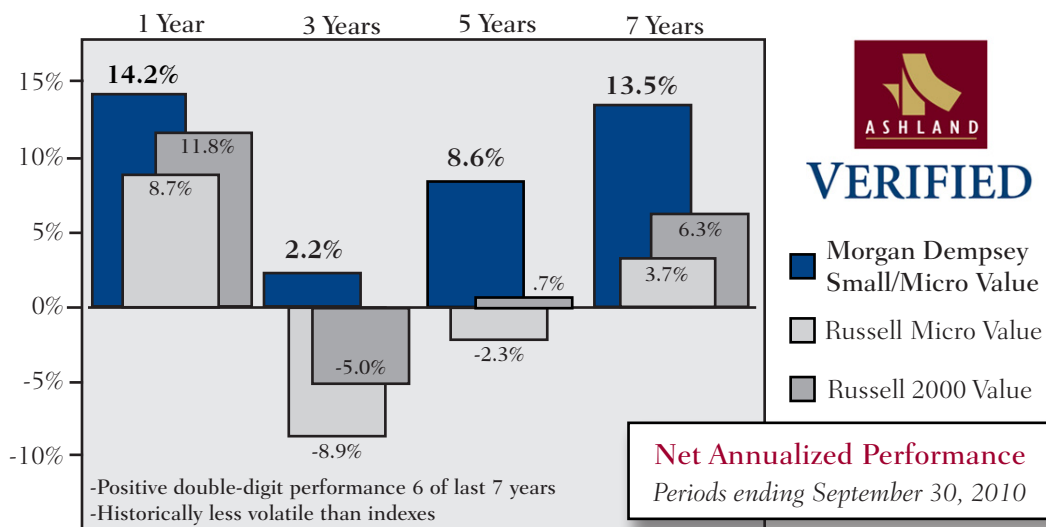


Morgan Dempsey Small/Micro-Cap Value - Third Quarter Commentary

Crimson Tide

If you mention the phrase “Crimson Tide”, rabid SEC college football fans will inevitably launch into a profession of their allegiance to the University of Alabama and Heisman Trophy running back Mark Ingram. I’d like to reference another Crimson Tide; “Crimson Tide” the movie provides a great analogy with the current political conflict between liberals and conservatives in America. Crimson Tide, a Cold War epic, hit the big screen in the summer of 1995. The blockbuster movie featured U.S. Navy Captain Frank Ramsey (Gene Hackman) as the grizzled, stubborn chain of command submariner in Admiral Hayman Rickover’s “silent service” against the Soviets. The Ohio class ballistic missile submarine, U.S.S. Alabama is ordered to an “on station” launch site in the Atlantic Ocean, as rebels seize a Soviet ICBM missile base in Russia. The Pentagon follows with an EAM (emergency action message) for the Alabama to launch its nuclear missiles, however at a crucial moment, a Soviet attack submarine damages the radio buoy of the U.S.S. Alabama before the missiles are launched. The college educated Executive Officer, cerebral Lt. Ronald Hunter (Denzel Washington) insists the crew should retreat, repair and surface to verify the attack launch, while Captain Ramsey is adamant to launch. A mutiny ensues 370’ below the surface, with American sailors and officers in combat to control a submarine with 24 Trident D-5 (10 MIRV 300 Kiloton warheads) missiles. The edge of your seat drama, in many ways, is similar to the scenario playing across the U.S. political stage prior to the November 2nd mid-term elections in Congress. The comparison presents 2 distinct similarities; first, both scenarios are likely to lead to an explosion, one actual and one political. The second comparison, the submarines double hull has a “crush depth” which currently approximates the U.S. federal debt crossing 100%-120% of GDP impairing the triple AAA credit, and as the political battle unfolds the ship of state is in an uncontrolled decent.



Strategy Highlights

- Fundamental - Bottom up research
- Concentrated in best ideas
- Emphasis on “Fortress Balance Sheets” (Limited Debt - Strong Free Cash Flow)
- Founder/Owner/Operator run companies
- Low Turnover

Team Information

Brian G. Rafn -Principal/Portfolio Manager
25 years of experience in securities analysis, trading and portfolio management focusing primarily on small/micro-cap stocks. Brian holds degrees in Finance, Accounting and Economics and previously served as a family office Director of Research.

Terence V. Pavlic, CFA

24 years of experience including serving on the CFA Institute’s Board of Governors, managing a \$600M mutual fund and past president of the Milwaukee Investment Analysts Society.

