

Morgan Dempsey Dividend Income - Institutional

Investment Objective:

The Morgan Dempsey Dividend Income Strategy invests in a diversified portfolio of equity securities. We attempt to identify and invest in companies that pay attractive current dividends and have historically raised the dividends paid to shareholders. This portfolio is not necessarily broadly diversified and tends to be concentrated in sectors where we can find yield. We attempt to find companies, that in addition to the high current dividend, are trading at or near their historical dividend yield.

Given the primary objective is yield, we tend to hold many of these securities longer term and this portfolio has historically experienced relatively low turnover. Stocks are normally sold when the dividend yield reaches a level that we no longer consider attractive. Stocks are also sold when, in our opinion, the company experiences some fundamental deterioration in earnings or earning outlook.

We look for companies with the following characteristics at the time of purchase:

- Market Capitalization > \$1 billion
- Dividend yield 1% higher than the S&P 500
- A commitment to dividends and dividend growth
- Solid dividend coverage
- Sustainable business model

What Investors Should Expect:

- High current income
- Potential for increasing portfolio income
- Total return consistent with broad equity market performance
- Volatility associated with concentration in higher yielding sectors of the market
- Long-term investment perspective

Strategy Highlights

- A high level of current income
- Potential for an increasing income stream
- Competitive equity market return potential
- Long-term investment perspective

Account Information

Management Fee: 1.00%
Minimum Investment: \$250,000
No lockup period or redemption restrictions

Manager Information

Marc Dion, CFA
Principal/Portfolio Manager

Mr. Dion joined Morgan Dempsey in 2004 returning to Milwaukee via Omaha, NE and Great Falls, MT. He is a seasoned investment professional with over 20 years of experience in the financial services industry.

Portfolio Information

Supplemental Information

Top 10 equity holdings as of 3/31/12

| | |
|---------------------------------------|-----|
| 3.12% - Altria Group, Inc. | MO |
| 3.10% - Reynolds American Inc. | RAI |
| 3.03% - Bristol-Myers Squibb | BMJ |
| 3.01% - Kinder Morgan Energy Partners | KMP |
| 2.90% - Mattel, Inc. | MAT |
| 2.82% - AT&T Corporation | T |
| 2.80% - Lorillard, Inc. | LO |
| 2.78% - Kimberly Clark Corp | KMB |
| 2.77% - Ventas, Inc. | VTR |
| 2.61% - Duke Energy | DUK |

Total Number of Holdings: 37

1 year turnover: 12.29%

Median Market-Cap: \$17.5 billion

Weighted Market-Cap: \$38.8 billion

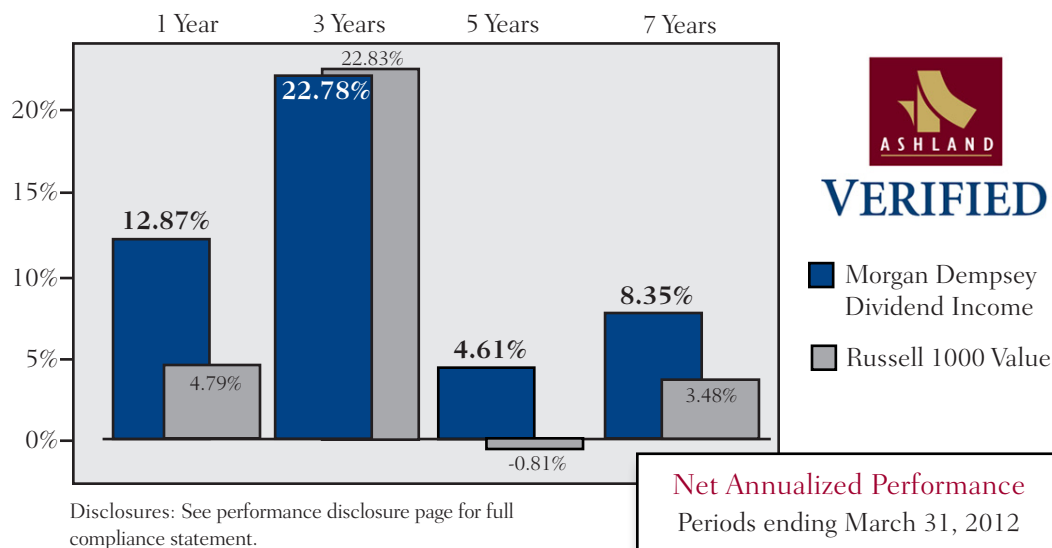
Expected 12 month equity-only yield: 4.9%

Contact Information

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For additional information or a copy of our ADV part II please contact:

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Morgan Dempsey
Dividend Income

