

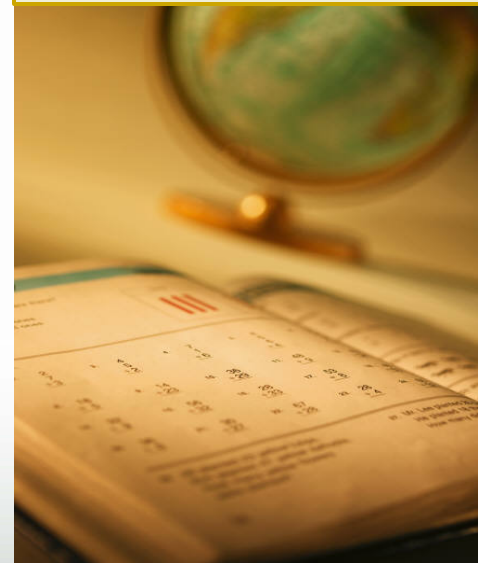
# *Select All-Cap Core Equity*

As of June 30, 2009



TRADITION CAPITAL  
MANAGEMENT, LLC

*“Wealth is best created and preserved through disciplined investments in high quality companies selling at reasonable prices.”*



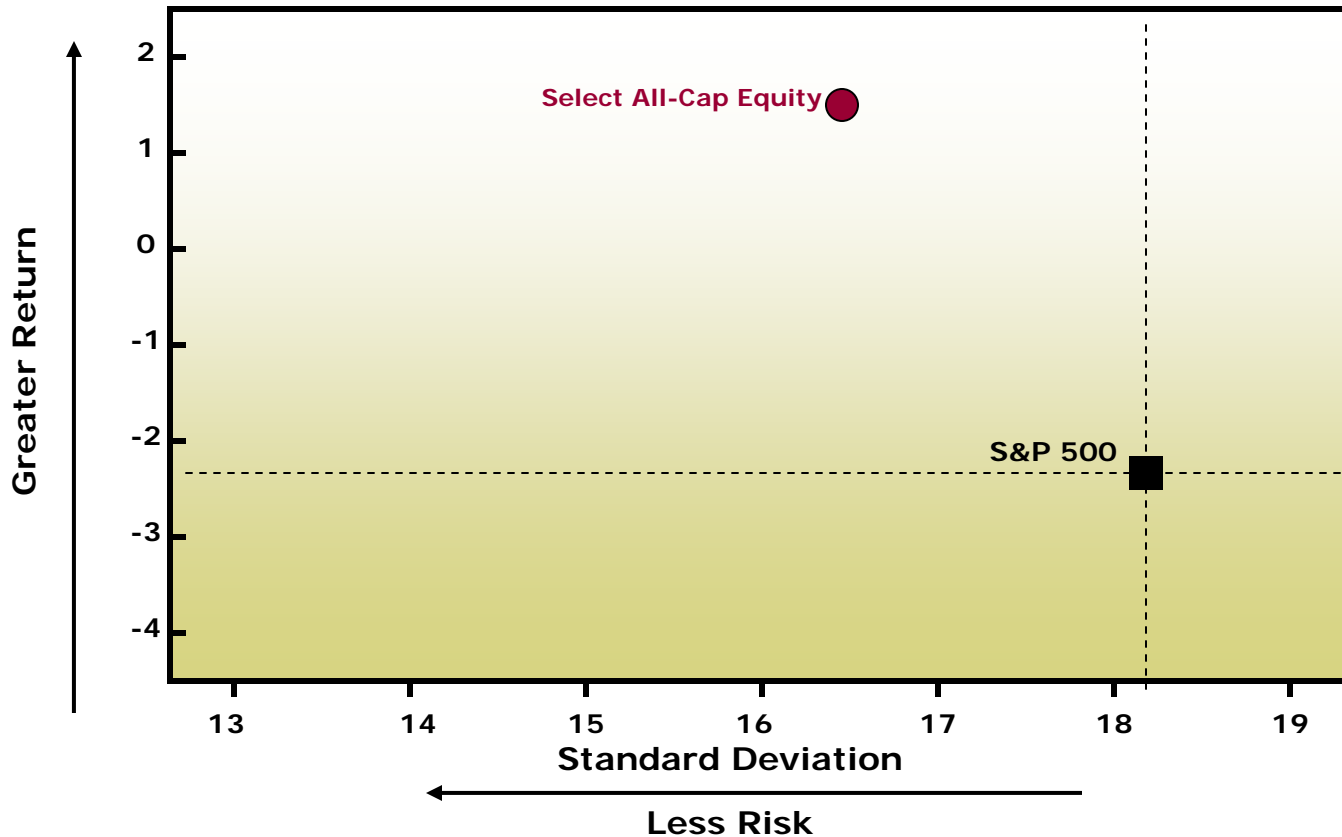
# Tradition Capital Management, LLC

## *Firm Summary*

- ✧ Asset Management Firm Founded in 2000. Headquartered in Summit, NJ.
- ✧ 13 investment professionals with nearly two centuries of cumulative investment experience. Total of 18 employees.
- ✧ Employee owned with personal assets invested in the same portfolios as our clients.
- ✧ Investment Partners have worked together for over 14 years.
- ✧ Approximately \$535 million in assets under management
  - Select All-Cap Core Portfolio
  - Large-Cap GARP Portfolio
  - Balanced and Tax Efficient Disciplines offered in all of the above strategies.

