

CORE EQUITY STRATEGY

INVESTMENT PHILOSOPHY

December 31, 2011

Objective

Kovitz Investment Group® seeks long-term capital appreciation of client assets through high risk-adjusted returns. To accomplish this objective, we emphasize the preservation of capital primarily by investing in mid to large cap companies we believe to be significantly undervalued.

Approach

Kovitz Investment Group® strives to achieve superior long-term performance through the purchase of equity securities of competitively advantaged and financially strong companies at prices substantially less than our assessment of their intrinsic (business) value. As such, we don't regard ourselves as traders of stocks, but rather as part owners of tangible businesses. We determine intrinsic (business) values through fundamental principles of financial statement analysis and established disciplines, which we apply consistently in all market environments.

Advantage

We believe equities purchased at prices significantly below their intrinsic worth should protect capital from significant loss and should also appreciate substantially when the market ultimately recognizes business value. Our critical research and buy discipline gives us confidence to establish concentrated portfolios where our best ideas can have meaningful impact on performance.

HISTORICAL PERFORMANCE

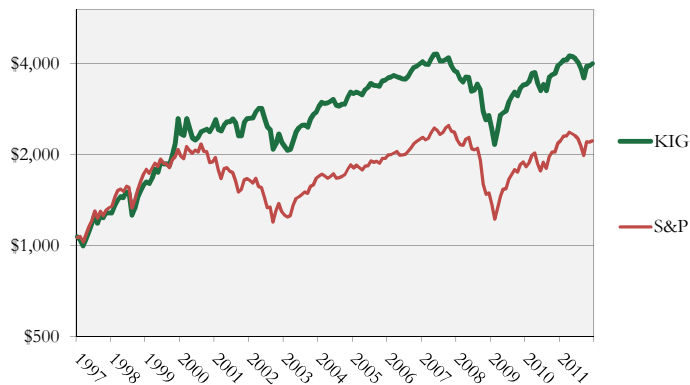
Annualized Performance (Net of Fees)

| | KIG | S&P 500 |
|-----------------------|--------|---------|
| YTD | 1.52% | 2.09% |
| 1 Year | 1.52% | 2.09% |
| 3 Year | 14.07% | 14.11% |
| 5 Year | 0.08% | -0.25% |
| 10 Year | 4.30% | 2.92% |
| Since Incep. (1/1/97) | 9.67% | 5.45% |

Cumulative Performance (Net of Fees)

| | KIG | S&P 500 |
|-----------------------|---------|---------|
| YTD | 1.52% | 2.09% |
| 1 Year | 1.52% | 2.09% |
| 3 Year | 48.43% | 48.59% |
| 5 Year | 0.39% | -1.24% |
| 10 Year | 52.30% | 33.32% |
| Since Incep. (1/1/97) | 299.32% | 121.63% |

GROWTH OF \$1,000 INVESTMENT



PORTFOLIO CHARACTERISTICS

| | KIG | S&P 500 |
|--------------------------|----------|----------|
| Beta | 0.96 | 1.00 |
| Price/Earnings | 14.9x | 13.2x |
| Median Mkt Cap (MM) | \$34,328 | \$10,870 |
| Dividend Yield | 1.77% | 2.12% |
| Sharpe Ratio (5%) | 0.26 | 0.03 |
| Drawdown Analysis | | |
| 2008 Drawdown | -28.9% | -37.0% |
| Months to Recover | 24 | 28 |
| Prev. Max Drawdown | -27.3% | -44.7% |
| Months to Recover | 11 | 49 |

SECTOR DISTRIBUTIONS

| | |
|----------------------------|--------|
| Consumer Discretionary | 22.08% |
| Consumer Staples | 22.56% |
| Energy | 0.00% |
| Financials | 22.61% |
| Healthcare | 12.82% |
| Industrials | 8.96% |
| Information Technology | 10.51% |
| Materials | 0.47% |
| Telecommunication Services | 0.00% |
| Utilities | 0.00% |

TOP 10 HOLDINGS

| Company | % of Portfolio |
|---------------------|----------------|
| WALMART STORES | 6.3% |
| WELLS FARGO & CO | 5.7% |
| LOWES COS | 5.3% |
| BERKSHIRE HATHAWAY | 5.4% |
| JOHNSON & JOHNSON | 4.6% |
| CVS CAREMARK | 4.5% |
| WALGREEN CO | 4.4% |
| CARMAX | 4.0% |
| APPLE | 3.6% |
| BED BATH & BEYOND | 3.6% |
| Total (% of Assets) | 47.2% |



