

Dividend Income – Institutional

Presentation



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Morgan Dempsey Dividend Income

Manager:	Marc Dion, CFA
Strategy:	Dividend Income
Benchmark:	Russell 1000 Value
Methodology:	Fundamental, bottom-up analysis
Inception:	10/01/2002
Minimum Investment:	\$250,000
Fee:	1.00%

Strategy Overview:

The Dividend Income portfolio combines high yielding traditional dividend paying stocks with Master Limited Partnerships (MLP) and REITS to provide investors with:

- A high level of income
- The potential for an increasing income stream
- The potential for competitive equity market returns

Investment Philosophy

We believe that a portfolio of high yielding common stocks, Master Limited Partnerships and REITS with a history of consistently raising their dividends will produce both a significant rising income stream and competitive total returns for clients.

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

Investment Process Overview

“Universe”

3000 DIVIDEND PAYING STOCKS

“Dividend Quality”

- Dividend Yield > S&P 500
- History of dividend growth or the implementation of a dividend growth strategy

200–300 STOCKS

“Fundamental Analysis”

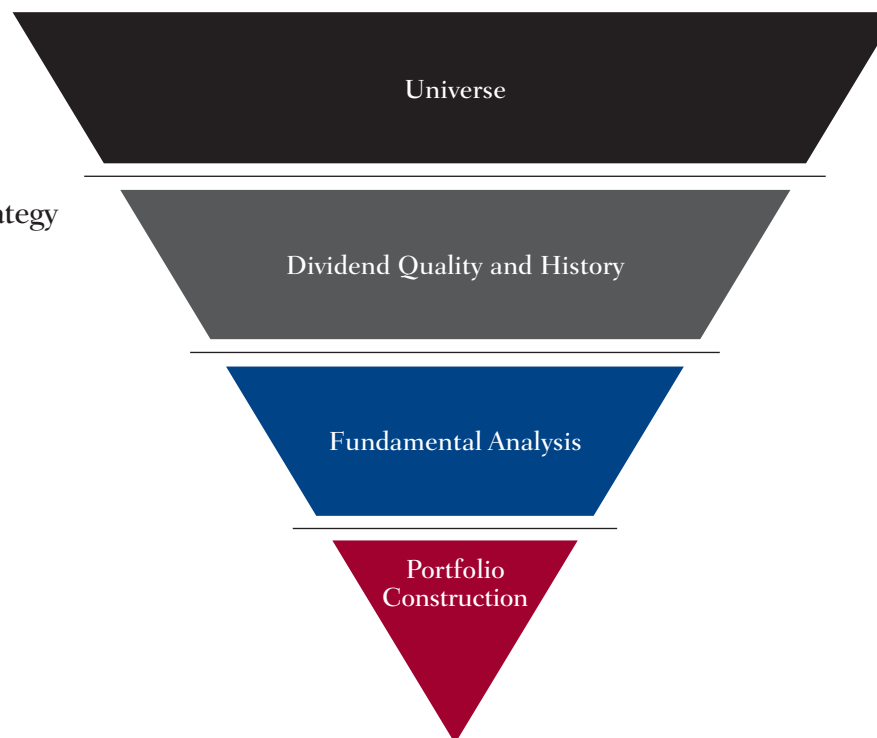
- Dividend Coverage
- Business Model
- Growth Potential

30–50 STOCKS

“Portfolio Construction”

- Sector Diversification
- 2.5% target position size

30–40 STOCKS



What Investors Should Expect

- Above Market Yield
- Portfolio concentration in higher yielding sectors of the market
- Total return consistent with broad equity market performance
- Long-term investment focus

Client Portfolios:

- Diversification using 30 to 40 stocks
- Low annual turnover
- 5% maximum position size

Sell Discipline & Risk Controls

Risk Controls:

We perform the majority of our risk management before a stock purchase is ever made. We have high standards for inclusion in our portfolio and want to be long-term partners with the companies we invest in.

Stock is reviewed for sale if:

- Fundamentals deteriorate
- Stock position exceeds 5%
- Stock declines 20% from firm's weighted average cost
- Dividend is cut
- Better investment alternative is identified

The decision to sell an investment may be based upon other criteria than those shown above, including the portfolio manager's judgement and client goals.