# Objectives for TCM Strategies

*Create wealth by managing risk/reward through market cycles.*



	ROR	Std Dev	Alpha	Beta	R-Squared	Batting Avg
Select All-Cap Equity	1.61	16.52	3.27	0.83	0.82	0.71
Russell 3000	-1.76	18.58	0.83	1.03	1.00	0.56
S&P 500	-2.37	17.98	0.00	1.00	1.00	0.00

Since Inception as of June 30, 2009



# Cornerstones of Our Philosophy

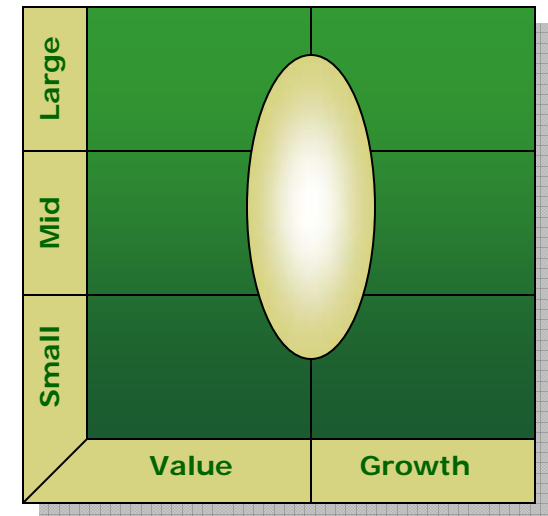
## *Select All-Cap Core Equity*

☞ **We** seek excellent companies with competitive advantages and attractive long-term growth prospects.

☞ **We** opportunistically look at superior companies across all levels of market capitalization and select stocks that are categorized as both value and growth.

☞ **We** purchase these opportunities only when they are selling at a 20% discount to our estimate of fair value. This “Margin of Safety” provides downside protection and enhances potential projected return.

☞ **We** seek to maximize returns on a risk-adjusted and after-tax basis.



# All-Cap Core Investment Process

## Universe

6000 U.S. stocks and ADRs.

### Preferable Attributes

PEG Ratio < 1.5  
Earnings Growth Rate > 10%  
Historical 5 Year Revenue Growth > 4%  
Long-Term Debt/Capital < 30%

#### *We look for:*

Confirmation of a company's long-term strength and growth prospects through a definable and sustainable competitive advantage.

#### **Qualitative Review:**

Brand strength, intellectual property, distribution capabilities, efficiencies of scale, and great management.

#### **Quantitative Inputs:**

Earnings power, growth rate, cash generating capabilities and overall growth should outpace the industry and overall economy.

### Proprietary Valuation Model: Estimates Fair Value on 200 Stocks

IDENTIFY Companies with at least a 20% risk-adjusted discount to our estimate of fair value.

Fundamental  
Research

### Margin of Safety

Offers Downside protection and enhances projected return.

Portfolio of 40-50 Stocks



# Risk Controls & Portfolio Management

*Active portfolio management does not end with security selection.*

We further control risks through:

- 40-50 Stock Portfolio
- Full initial position = 4%    Maximum position = 6%
- Sectors are limited to 10% points or 2X the S&P 500 sector weighting (Whichever is larger)
- Cash averages 0-10%.
- Maximum ADR exposure 25%    Maximum Small Cap exposure 30%
- Limited use of inverse ETFs to help preserve capital during times of great uncertainty.

# Exit Strategies

*Objective – limit the emotions*

1. Current stock price exceeds our estimate of fair value.
2. Actual or anticipated deterioration of company fundamentals.
3. Sector or position maximums are reached.
4. New compelling ideas.

# Portfolio Characteristics

As of June 30, 2009

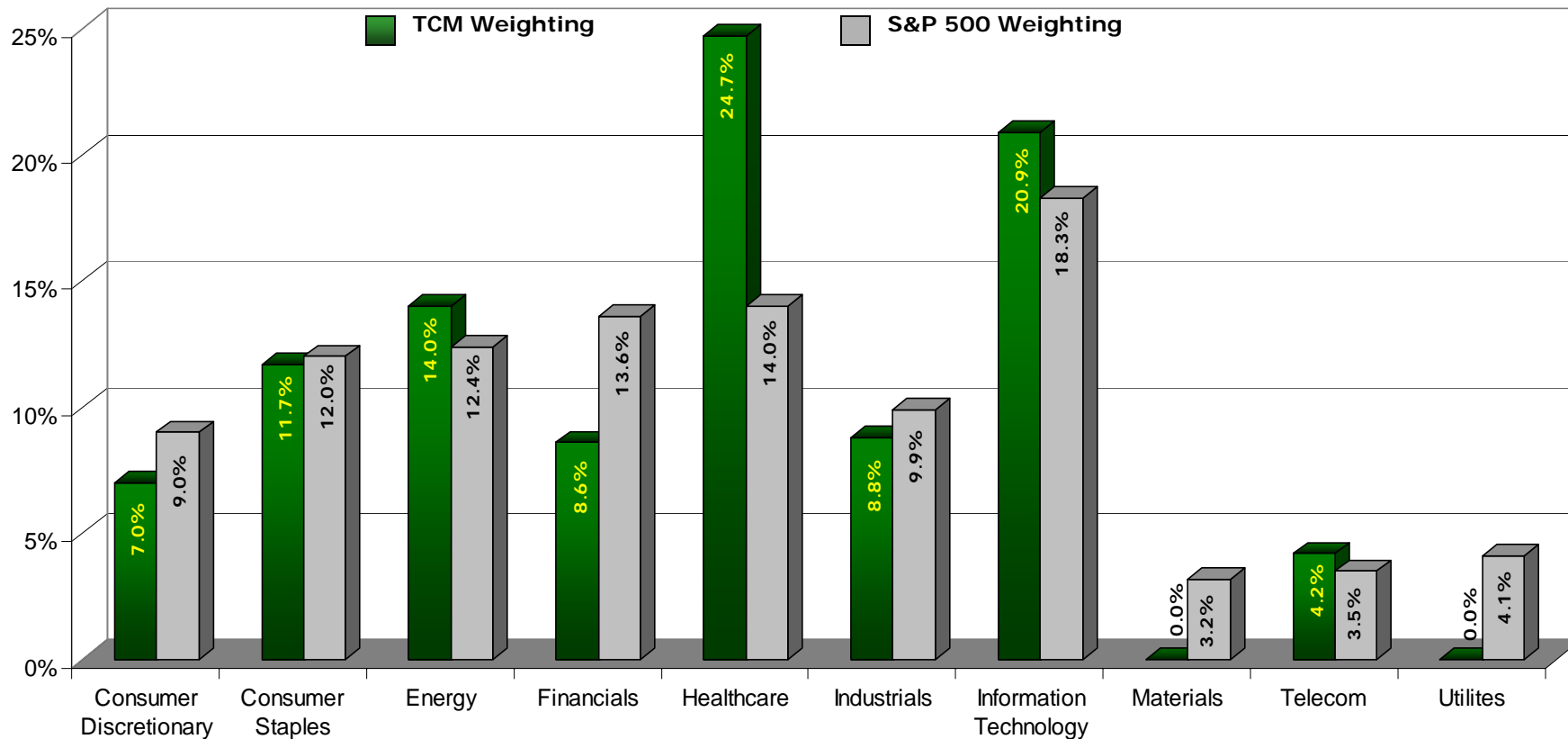
	Tradition Capital Management	S&P 500
<b>Financial Strength</b>		
Return On Equity	25.4	13.1
Long-Term Debt to Capital	20.0	34.0
<b>Earning Growth</b>		
Long-Term Earnings Growth (annual rate)	11.0	8.0
<b>Attractive Valuation</b>		
P/E – expected 2010	10.3	12.8
PEG (P/E to growth rate)	1.0	1.6
Price/Book	1.9	2.0
Price/Sales	1.2	0.8
Price/Cash Flow	6.9	8.3
Dividend Yield	2.7	2.8
<b>Low Risk (since inception)</b>		
Alpha	3.61	0.00
Beta	0.50	1.00
Standard Deviation	14.70	16.07
<b>Portfolio Structure</b>		
Number of Holdings	37	500
Annual Turnover	66%	N/A
Average Market Capitalization (\$ billions)	50.4	71.5
Median Market Capitalization (\$ billions)	22.1	6.9



