

## Objective

To exceed the return of the Russell 2000 Value Index by investing in a portfolio of high quality, undervalued stocks.

## Performance Information

	<u>Composite Gross</u>	<u>Composite Net</u>	<u>Russell 2000 Value</u>
Dec. - 11	-0.03%	-0.11%	1.57%
QTD	18.04%	17.76%	15.97%
1 Year	3.24%	2.22%	-5.50%
2 Year	16.58%	15.43%	8.47%
3 Year	30.97%	29.71%	12.36%
5 Year	4.19%	3.16%	-1.87%
Inception	5.16%	4.12%	-1.11%
2011	3.24%	2.22%	-5.50%
2010	31.63%	30.33%	24.50%
2009	65.31%	63.70%	20.58%
2008	-41.65%	-42.22%	-28.92%
2007	-6.34%	-7.26%	-9.78%
2006*	5.62%	5.44%	3.75%

\*Returns are from inception, 10/31/06, through 12/31/06.

## Portfolio Characteristics

	<u>SCV</u>	<u>Russell 2000 Value</u>
Market Cap (Billions)	\$1.39	\$1.08
EPS Growth - Long Term (I/B/E/S)	13.37%	10.77%
EPS Growth Est. 12-Month	28.64%	42.13%
Dividend yield	1.10%	2.25%
P/E Forecast 12- Month	10.24	15.22
Price-to-Book	1.04	1.25

The Snow Capital Management Small Cap Value Equity Composite contains fully discretionary value equity accounts and for comparison purposes is measured against the Russell 2000 Value Index. Returns for periods greater than a year are annualized. The U.S. Dollar is the currency used to express performance. Leverage is not used in this composite. In addition to the normal risks associated with investing, investments in smaller companies typically exhibit higher volatility. The Small Cap Value Equity Composite was created October 31, 2006. Snow Capital Management is a registered investment adviser and claims compliance with the Global Investment Performance Standards (GIPS®). Snow Capital Management performance has been verified for the periods October 31, 2006 to September 30, 2011 by Ashland Partners & Company LLP. A fully compliant GIPS performance presentation along with a complete list and description of all composites is available by calling 724-934-5800. Advisory fees and any other expenses incurred in the management of the account will reduce actual returns. A fee schedule is an integral part of a complete presentation and is described in Part II of the firm's Form ADV, which is available upon request. **Past performance is not indicative nor a guarantee of future performance.** The performance of any individual portfolio may not be considered comparable to the Composite performance. The Russell 2000 Value Index is a broad-based unmanaged index, which is widely recognized as representative of the small cap value equity market in general. It is not possible to invest directly in an index.

**INVESTMENT PRODUCTS: NOT FDIC INSURED \* NO BANK GUARANTEE\* MAY LOSE VALUE.**

December 31, 2011

## Portfolio Construction & Risk Control

Portfolios typically consist of 40 to 60 stocks that are generally in the market cap range of the benchmark Russell 2000 Value index. The portfolio is conviction-weighted, with position sizes typically weighted at 1% to 5% at the time of purchase. Consideration is given to sector and industry exposures with a risk factor and market cap profile similar to the benchmark. There are no over/under weight limits but tracking error and style are monitored. Turnover is approximately 35% annually.