Portfolio Holdings & Characteristics

as of December 31, 2011

Supplemental Information

Top 10 equity holdings as of 12/31/11

3.16% - Bristol-Myers Squibb	BMY
3.13% - Kinder Morgan Energy Partners	KMP
3.11% - Reynolds American Inc.	RAI
3.04% - Altria Group, Inc.	MO
2.79% - Kimberly Clark Corp	KMB
2.78% - AT&T Corporation	T
2.73% - Duke Energy	DUK
2.71% - Ventas, Inc.	VTR
2.62% - Oneok Partners, L.P.	OKS
2.56% - Merck & Co., Inc.	MRK

Total Number of Holdings: 37

1 year turnover: 10.22%

Median Market-Cap: \$17.3 billion

Weighted Market-Cap: \$35.6 billion

Expected 12 month equity-only yield: 4.9%

A complete listing of all security holdings is available upon request.

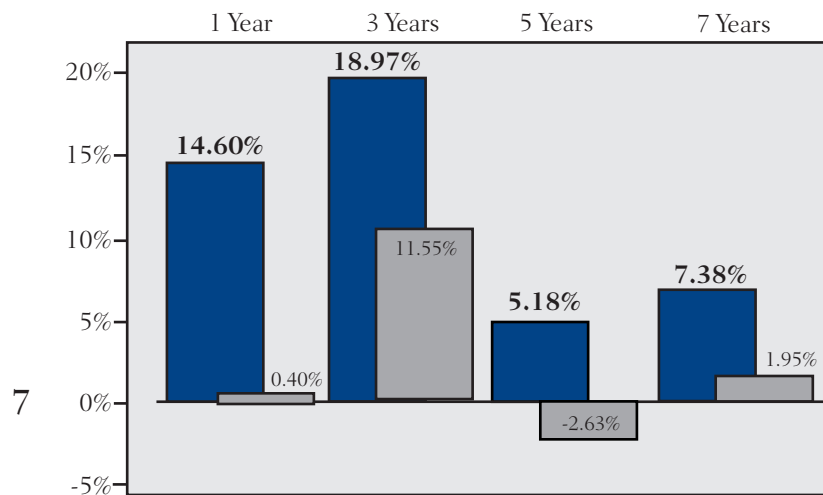
Investment Performance as of December 31, 2011

Supplemental Information

Dividend Income Institutional Composite - Net of Fees - Time Weighted Returns

Composite Performance

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year	Russell 1000 Value
2011	3.91%	2.31%	-3.91%	12.18%	14.60	.40%
2010	4.21%	-2.16%	11.03%	6.14%	20.15%	15.51%
2009	-6.88%	9.74%	9.04%	9.76%	22.30%	19.69%
2008	-3.81%	-5.57%	-1.51%	-13.67%	-22.77%	-36.85%
2007	5.19%	-0.54%	-3.41%	-2.03%	-1.00%	-0.17%
2006	6.20%	0.32%	8.24%	8.15%	24.71%	22.25%
2005	-3.88%	7.70%	0.99%	-1.92%	2.54%	7.05%
2004	11.32%	-7.57%	10.58%	10.62%	25.86%	16.49%
2003	5.90%	13.81%	6.24%	11.38%	42.62%	30.03%



■ Morgan Dempsey Dividend Income
 ■ Russell 1000 Value



Net Annualized Performance
 Periods ending December 31, 2011



Disclosures: See performance disclosure page for full compliance statement.

Morgan Dempsey Capital Management Investment Performance Disclosure



DIVIDEND INCOME INSTITUTIONAL COMPOSITE ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets (USD) (millions)	Number of Accounts	% of Non-Fee-Paying	Annual Performance Results Composite		Russell 1000 Value Index	Composite Dispersion
					Gross	Net		
2011	186	11	11	16%	15.68%	14.60%	.40%	1.37%
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.

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 September 30, 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 September 30, 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.



VERIFIED

About Morgan Dempsey

Morgan Dempsey was founded in 1994 as a spin off from NISA, a Milwaukee based investment firm. Morgan Dempsey and predecessor firms have provided investment management services to existing clients since 1972.

We serve a diverse group of clients which include:

- Institutions
- High net worth individuals
- Retirement Plans
- Personal Trusts
- Corporate Trusts
- SMA/UMA platforms

We are an experienced group of professionals committed to delivering an investment program that is designed to meet the specific needs of each client. The firm is 100% employee owned by the investment professionals who work here and no investment professional has left the firm in the previous five years.

Marc Dion, CFA

PRINCIPAL/PORTFOLIO MANAGER

Mr. Dion joined Morgan Dempsey in February 15, 2004 returning to the Milwaukee area from Omaha, NE. He is a seasoned investment professional with over 20 years of experience in the financial services industry. Marc is responsible for the Mid-Cap and Dividend Income strategies.