# Select All-Cap Core Equity

Portfolio Sector Breakdown vs. S&P 500

As of June 30, 2009



# Select All-Cap Equity Representative Portfolio

As of June 30, 2009

## Consumer Discretionary

- ▶ Nike Inc. 'B'
- ▶ NutriSystem
- ▶ Walt Disney

## Consumer Staples

- ▶ Coca-Cola Company
- ▶ Hain Celestial
- ▶ Hansen Natural
- ▶ Kimberly-Clark
- ▶ PepsiCo

## Energy

- ▶ Apache
- ▶ ConocoPhillips
- ▶ Diamond Offshore Drilling
- ▶ Marathon Oil
- ▶ Transocean
- ▶ XTO Energy, Inc.

## Financials

- ▶ Annaly Capital Management
- ▶ Chubb Corp
- ▶ Endurance Specialty Holdings

## Health Care

- ▶ Abbott Laboratories
- ▶ Becton Dickinson
- ▶ Johnson & Johnson
- ▶ Novartis AG
- ▶ Sanofi-Aventis
- ▶ Schering-Plough
- ▶ Teva Pharmaceutical

## Industrials

- ▶ 3M Company
- ▶ Foster Wheeler Ltd.
- ▶ Parker Hannifin
- ▶ Terex
- ▶ Trinity Industries

## Information Technology

- ▶ Akamai Technology
- ▶ Amdocs Limited
- ▶ Google
- ▶ Interdigital
- ▶ Microsoft
- ▶ Nokia
- ▶ Yahoo!