Account Information

- Management Fee: 1.00%
- Minimum Investment: \$1,000,000
- No lockup period or redemption restrictions

Supplemental Information

- Top 10 holdings as of 9/30/10
- | | |
|-------------------------------------|------|
| 7.5% - Jos. A. Bank Clothiers, Inc. | JOSB |
| 5.2% - Aptar Group, Inc. | ATR |
| 5.0% - National Presto Ind. | NPK |
| 4.6% - J&J Snack Foods Corp. | JJSF |
| 4.2% - Gorman Rupp Co. | GRC |
| 3.7% - Granite Construction, Inc. | GVA |
| 3.1% - Utah Medical Products, Inc. | UTMD |
| 2.7% - Lufkin Industries | LUFK |
| 2.5% - Ladish Co. Inc. | LDSH |
| 2.3% - Balchem Corp. | BCPC |

Total Number of Holdings: 70

1 year turnover: 8.7%

Median Market-Cap: \$495 million

Weighted Market-Cap: \$937 million

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As we navigate past zero hour in November, a civil mutiny between the conservatives (47% of adult voters) and liberal democrats (23%) fighting to control a \$13.498 trillion debt bomb. The socialist growth plan to seize the moment of crisis and build the federal government to 40% of GDP, has been enacted by the demonization of business (Big Oil, Big Banks), end-runs around Congress appointing Czars (74) to political posts, encroachment of the assignment of power not warranted by the U.S. Constitution and the creation of idealist focused policies for global climate change, check card free choice unionism, healthcare reform and soft power foreign policy. What is an interesting political observation at this juncture is the center right American voter (Gallup Poll) in a mere 18 months has rejected Obama Socialism. Europe, led by Germany, has finally realized after 65 years (1945-2010), that deficit financed central government and bloated public unions are neither efficient nor cost effective to consumer (voter) choice and are in fact a depressant to job growth.

As the U.S. equity markets posted the highest September returns in 71 years (1939) +8.14%, possibly from the political decay of the Obama Administration losing Peter Orzag, Rahm Emanuel, and Lawrence Summers. The Gallup Polls reported a 14 point lead by Republicans as of October 1st, local voter dialogue is focused on job creation (7,300,000 jobs eliminated 2007-2009) which has been impaired by the Democratic initiatives of re-regulation and taxation, that counts the \$787 billion stimulus and the Federal Reserve policy of a zero level interest rate policy as support. Beyond the current malaise are the structural issues facing taxpayers; there is \$73 trillion in unfunded U.S. Federal entitlements (Social Security, Medicare, Medicaid), mercantilist trade surpluses in China, the specter of nuclear weapons in Iran, an infrastructure bill of \$3.7 trillion in transit and power grid upgrades, and an ignored weapons replenishment capital budget to replace naval ships, aircraft, combat vehicles, etc, which will add another \$600 billion to an already \$1.2 trillion bill.

Economics from 30,000'

Economists and strategists on Wall Street have been portraying the eerie parallel between 2010-2011 and the 1937-1938 Recession which occurred during The Great Depression. Progressive democrat Franklin D. Roosevelt in his 2nd term as President, enacted several follow on legislative initiatives in 1937-1938 (Schechter Poultry vs. United States) as the U.S. Supreme Court voted 9-0 to rescind the National Recovery Act of 1933. The Great Depression (1929-1939) witnessed unemployment at 26%, international trade (Smoot-Hawley Tariff Act 1930) declined (-68%), farm commodities collapsed (-60%), incomes collapsed (-40%) and industrial production manufacturing volumes declined (-46%). Bank failures counted 744 in the first 10 months of 1930, and 9,004 between 1929-1939, with \$7 billion in frozen deposits by April 1933, and foreclosures amounted to 13%-14% of loans in 1933, 1934 and 1935. The short pools and speculation in the stock market, monetary restraint by the Federal Reserve Bank in 1927, the Smoot Hawley Tariff Act of 1930, debt leverage, and Europe soliciting lower interest rates from the Federal Reserve in 1927, caused the leading economist in the 1920's, Irving Fisher, to define the mechanism of depression cycles in capitalism as 9 stages:

1. Debt liquidation and distress sales
2. Contraction of money supply as bank C&I loans are repaid
3. Asset price deflation
4. Collapse in business and consumer equity and net worth precipitating bankruptcy
5. Profit collapse and margin erosion
6. Unit volume production, trade and inventory pipeline declines
7. Unemployment fosters pessimism and loss of confidence