KOVITZ INVESTMENT GROUP

Capital Ideas.®

Equity Composite

| Year | Gross Return | Net Return | Benchmark Return | Internal Dispersion | Composite 3 Yr SD | Benchmark 3 Yr SD | # of Portfolios | Composite | Firm | % of Composite |
|------|--------------|------------|------------------|---------------------|-------------------|-------------------|-----------------|---------------|---------------|-------------------------|
| | | | | | | | | Assets (\$mm) | Assets (\$mm) | Comprised of Carve-Outs |
| 1997 | 29.53% | 27.99% | 33.35% | 7.82% | - | - | 64 | 39.3 | 174.9 | 94% |
| 1998 | 25.16% | 23.67% | 28.58% | 7.15% | - | - | 77 | 54.9 | 218.4 | 94% |
| 1999 | 67.84% | 65.89% | 21.04% | 48.91% | 20.38% | 16.51% | 97 | 92.9 | 316.3 | 91% |
| 2000 | -4.74% | -5.87% | -9.10% | 12.51% | 22.62% | 17.41% | 38 | 39.6 | 166.1 | 90% |
| 2001 | 7.29% | 6.06% | -11.88% | 14.63% | 22.13% | 16.70% | 58 | 55.2 | 266.3 | 73% |
| 2002 | -15.39% | -16.31% | -22.09% | 4.10% | 20.25% | 18.54% | 101 | 80.5 | 271.8 | 64% |
| 2003 | 26.65% | 25.21% | 28.67% | 3.79% | 17.83% | 18.06% | 114 | 97.3 | 363.9 | 68% |
| 2004 | 18.28% | 16.92% | 10.87% | 2.96% | 15.37% | 14.85% | 153 | 137.6 | 603.5 | 76% |
| 2005 | 10.84% | 9.54% | 4.91% | 2.20% | 9.69% | 9.03% | 263 | 227.6 | 746.1 | 64% |
| 2006 | 14.43% | 13.05% | 15.78% | 2.28% | 7.26% | 6.82% | 384 | 324.4 | 917.9 | 58% |
| 2007 | -3.75% | -4.93% | 5.49% | 3.84% | 8.24% | 7.68% | 473 | 358.4 | 1,052.5 | 67% |
| 2008 | -27.96% | -28.86% | -36.99% | 2.19% | 14.33% | 15.07% | 384 | 255.7 | 1,060.6 | 68% |
| 2009 | 27.38% | 25.86% | 26.47% | 3.48% | 20.29% | 19.61% | 430 | 363.1 | 1,434.3 | 76% |
| 2010 | 17.59% | 16.17% | 15.08% | 1.62% | 22.07% | 21.83% | 144 | 118.4 | 1,768.4 | 0% |
| 2011 | 2.78% | 1.52% | 2.09% | 1.69% | 19.36% | 18.68% | 154 | 118.4 | 2,003.2 | 0% |

Disclosures

Kovitz Investment Group, LLC® claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Kovitz Investment Group has been independently verified for the periods January 1, 1997 through December 31, 2010. The verification report is available upon request. 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. Verification does not ensure the accuracy of any specific composite presentation.

Kovitz Investment Group, LLC® (KIG®), an investment adviser registered under the Investment Advisors Act of 1940, manages equity, fixed income, and hedged equity portfolios for its clients. From January 1, 1997 to September 30, 2003, KIG was an independent division of Rothschild Investment Corp. that provided the same services as those listed above.

The KIG Equity Composite includes all fee-paying, discretionary portfolios managed to the KIG equity strategy. KIG employs a single value-based equity strategy with the goal of maximizing long-term total return. The Composite's inception date is January 1, 1997. The Composite was created on January 1, 2001. Effective January 1, 2000, the Composite no longer included portfolios managed by a manager who made a change in investment style. The persons currently responsible for managing Composite portfolios have been primarily responsible for portfolio management throughout the entire period shown. The minimum portfolio size to be included in the Composite is \$250,000. Portfolios in the Composite may occasionally make use of leverage and/or derivatives, but such use does not have a material effect on Composite performance. The use of derivatives is generally limited to covered call writing, and uncovered option writing is never used.

The benchmark for the Composite is the S&P 500 Index. The index is composed of 500 leading companies in the United States, covers approximately 75% of U.S. equities, and serves as a proxy for the total market. Index returns do not include the effect of transaction costs or fees and assume reinvestment of dividends into the index.

Gross-of-fees returns incorporate the effects of all realized and unrealized gains and losses and the receipt of all dividends and income. Gross-of-fees returns are presented before management fees, but after all trading expenses. Net-of-fees returns are calculated by deducting model investment management fees, which are defined as the highest, generally applicable fees of 1.25% of equity assets and 0.50% of cash assets, from the gross composite return. The management fee schedule is as follows: 1.25% per annum on assets up to \$5 million with reduced fees at multiple breakpoints thereafter. Such fees are negotiable.

Prior to January 1, 2010, the Composite included the performance of assets that had been "carved out" of multiple asset class portfolios. When calculating performance, a hypothetical cash balance for each month was allocated to the carve-out on a pro-rata basis relative to the portion of each portfolio's assets made up of the carved out asset class. Beginning January 1, 2010, changes in the GIPS standards caused the Composite to be redefined and all carve-outs to be removed from the Composite. Carve-outs formerly included in the Composite continue to be managed in the same manner as they were before being removed from the Composite.

Valuations are computed and performance is reported in US dollars. The measure of internal dispersion presented above is an asset-weighted standard deviation. The 3 year standard deviation presented above is calculated using monthly net-of-fees returns. The 3 year standard deviation is not presented when less than 36 months of returns are available. A complete listing of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available on request.

The description of products, services, and performance results of KIG contained herein is not an offering or a solicitation of any kind. Past performance is not an indication of future results. Securities investments are subject to risk and may lose value.

The term "Portfolio" as used or applied in the Portfolio Characteristics and Sector Distributions sections of this Fact Sheet is defined as a subset of Composite holdings consisting of the 40 largest equity positions by market value held by Composite portfolios in aggregate as of the report date. This subset typically comprises over 98% of Composite holdings. The data in these sections is unaudited.