## Telecommunications

- ▶ Vodafone

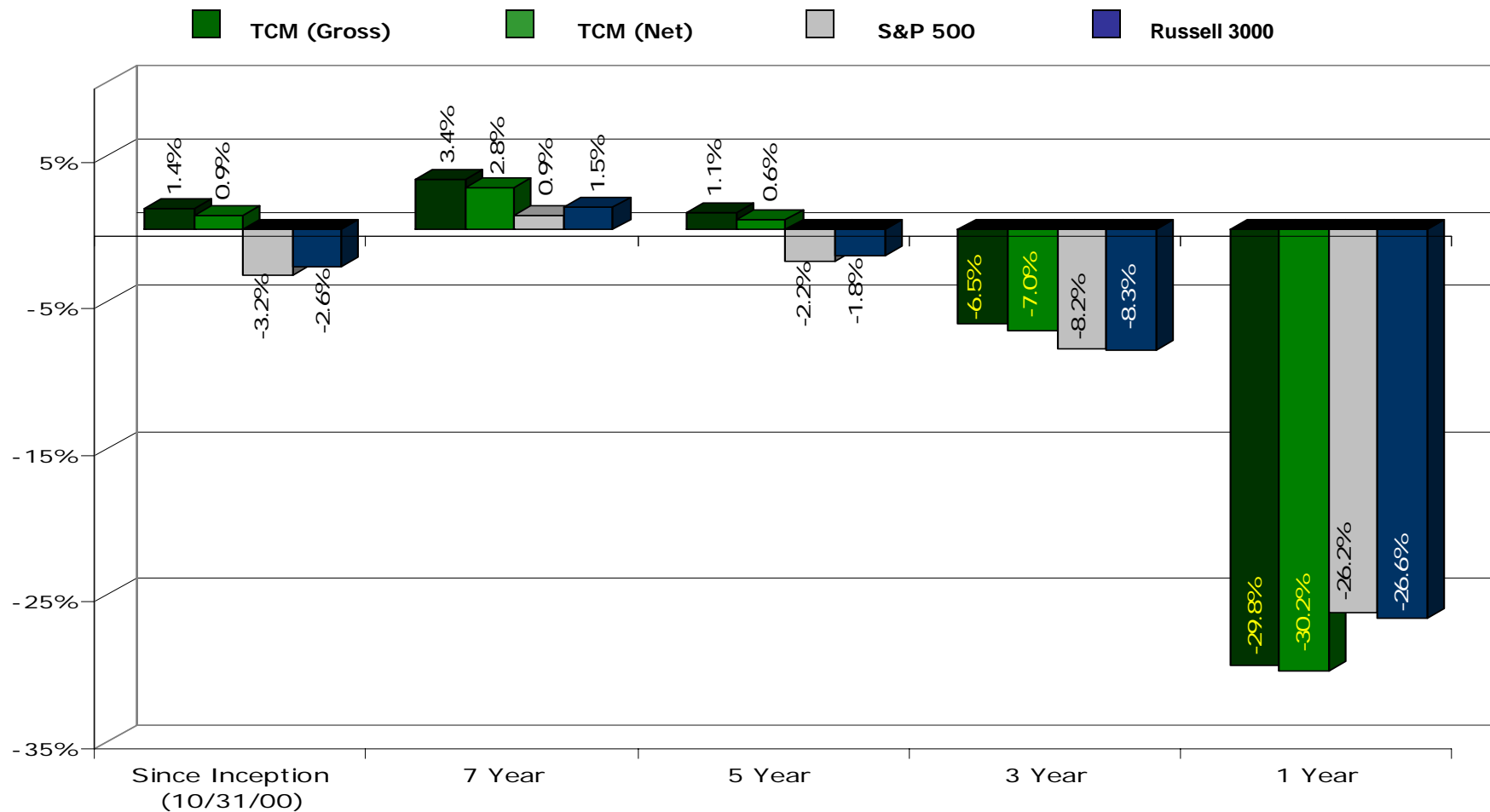
## Inverse ETFs\*

- ▶ Rydex Inverse 2x S&P 500
- ▶ ProShares Short S&P 500
- ▶ UltraShort Russell 2000 ProShares
- ▶ UltraShort S&P 500 ProShares

