

## Composite Performance

Cornerstone Investment Management and Consulting was founded by Mark Davidson and Scott Koser to provide clients with performance-driven, unbiased investment advice. The effectiveness of Cornerstone's management strategy is measured by the composite performance provided below.

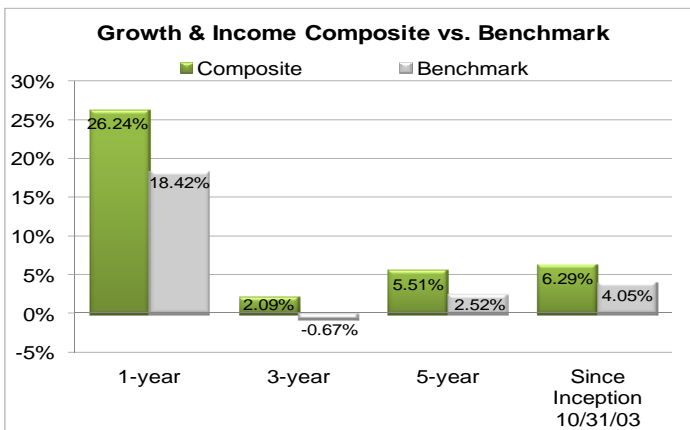
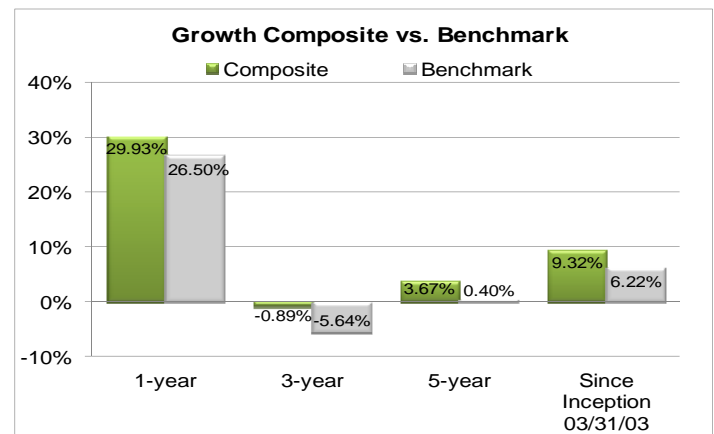
Mark and Scott, the principals of Cornerstone :

- have extensive experience in the marketplace
- use original research to guide investment decisions
- are both Chartered Financial Analysts (CFA)

### Composite Performance (gross of fees) as of 12/31/09

Cornerstone's **Growth** composite has consistently outperformed the benchmark return over 1-year, 3-year, and 5-year periods.

The Growth composite is primarily allocated in stocks with capital appreciation as the main objective. Therefore, the S&P 500 total return is used as the benchmark for the Growth composite.

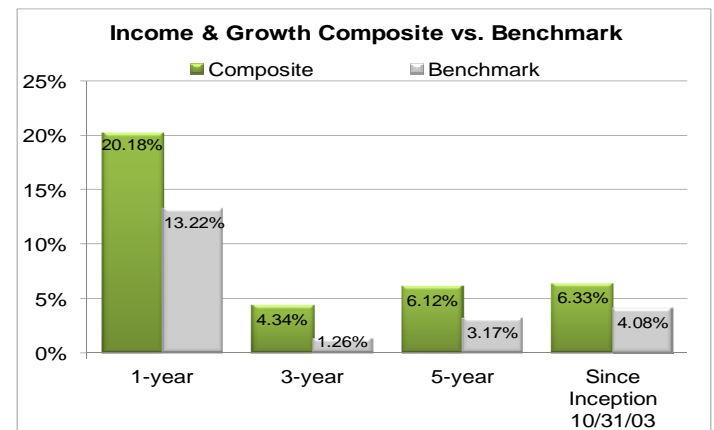


The **Income and Growth** composite is measured against a benchmark comprised of 40% S&P 500 return, 40% Barclays Capital U.S. Aggregate Bond Index return, and 20% 1-year Treasury bill return.

The purpose of the Income and Growth composite is to preserve both capital and purchasing power of the assets by providing a stable and predictable income stream while allowing for some capital appreciation through the use of equity investments.

The **Growth and Income** composite is measured against a benchmark consisting of 60% S&P 500 return and 40% Barclays Capital U.S. Aggregate Bond Index return.

The Growth and Income composite has a primary goal of capital appreciation with lower volatility than the Growth composite. This composite is predominantly invested in equities with fixed income instruments used to reduce account fluctuations.



**Please review disclosures on the reverse side for further information on composite performance.**

**IMPORTANT DISCLOSURES:**

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**Growth Equity Composite Disclosure Statement:** The Growth Equity Composite contains fully discretionary investment accounts and is measured against the S&P 500 for comparison purposes. The S&P 500 index return utilized is a total return index provided by FT Interactive Data Corp. The S&P 500 is an un-managed index of common stocks and is a copyright of Standard and Poor's. The Growth Equity composite was created on **March 31, 2003**.