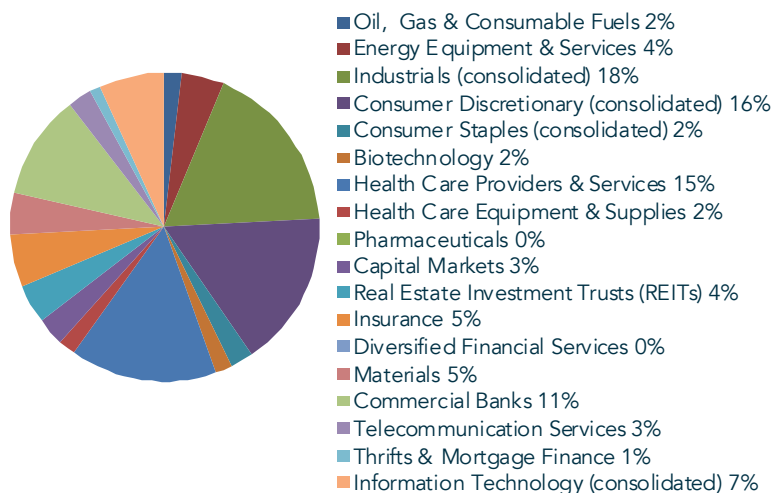
## Fundamental Research

Thorough, bottom-up analysis attempts to uncover undervalued, out-of-favor companies that have sound balance sheets but have been oversold due to a development or event that is likely to be temporary. It may be micro-related, e.g. lower than expected earnings, bearish future expectations, pending litigation, failure to gain FDA approval or macro-related, e.g. inflation, interest rates, geo-political concerns, foreign exchange rates. Of this group of companies, we identify those that stand to benefit from a potential catalytic development that may occur within their organization, industry or market segment, fueling both earnings recovery and P/E expansion that lead to a significantly higher stock price.

## Investment Philosophy

Snow Capital Management employs a contrarian, fundamental, relative value investment philosophy. We believe that attractive returns can be earned by constructing diversified portfolios of well-managed, financially strong companies where the stock price is depressed because the company has experienced short-to intermediate-term difficulties. The philosophy is consistent with modern behavioral finance research. It attempts to take advantage of investors' overreaction to negative surprises and as a result should avoid overpaying for the crowd's current favorites.

The philosophy relies on independent, fundamental research to determine the nature of the problem, assess the likelihood of a solution, gain confidence that the company has the financial resources to survive the difficulty, and to estimate the likely value of the company's stock after the problem is resolved. Only stocks with the highest potential returns make it into the portfolio. When skillfully executed, this contrarian philosophy should result in a portfolio of stocks with the potential for an asymmetrical payoff. The downside should be minimized because the stock price is already depressed, the company appears to be in sound financial condition, Wall Street's opinion is already negative, and investor expectations are low. The upside potential may be enhanced by the expected earnings turn-around, and more powerfully, the potential expansion of the price-to-earnings ratio that a positive change in investor sentiment can generate after an earnings recovery.

**Industry Allocation\***

**Top Ten Holdings\***

<u>Company</u>	<u>% of Stocks</u>
Health Net Inc.	4.12
Spirit Aerosystems Holdings Inc.	3.94
Terex Corp.	3.21
Kindred Health Care Inc.	3.19
Big Lots Inc.	3.07
American Eagle Outfitters Inc.	2.99
Aecom Technology Corp.	2.87
Community Health Systems Inc.	2.80
First Commonwealth Financial Corp.	2.76
Aspen Insurance Holdings Ltd.	<u>2.72</u>
<b>Total</b>	<b>31.67</b>

\* The Industry Allocation, Capitalization Weightings, and Top Ten Holdings are presented as supplemental information to illustrate an example of the industries and securities in which the Snow Capital Management Small Cap Value Composite was invested on December 31, 2011 and in which an individual portfolio might have been invested at that time. These illustrations may not be representative of the Composite's or an individual portfolio's current or future investments. There is no assurance that any of these stocks or sectors will be purchased in the future or are currently held in the portfolio.

**Portfolio Management**


**JOSHUA R. SCHACHTER, CFA**  
**PORTFOLIO MANAGER/PRINCIPAL**

Joshua R. Schachter is a Portfolio Manager of the Snow Capital Small Cap Value and the All Cap Value portfolios. He joined Snow Capital at the firm's inception in 2001. Joshua's duties include security research, selection and portfolio management. Joshua is a graduate of Allegheny College where he earned a B.S. degree. He received his MBA in finance from the University of Pittsburgh. Joshua is a Chartered Financial Analyst and member of the CFA Institute.

**ANNE S. WICKLAND, CFA**  
**PORTFOLIO MANAGER/PRINCIPAL**

Anne Wickland joined Snow Capital in 2006 as a Research Analyst. In 2010, she was appointed a Portfolio Manager of the Small Cap Value portfolio. Prior to joining the firm, she worked at Prudential Equity Group, Credit Suisse and J.P. Morgan where she was responsible for research coverage in the specialty hardlines retail, household and personal care sectors. She is a graduate of Davidson College where she earned a B.A. degree. Anne received her MBA from the NYU Stern School of Business. She is a Chartered Financial Analyst and member of the CFA Institute.


**Market Capitalization Weightings\***

Under \$250 million	12%
\$250—500 million	13%
\$500 million—1 billion	20%
\$1 billion +	<u>55%</u>
<b>Total</b>	<b>100%</b>

**Snow Capital Management**

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