Russell 1000 Value

DIVIDEND INCOME INSTITUTIONAL COMPOSITE - ANNUAL DISCLOSURE PRESENTATION

| Year End | Total Firm Assets (millions) | Composite Assets (USD) (millions) | Number of Accts | % of Non-Fee-Paying | Annual Performance Results Composite | | Russell 1000 Value Index | Composite Dispersion | Composite 3-Yr St Dev | Russell 1000 Value Index 3-Yr St Dev |
|----------|------------------------------|-----------------------------------|-----------------|---------------------|--------------------------------------|---------|--------------------------|----------------------|-----------------------|--------------------------------------|
| | | | | | Gross | Net | | | | |
| 2012 YTD | 221 | 11 | 11 | 16% | 2.59% | 2.34% | 11.12% | N.A. | 9.4% | 17.2% |
| 2011 | 186 | 11 | 11 | 16% | 15.68% | 14.60% | .40% | 1.23% | 11.1% | 21.0% |
| 2010 | 213 | 9 | 12 | 14% | 21.30% | 20.15% | 15.51% | 1.37% | | |
| 2009 | 173 | 6 | 10 | 3% | 23.45% | 22.30% | 19.69% | 1.77% | | |
| 2008 | 141 | 5 | 9 | 4% | -22.01% | -22.77% | -36.85% | 1.03% | | |
| 2007 | 188 | 7 | 10 | 3% | -.04% | -1.00% | -.17% | .69% | | |
| 2006 | 190 | 6 | 8 | 3% | 25.89% | 24.71% | 22.25% | 2.03% | | |
| 2005 | 69 | 4 | 9 | 4% | 3.51% | 2.54% | 7.05% | .32% | | |
| 2004 | 73 | 7 | 11 | 3% | 27.04% | 25.86% | 16.49% | 1.68% | | |
| 2003 | 137 | 6 | 10 | 2% | 43.99% | 42.62% | 30.03% | N.A. | | |

N.A. -Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year, or an incomplete calendar year.

Morgan Dempsey Capital Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Morgan Dempsey has been independently verified for the periods June 30, 2000 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 Dividend Income Institutional composite has been examined for the periods September 30, 2002 through December 31, 2011. The verification and performance examination reports are available upon request.

Dividend Income Institutional Composite was created June 30, 2010 and contains fully discretionary Large and Mid Capitalization, US domiciled, long only equity, commission based accounts, and for comparison purposes is measured against the Russell 1000 Value Index. The minimum account size for this composite is \$100,000. Prior to January 1, 2010 the minimum account size was \$50,000. The firm maintains a complete list and description of composites, which is available upon request.

Morgan Dempsey Capital Management, LLC is an independent investment management and advisory firm registered under the Investment Advisers Act of 1940. MDCM was established in 1994. The number of portfolios in the composite is as of yearend.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Beginning January 1, 2010, composite policy requires the creation of a temporary portfolio for a client initiated significant cash flow of at least 10% of portfolio assets. The creation of such a temporary account occurs on the date in which the significant cash flow occurs and the temporary account is combined with the corresponding composite account at the month end after the cash flow is fully invested. 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. Net of fee performance was calculated using MDCM's maximum Dividend Income annual management fee of 1.0%, equally applied on a monthly basis. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule for the Dividend Income composite is 1.0%. Actual investment advisory fees incurred by clients may vary. Past performance does not guarantee future results. A client's investment return may be lower or higher than the performance shown above. Clients may suffer an investment loss.

The information herein is for informational use only. Under no circumstances does this information represent a recommendation to buy or sell securities. Information contained herein should not be construed as a solicitation or offer of any services in a jurisdiction where Morgan Dempsey Capital Management, LLC is not registered to do business or does not qualify for an exemption or exclusion from registration requirements.

There can be no assurance that MDCM's future recommendations and account performance results will be favorable, or that losses will not occur in any client's account. The information contained herein is not a guarantee, or warranty by Morgan Dempsey Capital Management, LLC, nor its employees for any loss you may incur as result of the given information.

Unless otherwise noted, performance results discussed in company communications and advertisements are net of fees and taken from our performance composite for the time period specified. Further detailed disclosure information is contained in our Form ADV Part IIA which is available upon request.

Factors such as the size and performance of specific securities positions in accounts, the length of time certain positions are held, the timing of purchases and sales during the reporting period, client objectives, cyclical securities price trends, favorable and unfavorable news pertaining to securities, market trends and other factors all influence performance results materially. For these reasons, actual client account performance for any style would only match MDCM's total performance by coincidence. Upon request MDCM will provide a complete list of all recommendations made within the past year.

The data used for this report was obtained from sources deemed reliable and then organized by the staff at MDCM. Performance calculations were prepared using standard industry software and were not audited by any third party. Some information provided on MDCM's website or in company communications reflects opinions, and as such are not facts. These opinions are subject to change with changes in economic conditions and new information. Therefore, this information should not be used as a basis for an investment decision.

Any question regarding this information should be brought to the attention of Morgan Dempsey Capital Management, LLC.



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