Year End	Total Firm Assets (millions)	% Firm Assets	Number of Accounts (end of year)	Non-fee Paying % of Accounts (end of year)	Growth Equity Composite Return Gross of Fees	Growth Equity Composite Return Net of Fees	Benchmark S&P 500	Composite Dispersion
2009	39.09	29.85%	53	0.00%	29.93%	28.61%	26.50%	0.0208
2008	33.61	32.24%	53	0.00%	-28.60%	-29.38%	-37.03%	0.011
2007	40.64	40.17%	51	0.00%	4.92%	3.91%	5.48%	0.016
2006	29.49	45.86%	50	0.00%	15.69%	14.66%	15.80%	0.017
2005	25.27	40.92%	37	0.00%	6.32%	5.57%	4.88%	0.015
2004	12.91	40.05%	21	0.00%	9.18%	8.37%	10.92%	0.032
Partial 2003	5.83	54.03%	8	12.50%	39.58%	39.09%	32.78%	Five or Fewer

**Growth & Income Composite Disclosure Statement:** The Growth & Income Composite contains fully discretionary investment accounts and is measured against a Benchmark comprised of 60% of the S&P 500 return and 40% of the Barclays Capital U.S. Aggregate Bond Index return for comparison purposes. Both the S&P 500 index return and the Barclays Capital U.S. Aggregate Bond Index return utilized are total return indexes provided by FT Interactive Data Corp. The S&P 500 is an un-managed index of common stocks and is a copyright of Standard and Poor's while the Barclays Capital U.S. Aggregate Bond Index is an un-managed index of bonds and is a copyright of Barclays Capital. The Growth & Income Composite was created on **October 31, 2003**.

Year End	Total Firm Assets (millions)	% Firm Assets	Number of Accounts (end of year)	Non-fee Paying % of Accounts (end of year)	Growth & Income Composite Return Gross of Fees	Growth & Income Composite Return Net of Fees	Benchmark 60%S&P 500 40%Barclays	Composite Dispersion
2009	39.09	36.00%	25	0.00%	26.49%	25.45%	18.42%	0.031
2008	33.61	39.85%	22	0.00%	-20.75%	-21.38%	-22.09%	0.036
2007	40.64	33.06%	15	0.00%	6.35%	5.50%	6.22%	0.014
2006	29.49	38.22%	14	0.00%	14.66%	13.68%	11.12%	0.018
2005	25.27	39.45%	11	0.00%	7.20%	6.33%	3.98%	0.015
2004	12.91	15.10%	6	16.67%	7.27%	6.75%	8.32%	0.012
Partial 2003	5.83	26.76%	Five or Fewer	100.00%	3.82%	3.82%	4.18%	Five or Fewer

**Income & Growth Composite Disclosure Statement:** The Income & Growth Composite contains fully discretionary investment accounts and is measured against a Benchmark comprised of 40% of the S&P 500 return, 40% of the Barclays Capital U.S. Aggregate Bond Index return and 20% of the return of Treasury bills for comparison purposes. The S&P 500 index return, the Barclays Capital U.S. Aggregate Bond Index return and the Treasury bill return are total return indexes provided by FT Interactive Data Corp. The S&P 500 is an un-managed index of common stocks and is a copyright of Standard and Poor's while the Barclays Capital U.S. Aggregate Bond Index is an un-managed index of bonds and is a copyright of Barclays Capital. The Income & Growth Composite was created on **October 31, 2003**.

Year End	Total Firm Assets (millions)	% Firm Assets	Number of Accounts (end of Year)	Non-fee Paying % of Accounts (end of year)	Income & Growth Composite Return Gross of Fees	Income & Growth Composite Return Net of Fees	Benchmark 40%S&P 500 40%Barclays 20% Treasury	Composite Dispersion
2009	39.09	17.71%	13	0.00%	20.18%	18.87%	13.22%	0.009
2008	33.61	10.11%	10	0.00%	-12.92%	-13.86%	-13.70%	0.007
2007	40.64	8.49%	7	0.00%	8.54%	7.38%	6.26%	0.004
2006	29.49	6.17%	3	0.00%	13.71%	12.49%	8.81%	Five or Fewer
2005	25.27	7.12%	4	0.00%	4.16%	3.05%	3.46%	Five or Fewer
2004	12.91	12.78%	6	0.00%	6.31%	5.17%	6.26%	0.021
Partial 2003	5.83	8.06%	4	25.00%	2.04%	2.04%	3.01%	Five or Fewer

**Disclosures applicable to all composites:**

Cornerstone Investment Management & Consulting, LLC. is an independent, privately-owned investment firm, registered with the U.S. Securities and Exchange Commission (SEC). The firm maintains a complete list and description of composites, which is available upon request. This report is intended to be a one on one presentation. Please find our current Part II Form ADV at <http://www.csimac.com/pdf/adv.pdf>.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Non fee-paying accounts are included in this composite. Past performance is not indicative of future results. Composite dispersion is measured gross of fees on a dollar-weighted standard deviation with total weighted return being asset-weighted.

Returns are actual returns, not model-simulated returns. Returns are defined to include: (1)Realized and unrealized gains or losses, (2) Cash and cash equivalent returns, (3)Reinvestment of dividends and other income. Monthly returns are time weighted and geometrically linked to produce period returns presented.

The U.S. dollar is the currency used to express performance. Returns are presented gross of management fees and include the reinvestment of all income. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. A fee schedule is an integral part of a complete presentation, and Cornerstone's management fee is 1.5% for assets \$100,000 or less, 1.1% on assets above \$100,000 up to \$1 million and .9% thereafter. Fees are collected quarterly, which produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) \$1,000,000 investment, (b) portfolio return of 8% a year, and (c) 1.10% annual investment advisory fee would be \$11,504.93 in the first year, cumulative effects of \$68,253.82 over five years and \$169,941.50 over ten years. Actual investment advisory fees incurred by clients may vary.

Leverage is not included in the management strategy of any composite presented. On a selective and client-specific basis when consistent with client investment objectives, a client portfolio may include margin.

Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's tax domicile.