8. Cash, gold, silver and “specia” money hoarding, elimination of spending and investment
9. Collapse in cost of money, nominal & real interest rates and the rise in deflation adjusted interest rates

Further, the horizontal integration of 1880's-1890's (sugar, oil, rubber trusts) and the vertical integration of the 1920's (automotive foundry/manufacture/dealerships) created the “Titans of Industry” such as John D. Rockefeller, Cornelius Vanderbilt, Andrew Carnegie, J. Pierpont Morgan, Arthur Sloane and Henry Ford which further polarized the distribution of wealth. The concentration of wage & salary income, rents, cash dividends and interest earned by the top 1% of tax filers amounted to 34% in 1929, by 1939 the dilution lowered the concentration to 21% of the U.S. pool of national income. If the Economic Depression was not enough, add to it a 9 year (1931-1939) rainfall drought and Dust Bowl across the Great Plains, and the rise of the Axis Powers and the threat of war. The National Industrial Recovery Act of 1935 created the National Recovery Administration, which progressives dating to Woodrow Wilson (1916-1920) through Roosevelt believed would lift economic malaise through key strategic regulation of the economics of government spending and controls over price levels, work hours, production output and wages & salary. The Works Public Administration focused on heavy civil construction, the Civil Conservation Corps employed workers for tree planting, and park construction.

Retired Brigadier General Hugh Samuel Johnson, the first National Recovery Administration (NRA) director, called for the adoption of a 20 to 45 cent hike in hourly labor rates, the abolition of child labor, and 35-45 hour work weeks. President Roosevelt believed in a progressive cooperation with industry to reemploy labor under Washington's regulation and leadership. He stated “but if all employers in each trade band together faithfully in modern guilds and agree to act together none hurt with millions of workers long deprived of the right to earn bread in the sweat of labor and raise their heads again. The challenge of this law is whether we sink selfish interest and present a solid front against

common peril.” In May 1935 industrial manufacturing was 22% higher than in May 1933 and by May 27, 1935 the NRA was found unconstitutional in the 9-0 U.S. Supreme Court decision (Schechter Poultry Corp. v. United States). In t 1937-1938 the economy rolled over, which fostered the 2nd more muted attempt at a legislative New Deal. Finally, Hitler's invasion of Poland in September of 1939 created the catalyst to end the Great Depression. The Revenue Act of 1946, was the 3rd attempt (1933, 1937, 1946) to install a government-managed economic policy, and supported by Harry Truman. The Democratic Congress (78th) voted against the President, and allowed the capital flows of the war economy converting to a civilian economy to dictate economic growth.

Fast forward 7 decades to 2010 and the rhetoric is the same, demonize big business and the wealthy bankers, enact punitive taxation and regulation in an effort to redistribute wealth, and allow federal spending to approach 32% of GDP. Refer back to Irving Fisher's 9 factor mechanism of depressions and ask how would a \$787 billion government stimulus or monetary policy, which has expanded the Federal Reserve Bank balance sheet from \$843 billion to \$2.215 trillion, mitigate or rescue the economy from the depression syndrome? As of the 3rd quarter of 2010, the economic score card exhibits the following:

1. The National Bureau of Economic Research (NBER) established the mortgage recession officially from December 2007-June 2009 which calculates the current tepid expansion at 15 months.
2. Debt levels of \$35.010 trillion as the summation of government finance, mortgage debt, and consumer revolver credit & installment loans equals 240% of GDP (\$14,575 trillion). The explosive U.S. federal debt posted a level of \$12,624,352,674,172.79 as of October 5, 2010 or 93.48% of GDP v. 37.41% as of September 30, 1997. Consumer credit card debt and installment loans declined at 1.75% and 7.25% annualized rates over 18 of the 19 previous months.



3. A shadow inventory of 7,030,000 foreclosed U.S. single family houses plus a 12½ month inventory of “for sale” available homes illustrates the indigestion from 1991-2006 housing bubble, which equals a 13-14 million pool of houses representing 3-5 years of normalized existing home sales. As of 2010, 26% of the \$ 8.3 trillion mortgage debt is in (-) equity and as of July 2010, foreclosures across the U.S. (99,386) are still growing.