# Annualized Returns

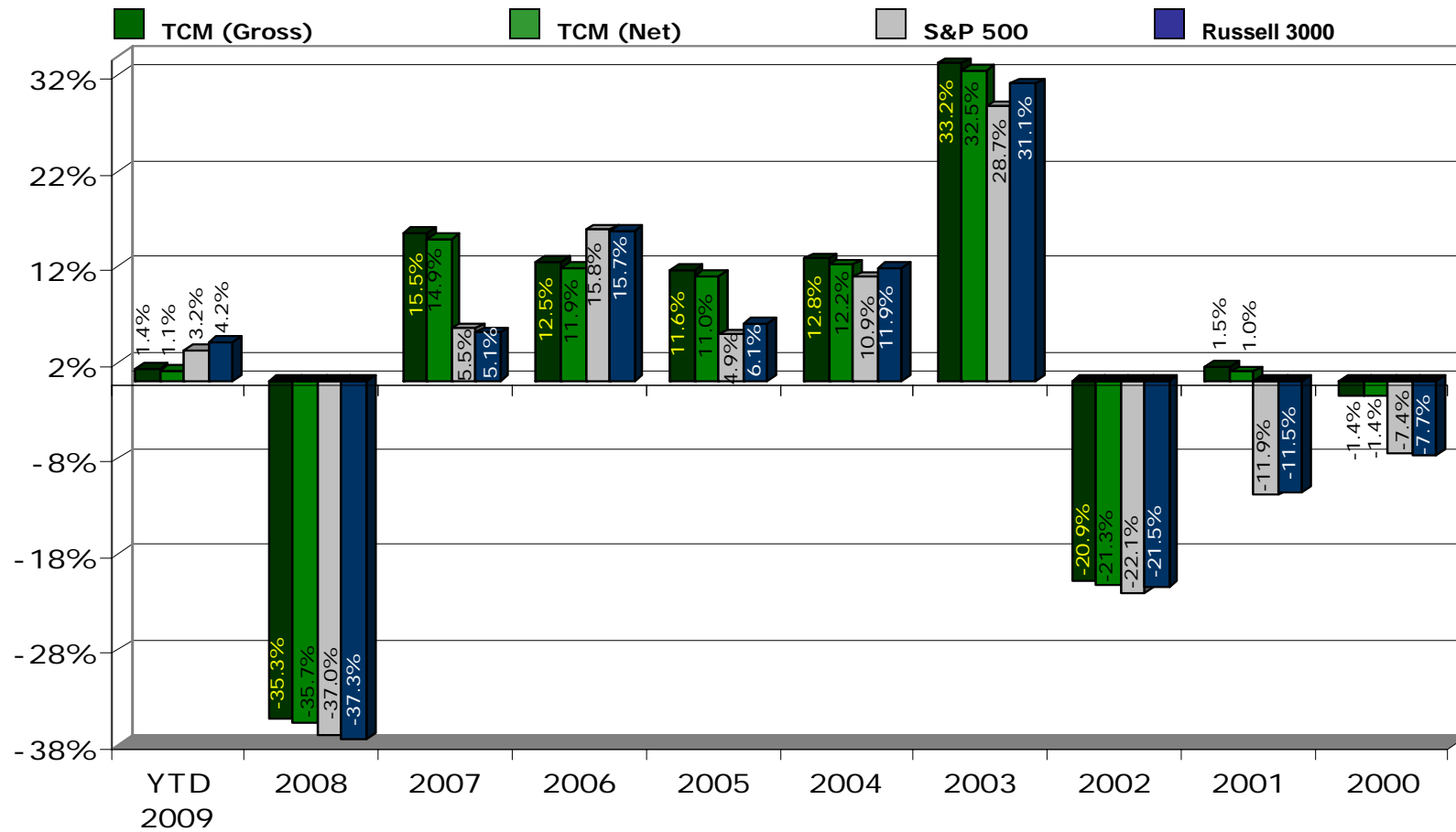
Select All-Cap Core Equity

As of June 30, 2009



# Annual Returns

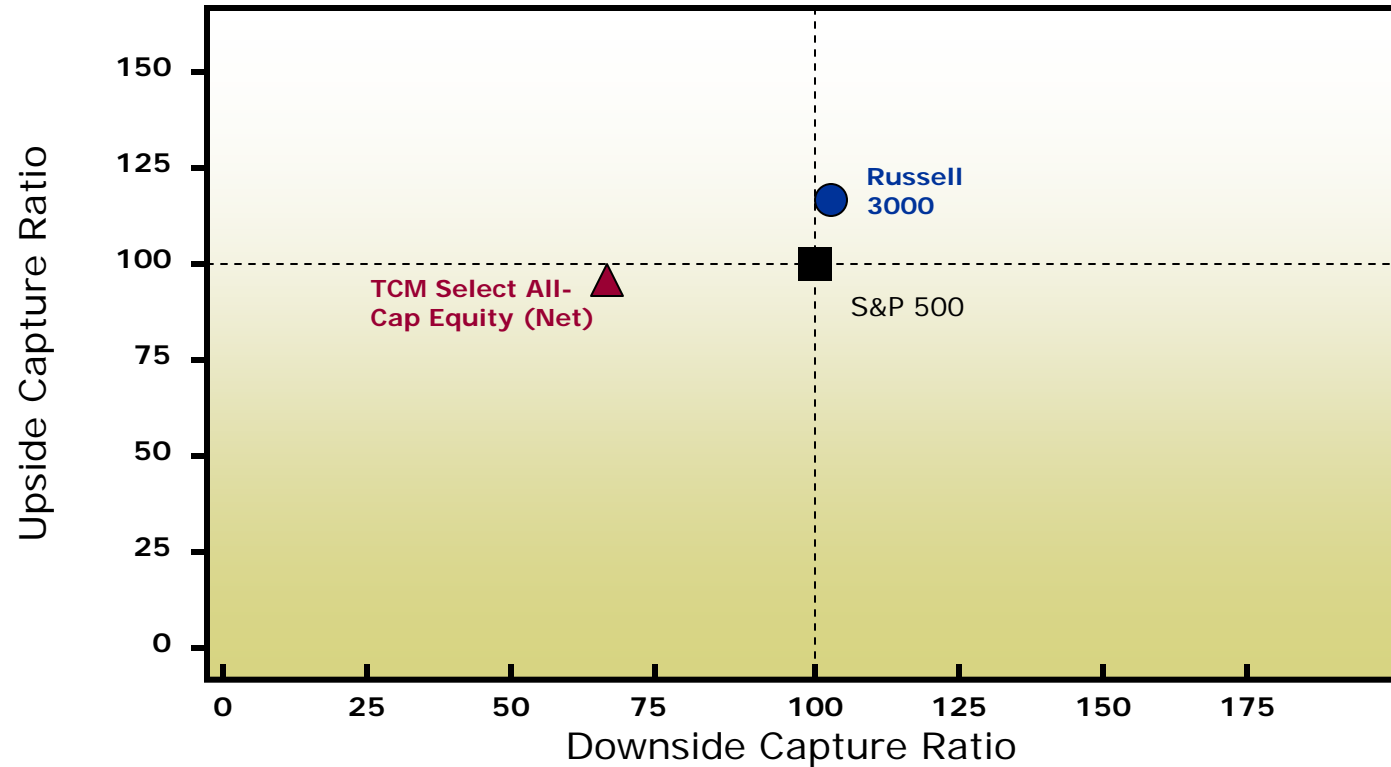
Select All-Cap Core Equity  
As of June 30, 2009



# Performance in Rising & Falling Markets

Select All-Cap Equity (Net of Fees)

