

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.

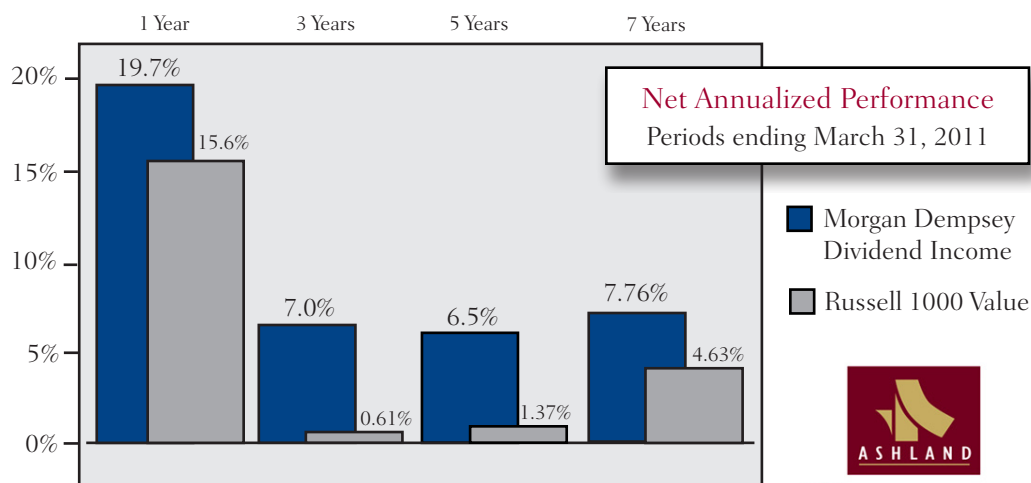
Given the primary objective is yield, we tend to hold many of these securities longer term and this portfolio has historically experienced relatively low turnover. Stocks are normally sold when the dividend yield reaches a level that we no longer consider attractive. Stocks are also sold when, in our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



Disclosures: See performance disclosure page for full compliance statement.



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

Top 10 holdings as of 3/31/11

3.18%	- Kinder Morgan Energy Partners	KMP
2.96%	- Altria Group, Inc.	MO
2.95%	- Reynolds American Inc.	RAI
2.95%	- Ventas Inc.	VTR
2.80%	- Buckeye Partners L.P.	BPL
2.76%	- CenturyLink Inc.	CTL
2.73%	- Microchip Technology, Inc.	MCHP
2.71%	- Kimberly Clark Corp	KMB
2.67%	- Enbridge Energy Partners, L.P.	EEP
2.61%	- NuStar Energy, L.P.	NS

Total Number of Holdings: 37
1 year turnover: 12.57%
Median Market-Cap: \$15.9 Billion
Weighted Market-Cap: \$32.2 Billion
Expected 12 month equity-only yield: 5.1%

Contact Information

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

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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		
2010	213	8	11	14%	21.23%	20.08%	15.51%	1.37%
2009	173	6	10	3%	23.45%	22.30%	19.69%	1.77%
2008	141	5	9	4%	-22.07%	-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.

Dividend Income Institutional Composite contains fully discretionary Dividend Income commission based accounts and for comparison purposes is measured against the Russell 1000 Value Index. The minimum account size for this composite is \$100 thousand at time of entry. Prior to January 1, 2010 the minimum account size was \$50,000.

Morgan Dempsey Capital Management, LLC (MDCM) has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

MDCM is an independent registered investment adviser. 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. Beginning January 1, 2010, composite policy requires the creation of a temporary portfolio for a client initiated significant cash inflow or outflow 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 account at the month end after the cash flow is fully invested. Additional information regarding the treatment of significant cash flows is available upon request. Composite performance is presented gross of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. Composite returns represent investors domiciled in the United States. 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. Net of fee performance was calculated using MDCM's maximum Dividend Income annual management fee of 1%, equally applied on monthly basis. 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.

The investment management fee schedule for the composite is 1% on all assets. Actual investment advisory fees incurred by clients may vary.



The Dividend Income Institutional Composite was created June 30, 2010. MDCM's compliance with the GIPS standards has been verified for the period June 30, 2000 through December 31, 2010 by Ashland Partners & Company LLP. A copy of the verification report is available upon request. In addition, a performance examination was conducted on the Dividend Income Institutional Composite beginning September 30, 2002. A copy of the verification report is available upon request.

VERIFIED

Morgan Dempsey Capital Management, LLC

Investment Performance Disclosures



Definition of Firm: Morgan Dempsey Capital Management, LLC is an independent investment management and advisory firm registered under the Investment Advisors Act of 1940. MDCM was established in 1994. The assets reflected in this investment performance begin with the 3rd Quarter 2002.