4. Global central banks posture a zero interest rate currency debasement policy to “beggar they neighbor” with cheap currency to reflate exports. Since 1973 the U.S. Dollar vs. trade weighted currencies appreciated +433% through 2001 but has deteriorated (-34%) since 2001.

5. U.S. commercial bank failures total 279 since September 28, 2008 and the number of commercial and thrift banks has fallen from 15,126 to 7,932 since 1991.

6. Gold, the “specie” money, which once represented the anchor to Breton Woods spiked to \$1,308 per ounce though still \$1000 below the \$2,315 per ounce level needed to equal the 1981 inflation adjusted spot price high.

The journey through economic history which we have discussed at length in the text of our quarterly letters has a direct bearing on the current investment horizon. Not since the 1930's has politics and government economic policy played such a pivotal role. The QE 2 (quantitative easing) of the Bernanke Federal Reserve is an enormous policy error in monetary accommodation beyond the \$2.215 trillion Fed balance sheet. Velocity turnover of (M2) the monetary base will not reflate until sentiment stabilizes, reflecting prudent fiscal austerity at the local, state, and federal levels of government. Pouring more liquid stimulus fuel on the economy will only revisit the Volker inflation battles of 1979-1983.

Quarter Highlights

The portfolio soared with the high quality, low debt equity

issues which offer durable business models and cash dividend yield. In July and August, 28 of our companies reported record earnings above the 2006-2007 peak and the 3rd quarter should exhibit 16 record peak cycle earnings comparisons. We liquidated Whiting Petroleum Corporation at \$94 as it reached a \$5 billion market capitalization. This 5 year holding was purchased as a spin-off at \$18.50 sold at \$88, repurchased at \$47 and sold again at \$94. Carlisle Group acquired Hawk Corporation, another of our holdings, for \$50 per share. We purchased it at \$14.35-\$16.55, in May 2008. The portfolio achieved a total return of 10.23% vs. The Russell 2000 Small Cap Value Index 9.72% and the Russell 2000 Micro-Cap Value Index 6.86%

The quarter exhibited significant appreciation in 22 issues with modest declines in 19 issues with leaders posting gains of +96.46% Hawk Corporation, +70.73% Dril Quip Incorporated, +47.09% Hawkins Incorporated, +37.02% Ladish Company Incorporated, and +25.29% Dawson Geophysical Company Incorporated. Weaker issues were led by (-23.53) % Value Line Incorporated, (-18.24) % Span-American Medical Systems Incorporated, (-18.13) % Buckle Incorporated, and (-14.68) % Sanderson Farms Incorporated. The portfolios are scale trading into Ballantyne Strong Incorporated of Omaha, NE and Apogee Enterprises Incorporated of Minneapolis, MN which are a play on digital cinema camera/projectors and plate glass for commercial construction respectively. The cash dividend yield approximates 1.14% and portfolios hold between 2%-3% cash reserves.

We pause to re-emphasize the distinct contrarian style which is exhibited in our portfolios;

1. Corporate America is driving earnings growth with reduction of labor headcount while our companies drive top-line sales revenue with unit volume growth.

2. Corporate America is firing employee labor while our firm's hire excess surplus talent available on the street.



3. Corporate America builds cash reserve balances at 0% real interest savings rates while our companies build PPLE capital expenditures and factory plant & equipment foot prints.

As examples, Gorman–Rupp Company built a 789,000 sq ft. plant and paid it off in 18 months. Sun Hydraulics Corporation is reporting overtime and hiring, Sturm Ruger & Company is accelerating machine tool investment and Joseph A Bank Clothiers Incorporated will spend \$34-\$36 million for 35-40 full service stores, 10-15 factory outlet stores and expansions to distribution warehouses. While the economic deflation is tepid, our holdings which focus upon internal organic growth and fortress balance sheets are the vanguard of American economic powers. As the press worries about the lost American economic hegemony don't expect sorrow from the welder at Gorman-Rupp, the engineer at Sun Hydraulics Corporation, the gunsmith at Sturm Ruger, the chemist at Hawkins Incorporated, the product manager at J&J Snack Foods Incorporated or the store manager at Joseph A Bank Clothiers. Frankly they are busy building shareholder value.

Stock & Trade

This month we revisit a stock story which highlights the ideals of our investment philosophy and the ebbs and flows of retail men's apparel: Joseph A Bank Clothiers in Baltimore, MD.