Inception as of June 30, 2009



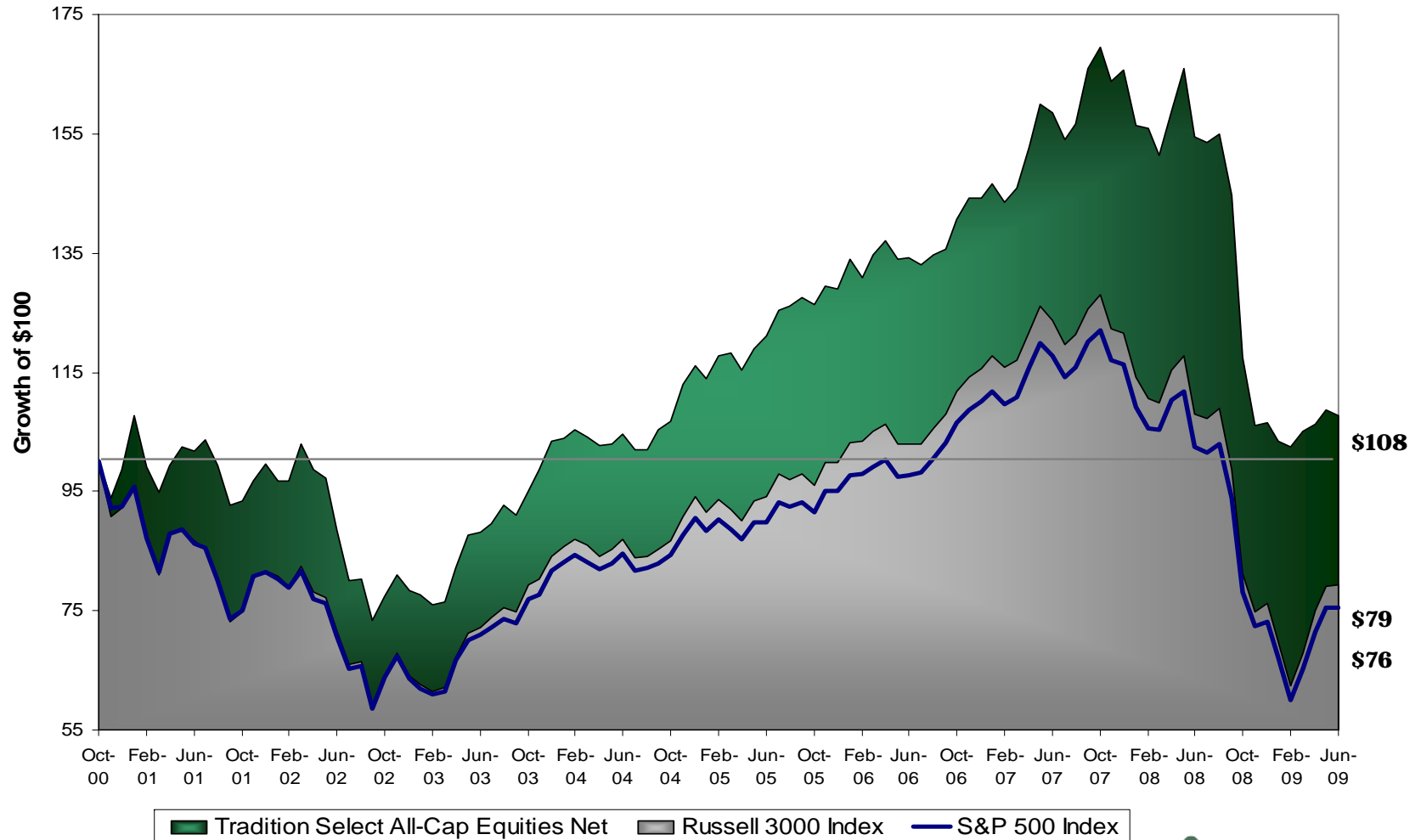
	Upside Cap Ratio	Down Cap Ratio	R-Squared
▲ TCM Select All-Cap Equity (Net)	91.49	74.63	0.82



# Select All-Cap Core Equity

## Growth of \$100 (Net of Fees)

Inception through June 30, 2009



# TCM's Investment Professionals' Biographies



**Benjamin C. Halliburton, CFA  
Managing Director**

Mr. Halliburton is a founder and chief investment officer of Tradition Capital Management. He oversees the investment research and strategy for Tradition. He heads the Investment Committee and is a member of the Portfolio Committee. Mr. Halliburton has twenty two years of professional investing experience including ten years at Brundage, Story and Rose where he was BS&R's Director of Research and responsible for overseeing the firm's equity selection process. He was a principal of the firm and a member of the firm's Investment Policy Committee. He also designed, developed and managed BS&R's successful Disciplined Growth Strategy. He holds the Chartered Financial Analyst designation and earned an MBA from Duke's Fuqua School of Business in 1990, where he was distinguished as a Fuqua Scholar. He earned a BS degree from Vanderbilt University in three years, graduating Magna Cum Laude in 1985, and graduated Salutatorian from the McCallie School.



**Joseph E. Lavin, CIMA, AIF  
Managing Director**

Mr. Lavin is Director of Sales and Marketing for Tradition Capital Management. He is responsible for business strategy, relationship management with our intermediary partners, business development and client service. Mr. Lavin is a member of the Portfolio Committee. He joined Tradition after ten years with Rorer Asset Management. As Regional Vice President at Rorer, Mr. Lavin was responsible for business development, marketing, and client service for over a billion dollars of assets. Under his leadership, Rorer Asset Management grew from infancy to one of the largest Separate Account Money Managers with 11 billion dollars in assets under management. Mr. Lavin is a graduate of Temple University with a BS in Business Administration and holds a Certified Investment Management Analyst (CIMA) Designation along with Accredited Investment Fiduciary (AIF).



**Christopher J. Trompeter, CFA  
Managing Director**

Mr. Trompeter is a senior portfolio manager and works on Tradition's Investment Committee and heads the Portfolio Committee. Mr. Trompeter is responsible for the Consumer discretionary sector. He is a founder and principal of the firm and has over two and a half decades of investment management experience. Prior to Tradition Capital Management, Mr. Trompeter was a senior portfolio manager at Brundage, Story and Rose, where he was a member of the Core Stock Selection Group and the Technology Research Group. Mr. Trompeter's extensive experience includes Citibank Global Asset Management as a senior portfolio manager. Mr. Trompeter began his career at Bankers Trust Company in 1978 managing equity, balanced and fixed income portfolios for institutional clients. He is a Chartered Financial Analyst and a member of the New York Society of Security Analysts. Mr. Trompeter graduated from St. Lawrence University with B.A. degrees in Economics and Government.



**Gregg E. Bullwinkel  
Senior Vice President**

Mr. Bullwinkel is a portfolio manager and oversees the firm's trading function. He is a member of both the Investment Committee and the Portfolio Committee. Mr. Bullwinkel has over a decade of experience in the financial services industry where he began his career as a financial advisor. He was employed by Morgan Stanley Dean Witter immediately prior to joining Tradition Capital Management in 2001. At Morgan Stanley Dean Witter, he received extensive training in investments and financial planning. He earned the titles of Retirement Planning Specialist and Lump-Sum 401K Distribution Specialist. He concentrated on the implementation and management of long-term financial plans for high net worth individuals. He graduated from Rutgers University in 1987 with a BS degree in Business Administration.

