.89%	16.91%	5.66%	21.50%
2008	Gross	(2.65%)	4.13%	(6.33%)	(21.73%)	(25.68%)
	Net	(2.85%)	3.92%	(6.52%)	(21.91%)	(26.31%)
2007	Gross	0.70%	5.55%	1.12%	(2.36%)	4.95%
	Net	0.49%	5.33%	0.89%	(2.57%)	4.05%
2006	Gross	5.25%	(2.42%)	2.91%	8.46%	14.63%
	Net	5.01%	(2.65%)	2.68%	8.23%	13.60%
2005	Gross	(0.89%)	3.73%	6.78%	1.68%	11.62%
	Net	(1.22%)	3.43%	6.55%	1.47%	10.46%
2004	Gross	1.55%	0.81%	5.32%	7.22%	15.60%
	Net	1.30%	0.57%	5.08%	6.95%	14.48%
2003	Gross	(4.07%)	13.35%	4.10%	10.97%	25.61%
	Net	(4.24%)	13.15%	3.90%	10.67%	24.58%
2002	Gross	5.89%	(1.34%)	(6.79%)	4.74%	2.00%
	Net	5.76%	(1.46%)	(6.91%)	4.55%	1.43%
2001	Gross			(6.52%)	11.89%	4.60%*
	Net			(6.64%)	11.76%	4.34%*

\* Performance represents a non-annualized partial period return beginning on July 1, 2001.

Past performance is not indicative of future results. Performance presented for the period July 1, 2001 through July 14, 2004 represents the value performance 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 performance record while the Portfolio Manager was in a transitional period and was not affiliated with the prior firm. The Independent Accountant's Report and the Annual Disclosure Presentation are an integral part of this presentation.

**LAKESHORE CAPITAL, LLC**  
**LAKESHORE CAPITAL VALUE COMPOSITE**  
**ANNUAL DISCLOSURE PRESENTATION**

Year End	Total Firm Assets (USD) (millions)	Composite Assets (USD) (millions)	Number of Accounts	S&P 500	Annual Performance Results Composite		Composite Dispersion	Composite 3-Year Standard Deviation	Benchmark 3-Year Standard Deviation
					Gross	Net			
2011	120	48	70	2.11%	-0.77%	-1.61%	0.95%	21.57%	18.70%
2010	127	51	69	15.06%	13.50%	12.52%	0.60%	N/A <sup>1</sup>	N/A <sup>1</sup>
2009	112	40	67	26.46%	22.58%	21.50%	2.66%	N/A <sup>1</sup>	N/A <sup>1</sup>
2008	87	33	65	-37.00%	-25.68%	-26.31%	2.09%	N/A <sup>1</sup>	N/A <sup>1</sup>
2007	101	30	58	5.49%	4.95%	4.05%	0.89%	N/A <sup>1</sup>	N/A <sup>1</sup>
2006*	76	16	24	15.80%	14.63%	13.60%	0.80%	N/A <sup>1</sup>	N/A <sup>1</sup>
2005	47	23	32	4.91%	11.62%	10.46%	1.80%	N/A <sup>1</sup>	N/A <sup>1</sup>
2004	46	29	69	10.88%	15.60%	14.48%	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>
2003	-	6	13	28.68%	25.61%	24.58%	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>
2002	-	3	5 or Less	-22.06%	2.00%	1.43%	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>
2001**	-	1	5 or Less	-5.61%	4.60%	4.34%	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>

\* 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, 2010 are \$94.1 million, which represents 74% of the total firm assets.

\*\* Composite and benchmark performance are for the period July 1, 2001 through December 31, 2001.

N/A<sup>1</sup> - Information not calculated; not a Global Investment Performance Standards (GIPS®) requirement prior to 2011.

N/A<sup>2</sup> - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Lakeshore Capital Value Composite contains fully discretionary accounts with similar value equity investment strategies & objectives. Accounts will hold between 20-25 securities. Companies are generally equally weighted and no position is greater than 10%. No arbitrary sector or industry limitations are imposed. For comparison purposes the Lakeshore Value Composite is measured against the S&P 500 Total Return Index. In presentations shown prior to June 30, 2006, the composite was measured against the S&P 500 and the S&P 500/Citigroup Value indices excluding the reinvestment of dividends. The benchmarks were changed to more accurately reflect the strategy of the composite. Additional information regarding prior benchmarks is available upon request. Beginning September 1, 2004, the minimum account size for this composite is \$80 thousand.

Lakeshore Capital, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Lakeshore Capital, LLC has been independently verified for the periods September 2, 2004 through December 31, 2011.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Lakeshore Value Composite has been examined for the periods September 2, 2004 through December 31, 2011. The verification and performance examination reports are available upon request.

Lakeshore Capital, LLC is a registered investment advisor. The firm's list of composite descriptions is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. 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. 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. The firm's policies for valuing portfolios, calculating performance and preparing compliant presentations are 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.