JOSB The men's apparel industry in 2009 declined to \$51.33 billion from a 2007 peak of \$54.72 billion as calculated by NPD Group. The recession has decelerated the earnings power from a 30.68% (1999-2009) earnings per share (CAGR %) growth rate to 16%-17% over the 2007-2009 mortgage crisis. The company sells 39,000+ different items in 3 levels of luxury, Executive Collection, the Signature and Signature Gold/Platinum Collection. Suits represent 27%-34% of sales revenue in any year and garment stocks use super 100's-150's weight merino wools at price ranges of \$299-\$1795. As of 2009-2010 the store

launched a Signature Platinum collection to \$2195 and a classic Collection below \$199. We have admonished senior management to remain focused in men's apparel since 2006 when discussion of a 2nd phase of business investment would deploy to a new concept. The company launched a tuxedo rental business in their 474 stores in March 2010 and a Joseph A Bank Clothiers factory outlet store expansion of 5-8 stores (2010) to add to the 7 legacy outlets. The factory outlets will target 75-85 locations, but we have counted the 281 factory outlet malls which exist today in the U.S. and Tanger Factory Outlets Incorporated views another 150 prime locations as possible. The full-price store channel we believe could be 700-800 locations plus another 150-200+ factory outlets are possible. Management estimates they have a 1.47% market share of tailored men's apparel in the U.S. \$51.709 billion industry, and we believe they could top 4%-5% share by 2017-2018.

The top-line sales revenue amounted to \$143,465,000 in 1994 and posted \$770,316,000 sales in the fiscal year ended January 31, 2010. The generation of organic internal free cash flow achieved our 30% free cash flow net of gross EBITDA threshold in 11 of 17 years since 1993. The company reported \$78,445,000 of free cash flow from a gross EBITDA level of \$140,160,000 or a 55.97% free cash flow margin. The balance sheet is debt free with \$204,186,000 or \$7.42 in cash per share and 2010 marks the 4th consecutive Christmas holiday season the company will fund inventory build-up of fall/winter apparel from internal cash stockpiles. Internal rates of return remain solid with EBITDA/ROC% ranging 33%-47% since 2001. EBIT % operating margins ranging 16.70% -22.92% (2001-2009) and margin % levels have expanded on gross profit from 40.61% to 62.92% (1994-2009) and the company approaches the annualized 10% net margin in 2010/2011. The current mix of business is sourced 90.11% retail store chain, 8.30% internet/catalog and 1.59% factory outlet stores and the sales mix approximates.

The company launched a Factory Outlet website in June and a Big & Tall website in October giving the internet channel 3 distinct price/quality/value websites. Joseph A Bank has been a technology innovator with its Traveler trade mark



apparel line of anti-wrinkle, zero shrinkage, colorfast stain repellent clothes, the Cool Suit thermal absorption fabric for summer from NASA and has launched 54 R/L- 60 R/L sizes in suits for Big & Tall men which approximates 27%-35% of the sales mix in any year. The company measures profitability with corporate average of 23% for stores and 40% for the internet. The maturation cycle of a store is 3-4 years, doubling sales and posting 1000 + bp gains in operating margins.

The story of Joseph A Bank Clothiers, Inc. is a testament to durable business models managed by pragmatic visionaries deploying cash flow with patience. Earnings growth rates on a per share CAGR basis generated +20.6% since the 1993 IPO, +38.1% since the 1996 divestiture of women's apparel and +30.7% since the 1999 management team of Robert Wildrick, Neal Black and CFO David Ullman. The company reported positive earnings growth comparisons in 35/36 past sequential quarters and the \$.35 reported in 1994 EPS has compounded to \$9.12 in 2009. Since 1999 the stock has granted 2X3:2 and 2X5:4 stock splits or 3.5156 shares per initial share in 1999. Our internal models forecast \$3.18 E 2010 and \$3.94E 2011 in EPS or \$6.11 E 2011 and \$7.42E 2011 in gross EBITDA per share. The stock trades at \$45.21 or \$37.79 (7.42 cash reserves) net of cash, which amounts to 11.88X and 9.59X multiples on EPS or 6.18X and 5.09X multiples on gross EBITDA cash flow. For 2011 our intrinsic value target based on private market value and a discounted free cash flow model equals \$99.27. Alternatively using a capitalized multiple assignment of 25X-35X EPS 12 year earnings compounder would yield a range of \$98.64-\$137.94 for a 30% consistent. . The stock is tailored to continue to capture at least 4%-5% of men's apparel sales in the U.S. by 2018.