# TCM's Investment Professionals' Biographies



**Steven Ely**  
Managing Director

Mr. Ely is a Managing Director of Tradition Capital Management. He will continue to manage portfolios for individuals at Tradition Capital Management. In addition he will be a contributor to Tradition's research process, focusing on industry and economic trends. Mr. Ely was a Managing Director and one of the founding members of Haven Capital Management. In addition to equity and economic research, he managed portfolios for individual clients. He is also responsible for the Firm's overall administration, operations and finance. Mr. Ely began his career at Kuhn Loeb & Co. where he became a Partner in charge of the firm's Investment Advisory Department. He joined Haven's predecessor as a Principal, and was a member of the original group that founded Haven. He graduated from Princeton University with a BA in History, and attended the Graduate School of Business at New York University.



**John C. Keating**  
Managing Director

Mr. Keating is a Managing Director of Tradition Capital Management. He brings his fixed income expertise and will help broaden Tradition's fixed income existing philosophy and policy, thus enabling Tradition to offer varied investment products to its clients. Prior to joining Tradition, Mr. Keating was Director of Fixed Income at Haven Capital Management, specializing in fixed income research and portfolio management for institutional, multi employer and individual clients. Mr. Keating has over 29 years of investment experience, including significant expertise in developing risk management and yield enhancement strategies. He has a proven track record that exceeds each strategy's benchmark over relevant market cycles. He received his BA and MBA from the Lubin School at Pace University. He is a member of the Fixed Income Analysts Society, the New York Society of Security Analysts and the CFA Institute.



**Denis M. Turko**  
Managing Director

Mr. Turko is a Managing Director of Tradition Capital Management. He will continue his research and portfolio management responsibilities at Tradition Capital Management. In addition to his management of all cap portfolios, Mr. Turko brings special expertise in the area of dividend value portfolios. Mr. Turko was a Managing Director and a founding member of Haven Capital Management. He was a Principal in the group that was spun out of Goldman Sachs to form the predecessor to Haven. His role at Haven cut across all aspects of the investment process and management of portfolios. In addition, he coordinated the Firm's institutional business development. He graduated from Yale University with a BS in Engineering, and from Columbia University with an MBA. Mr. Turko is active in community and educational affairs as a member of the Investment Committee of Overlook Hospital Foundation and the area YMCA. He is a former member of the Board of Trustees of Deerfield Academy, where he served as Chairman of both the Finance and Investment Committees. He is also active in Yale alumni affairs.



**Maureen McNellis Gibson**  
Vice President

Ms. Gibson is a Vice President of Tradition Capital Management. She is responsible for the orderly transition of Haven clients to Tradition Capital Management. Once this is achieved she will continue to add her expertise in management, business development, compliance and client relations to Tradition's expanding client base and investment products. Ms. Gibson was a Principal and founding member of Haven Capital Management. She coordinated Haven's general administration and compliance. She began her career at the General Electric Pension Trust and joined Goldman, Sachs & Co. as part of the group that formed Haven's predecessor. She graduated from Pace University with a BPS in Business.

# TCM's Investment Professionals' Biographies



**Marc L. Davis, CFA**  
Senior Vice President

Mr. Davis is an equity research analyst working on the Health Care, Financial and Consumer Staples sectors for Tradition Capital Management. He works on the Investment Committee and Portfolio Committee. Mr. Davis joined Tradition in 2002 and started his investment management career in equity research at Brundage, Story and Rose where he was a junior equity analyst following Health Care, Consumer, Financial, Technology and Basic Materials. He was also a member of the firm's Health Care and Basic Materials industry working groups. He earned a Chartered Financial Analyst (CFA) designation and is a member of the New York Society of Security Analysts and the New York Bar. Mr. Davis graduated from Columbia College in 1985 and earned his J.D. degree from the New York University School of Law in 1989.



**John Heslin**  
Vice President

Mr. Heslin is a junior portfolio manager and an equity research analyst covering Industrials for Tradition Capital Management. He joined Tradition in 2005 as a portfolio assistant responsible for trading, reconciling accounts, and opening of new accounts. Prior to joining Tradition, Mr. Heslin worked for Hennion & Walsh, a broker/dealer specializing in municipal bonds. Mr. Heslin was promoted to equity research analyst in January of 2007 and to junior portfolio manager in November of 2007. He is currently a member of the Investment Committee and the Portfolio Committee at Tradition Capital Management. Mr. Heslin earned a BS degree from Siena College in 2004 and is currently a level I Chartered Financial Analyst (CFA) candidate.



**George Kurian**  
Vice President

Mr. Kurian is an equity research analyst covering Technology and Telecom Service sectors. He joined Tradition Capital Management in 2007 and is a member of both the Investment and Portfolio Committees. He has 8 years of direct work experience in the Information Technology industry as he worked in the United Kingdom, India and the United States. Before joining Tradition, he interned with Citigroup Investment Research in New York in 2006. From 2001-2005, he worked on technology in the financial services sector with insurance majors such as Aviva. From 1997-2000, he worked globally in the technology outsourcing sector primarily with companies such as Satyam Computer Services. This extensive travel has also helped Mr. Kurian learn three languages. He earned an MBA from the Duke Fuqua School of Business majoring in Finance-Investment Management in 2007. He graduated from University of Pune, India in 1996 with an Engineering degree in Electronics and Telecommunications. He currently is a level II Charter Financial Analyst (CFA) candidate.



**Michael C. Provine, J.D., LL.M**  
Managing Director

Mr. Provine is a principal and Chief Compliance Officer for Tradition Capital Management. He is also a wealth counselor servicing Tradition's legacy direct client business. He works with clients to design and implement investment strategies for their portfolios. Mr. Provine also works with clients to make certain their trust and estate plans are designed to best carry out their wishes as he did for the clients of Brundage, Story and Rose for the nine years prior to his founding Tradition Capital Management. Mr. Provine utilizes his legal training for reviews of clients' financial, retirement and estate planning arrangements, and prepares recommendations for execution by their legal, accounting, and insurance professionals. Mr. Provine was President of The Boston Safe Deposit and Trust Company of New York. He earned a law degree and an advanced tax degree from Temple University and is a licensed attorney. He is also a graduate of St. Joseph's University. For over a quarter of a century, he has worked in the investment management business providing Strategic planning and tax reviews.