Principal/Portfolio Manager
Morgan Dempsey Capital Management
2004–Present

Chief Investment Strategist
First National Bank of Omaha
2001–2003

Sr. Portfolio Manager
Davidson Investment Advisors
1999–2001

Chief Investment Officer
Ziegler Asset Management, Inc.
1991–1999

Director of Research, Director of the
Investment Institute
Richard Schillfarth & Assoc.
1987–1991

Chartered Financial Analyst
University of Wisconsin–Madison
MBA-Finance 1986
M.A. American History 1981

B.A. History
Kalamazoo College –Michigan

Brian G. Rafn

PRINCIPAL/DIRECTOR OF RESEARCH/PORTFOLIO MANAGER

Mr. Rafn joined Morgan Dempsey in October of 2003. He has over 20 years of experience in securities analysis, portfolio management, trading and trust accounting. Currently he is responsible for the securities analysis, portfolio management, and investment policy related to the Small/Micro-Cap Value Strategy.

Principal/Director of Research/
Portfolio Manager
Morgan Dempsey Capital Management
2003–Present

Owner
Sparta Capital
2001–2003

Vice President/Director of Research
Kyle Company
1992–2001

Senior Bond Trader
Harris Bank & Trust Company Inc.
1987–1992

Financial Consultant
Smith Barney Harris Upham Cos
1986–1987

University of Wisconsin-Parkside
MBA—Finance 1984
BS—Accounting 1982
BA—Economics 1982

David W. Durham

PRINCIPAL

Mr. Durham joined Morgan Dempsey in April of 2008 with over 11 years of experience in the investment and trust industry. Prior to joining Morgan Dempsey, David was a Senior Vice President with U.S. Bank where he sat on the Management Committee, lead the Business Development Officers and managed the national sales effort. David is responsible for the overall management of the firm, compliance and client services.

Principal

Morgan Dempsey Capital Management

2008-Present

Senior Vice President

Management Committee and National Sales

Manager Institutional Trust and Custody

U.S. Bank

2001–2008

Vice President

National Sales Manager - Institutional

Separately Managed Accounts FIRMCO

Firststar/US Bank

2000-2001

AG Edwards Company

St. Louis, MO

1998-2000

Lieutenant Colonel USMCR

United States Marine Corps

1989–Present

Lipscomb University - Nashville, TN

Bachelor of Arts—1989

Terence V. Pavlic, CFA

PORTFOLIO MANAGER/ANALYST

Mr. Pavlic brings 24 years of investing experience to our small/micro-cap team. Terry's diverse professional experience includes management of a \$600 million mutual fund, vice president of the trust and investment management division of a major bank, research analyst, and principal and portfolio manager for a small "boutique" investment advisor.

Mr. Pavlic served on the CFA Institute's Board of Governors from 1997-2000 and has been awarded the CFA Institute's Certificate of Achievement for Continuing Education for 21 consecutive years. He is a member and past president of the Milwaukee Investment Analysts Society and has lectured at the undergraduate business school program at the University of Wisconsin-Milwaukee.

Portfolio Manager/Analyst

Morgan Dempsey Capital Management
2010–Present

Chartered Financial Analyst

President
Pavlic Investment Advisors
1997–Present

Marquette University - Milwaukee, WI
B.S. Finance 1982

CFA Institute - Board of Governors
1997–2000

DePaul University - Chicago, IL
MBA Finance 1984

Sandeep Brion

RESEARCH ANALYST

Ms. Brion joined Morgan Dempsey in April 2011. Prior to joining Morgan Dempsey, Sandeep was a Research Analyst with Kellogg Asset Management, an affiliate of Associated Banc-Corp, where she focused on consumer discretionary and consumer staples sectors. Sandeep's academic background includes an MBA from the University of Wisconsin, Madison's, ASAP (Applied Securities Analysis Program) at the Hawk Center, and a Bachelor's in Computer Engineering from the University of Pune, India. She provides research and analysis for Morgan Dempsey's equity products.

Research Analyst
Morgan Dempsey Capital Management
2011

University of Wisconsin–Madison's School of Business
MBA-Stephen L. Hawk Center for Applied Securities Analysis
Program (ASAP), 2009

Research Analyst
Kellogg Asset Management
2009-2011

University of Pune, India
Bachelor of Computer Engineering

Beverly J. Pliskie

HEAD OF OPERATIONS & TRADING

Mrs. Pliskie joined Morgan Dempsey in April of 2004. She has over 10 years of experience in the financial services industry.

Morgan Dempsey Capital Management
2004–Present

Client Service/Operations
Reinhart-Partners
1997–2004

Administrative Assistant/Client Service Rep
Robert W. Baird & Co.
1996–1997