Epilogue Post Election

Up periscope, blow ballast it is now post November 2nd, the Republicans control the House of Representatives 242-193, the Senate is a near impasse 49-51 and 6 governorships have joined the Red Sea 29-20, the dollar has weakened (-10.43)%

against major foreign currencies as sovereign trading partners play the "mercantilist trade policy" of reflation and currency reserve building through surplus from foreign trade. The Federal Reserve of Benjamin Bernanke is attempting to stoke inflation expectations to 2-3%, with a \$600 billion dollar bond swap for reserves, under the QE2 moniker. Elusive growth is built on sentiment and conviction in strategic planning for capital investment. Additional investment in productivity enhancements or gross capacity expansion, lead to increased employment which recycles into consumption. Torpedoes away on liberal socialist income redistribution, the failures of unionism and the blocked public sector nationalization of business. Say hello to the new sailor in port, the U.S. voter. Europe required 65 years (1945-2010) to conclude that socialism bloats the public sector and bankrupts the private sector. The Tea Party in the U.S. navigated that lesson in 14 months. It argues America is still home to invention, idea conceptualization, building, creating and the free exchange of capital, technology and labor to formulate future growth. Savings has returned to 6% of national income, the Obama administration has inaugurated the Bowles Commission to analyze the debt/deficit issue, the 2001/2003 Bush tax cuts are contemplated to be extended and the Republican check & balance is back in vogue. The Hauser Law which we have notated in economic history shows that U.S. Government tax receipts have averaged 19.5% of GDP since 1946. The only way to expand cash flow (tax revenues) is growth in the economic private sector. Marginal tax rates have ranged from 10% to 90% since 1913 with levels either stimulating or diminishing the capitalist's deployment of capital for a risk adjusted return. Recovery, growth and employment are dependent upon sentiment and thankfully our value holdings have a vast surplus of this business driver. This is borne out in 2010 merger/acquisition fever which has claimed Superior Well Services, Inc., Hawk Corporation and Ladish Company from our ranks. As always we endeavor to discover and position in durable business models at arbitrage discount valuations.....Torpedoes Away!

SMALL/MICRO-CAP VALUE 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 2000 Value Index	Composite Dispersion
					Gross	Net		
2009	173	5	8	0%	21.96%	20.83%	20.58%	.33%
2008	141	3	5	0%	-12.75%	-13.62%	-28.92%	N.A.
2007	188	4	5	0%	11.74%	10.67%	-9.78%	N.A.
2006	190	3	4	0%	19.74%	18.61%	23.48%	N.A.
2005	69	3	4	0%	16.60%	15.50%	4.71%	N.A.
2004	73	2	4	0%	23.57%	22.40%	22.25%	N.A.
2003	137	.4	1	100%	32.98%	31.73%	46.03%	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 (MDCM) has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

Small/Micro-Cap Value Institutional Composite contains fully discretionary Small/Micro-Cap Value commission based accounts and for comparison purposes is measured against the Russell 2000 Value Index. The minimum account size for this composite is \$100,000 at time of entry.

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. Results for Q4 2002 and Calendar year 2003 were from one account managed and researched exclusively by Brian Rafn at a previous investment advisory firm. Beginning January 1, 2010, composite policy requires the creation of a temporary portfolio for a client initiated significant cash inflow 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. Additional information regarding the treatment of significant cash flows is available upon request. Composite returns represent investors domiciled primarily 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 Small/Micro-Cap Value 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 Small/Micro-Cap Value Institutional Composite was created June 30, 2010. MDCM's compliance with the GIPS standards has been verified for the period June 30, 2000 through September 30, 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 Small/Micro-Cap Value Institutional Composite beginning January 1, 2004. A copy of the verification report is available upon request.



VERIFIED

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Small and Micro-Cap stocks may be subject to a higher degree of risk than more established company securities. Small and Micro-Cap stocks may be less liquid which can potentially increase trading costs. The composition and market volatility of the Russell 2000 Value, Russell 2000 and Russell Micro-cap Value, which are unmanaged market value-weighted indices, and the composition and volatility of the portfolios managed by MDCM are materially different.

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.

Manager ranking data was obtained from Money Manager Review, Nelson Information, Informa/Effron PSN, Morningstar, Evestment Alliance and other consultant databases. These rankings are independently prepared, and we believe them to be objective and statistically valid. Other similar manager rankings may produce different results.

Further detailed disclosure information is contained in our Form ADV Part II which is available upon request