Total firm assets represent total discretionary assets managed by MDCM. The number of portfolios in the composite is as of year end. The quarterly standard deviation is calculated as the average dispersion from the mean return of all accounts included in the Composite for the quarter. The annual standard deviation is the calculated average dispersion of accounts in the Composite for the full year. Note 1:n/a (<5 portfolios).

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. Returns reflect the reinvestment of dividends and other earnings.

The performance result calculations include the deduction of securities transaction charges and are reported both net and gross of investment advisory fees. The results include the reinvestment of all dividends and other income. Actual portfolio returns are reduced by the amount of investment advisory fees. Gross performance result calculations include the deduction of securities transaction charges but not investment advisory fees. The results include the reinvestment of all dividends and other income. Actual portfolio returns are reduced by the amount of such fees. Over time, the deduction of fees reduce the value of a portfolio on a compounded basis.

One-on-One Presentation: This report is used exclusively for one-on-one presentations to qualified individuals, pension funds, and other institutions.

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.

The results shown in this report should not be considered indicators of future performance. 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 II 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. Errors could have occurred in the data, in the calculations, or in the preparation of this report. Therefore, the information contained on this site may not be precise. 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. MDCM makes no representation or warranties as to the accuracy, timeliness, or relevance of any information prepared by any unaffiliated party.

The composition and market volatility of our benchmarks, which are unmanaged market value-weighted indices, and the composition and volatility of the portfolios managed by MDCM are materially different.

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

Dividend Income - Institutional Composite

Composite Description: The Dividend Income institutional composite includes all fully discretionary, fully invested accounts that are managed in the firm's dividend equity model. The composite includes U.S. stocks and ADRs. The composite does not include any accounts which employ leverage. The minimum account size for inclusion into the dividend equity composite is \$50,000.00.

Benchmark: For comparison purposes, a benchmark of the Russell 1000 Value Index is used. The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer of the large cap value market. Based on ongoing empirical research of investment manager behavior, the methodology used to determine growth probability approximates the aggregate large cap value managers opportunity set. Securities in the Value Index generally have a lower price-to-book and price-earnings ratios than those in the Growth Index.

Calculation Methodology: The composite performance results are expressed in U.S. Dollars for the full historical period. They are time-weighted rates of return presenting total returns, net of commissions and transaction costs. Performance results reflect the reinvestment of dividends and other earnings and are presented net of investment management fees. Net of fees performance is generated by adjusting gross of fees performance by the Dividend Income's maximum fee of 1%, applied on a monthly basis. Additional information regarding the policies for calculating and reporting returns is available upon request.

List of Composites: The composite was created June 30, 2010. A complete list and description of firm composites is available upon request.

Fees: Standard management fees for the composite are as follows: first \$10,000,000=1.0% MDCM will negotiate fees for a structured small account program. MDCM will negotiate fees for accounts of substantial size.

Small/Micro-Cap Value - Institutional Composite

The assets reflected in this investment performance beginning with the 3rd quarter 2002 were managed by Brian Rafn, V.P portfolio manager, director of research of MDCM.

Composite Description: The Small/Micro-Cap value equity composite includes all fully discretionary, fully invested accounts that are managed in the firm's Small/Micro-Cap value equity model. The composite includes only U.S. small cap value stocks. The composite does not include any accounts which employ leverage. The minimum account size for inclusion into the small cap value equity composite is \$100,000.00.

Benchmark: For comparison purposes, a benchmark of the Russell 2000 Value Index is used. The Russell 2000 Value Index is constructed to provide a comprehensive and unbiased barometer of the small-cap value market. Based on ongoing empirical research of investment manager behavior, the methodology used to determine growth probability approximates the aggregate small-cap value managers opportunity set. Securities in the Value Index generally have a lower price-to-book and price-earnings ratios than those in the Growth Index.

Calculation Methodology: The composite performance results are net and gross of fees and are expressed in U.S. Dollars for the full historical period. They are time-weighted rates of return presenting total returns, net of commissions and transaction costs. Performance results reflect the reinvestment of dividends and other earnings and are presented net of investment management fees and taxes. Additional information regarding the policies for calculating and reporting returns is available upon request.

List of Composites: The composite was created June 30, 2010. A complete list and description of firm composites is available upon request.

Fees: Standard management fees for the Small/Micro Cap Value are as follows: first 25 million +1.1%, next 25 million = 1.0%, next 30 million = 0.95 bp, above 80 million = 0.85.