# TCM's Investment Professionals' Biographies



**Patricia D. Byrnes**  
Senior Vice President

Ms. Byrnes joined Tradition Capital Management in January 2001 with 24 years of professional experience. Eighteen of those years were with Brundage, Story and Rose where she was a Senior Portfolio Manager working with individuals and pension and profit sharing plans. In conjunction with her investment responsibilities, she did extensive research analysis on companies in the Consumer Sector with a focus on innovative retail companies. Ms. Byrnes began her professional career with the Hong Kong and Shanghai Banking Corporation (HSBC). She is a graduate of Long Island University and earned her Masters of Business Administration from Adelphi University.



**G. Graydon Curtis**  
Senior Vice President

Mr. Curtis joined Tradition Capital Management with over 25 years of professional investment experience. Fifteen of those years were with The Chase Manhattan Bank where he was a Vice President and Senior Portfolio Manager working with both individual and institutional clients. In addition to portfolio management responsibilities, he had numerous research responsibilities in the Consumer Sector focusing on growing retail companies. Mr. Curtis began his investment career with The Chase Manhattan Bank and subsequently was associated with several investment advisors including Brundage, Story and Rose. He was a member of the New York Society of Security Analysts for over 20 years and completed Security Analysis at the New York Institute of Finance. He graduated from the University of Rochester and earned his Ph.D. from Cornell University.

# Select All-Cap Core Equity Performance Disclosure

Period	Composite Assets			Annual Performance Results					
	Total Firm Assets (millions)	US Dollars (million)	Number of Accounts	Composite		S&P 500	Russell 3000	Pct. Of Wrap Assets	Composite Dispersion
				Gross	Net				
YTD 2009	535	92	70	1.4%	1.1%	3.2%	4.2%	24%	N/A
2008	414	105	94	(35.3%)	(35.7%)	(37.0%)	(37.3%)	21%	1.5
2007	542	179	95	15.5%	14.9%	5.5%	5.1%	24%	1.4
2006	463	140	74	12.5%	11.9%	15.8%	15.7%	19%	1.0
2005	410	127	65	11.6%	11.0%	4.9%	6.1%	20%	1.1
2004	352	101	47	12.8%	12.2%	10.9%	11.9%	20%	0.9
2003	308	66	33	33.2%	32.5%	28.7%	31.1%	24%	2.8
2002	226	39	26	(20.9%)	(21.3%)	(22.1%)	(21.5%)	25%	2.2
2001	254	64	26	1.5%	1.0%	(11.9%)	(11.5%)	16%	1.1
2000*	89	42	17	(1.4%)	(1.4%)	(7.4%)	(7.7%)	25%	0.3

Tradition Capital Management, LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Compliance with GIPS has been verified firm wide by Ashland Partners & Company LLP., an independent accounting firm, from October 17, 2000 through September 30, 2008. The Select All-Cap Core Equity Composite contains fully discretionary equity accounts and equity segments of the balanced accounts utilizing the core equity objective and for comparison purposes is measured against the S&P 500 and Russell 3000 indexes. The minimum account size for this composite is \$500 thousand. The equity segments of the balanced accounts are included if the equity segment is at least \$500 thousand and the total account value is at least \$1 million. The S&P 500 and Russell 3000 index returns are before taxes. The account must have been managed for at least a full calendar quarter and a month during the relevant time periods. Balanced portfolio segments are included in this composite and performance reflects required total segment plus cash returns using a predetermined cash allocation percentage. These segments make up 37% of the composite assets in December 31, 2008, 43% of the composite assets in December 31, 2007 and 45% of the composite assets in December 31, 2006. Tradition Capital Management, LLC is an SEC (Securities and Exchange Commission) registered investment advisor. The firm maintains a complete list and description of composites, which are available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results and the performance of a specific individual client account may vary substantially from the performance results reflected above. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees. The net performance results reflect time-weighted rates of return, the re-investment of dividends and other account earnings, and are net of applicable account transaction and custodial charges, as well as Tradition's management fee. Gross performance includes all of the aforementioned criteria except for the deduction of Tradition's management fee. Net of fee performance was calculated using actual management fees. In addition to a management fee, some accounts pay an all-inclusive fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes portfolio monitoring, consulting services, and in some cases, custodial services. Tradition's investment management annual base fee schedule is as follows: 1.0% on the first \$2MM, 0.8% on the next \$3MM, 0.5% on the next \$15MM, and 0.3% on assets over \$20MM. Actual investment advisory fees incurred by clients may vary. Gross returns of wrap accounts are reduced by all transaction costs and other expenses incurred; net returns for all accounts have been reduced by all actual fees incurred. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. For purposes of this composite, we've included assets in fee-based commissioned accounts as wrap assets. The annual composite dispersion is an asset-weighted standard deviation calculated when there are more than five accounts in the composite for the entire year. Additional information regarding the policies for calculating and reporting returns is available upon request. If an account has a 15% of total portfolio withdrawal/deposit, over a 2 month period, account will be taken out of the composite at the end of the month preceding the withdrawal/deposit and won't be put back in for 3 months. Results for the period of October 31, 2000 to December 31, 2000 reflect the performance for the Tradition accounts achieved at Pantheon Investments, LLC prior to their transfer to Tradition on December 31, 2000. These accounts were under the direction of Benjamin C. Halliburton, CFA, a managing director of Tradition and former principal of Pantheon, while a principal of Tradition and Pantheon during this two-month transition period. This composite was created in October of 2005. \* Partial year from Oct 2000 to Dec 2000.

