

**SHENANDOAH
ASSET
MANAGEMENT, LLC**

Contact Information:

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**SHENANDOAH
ASSET
MANAGEMENT, LLC**

- **Registered Investment Advisor established in 1999**
- **Ownership: Principals and Employees own 97% of firm**
- **Investment team comprised of former Virginia Retirement System (VRS) investment officers**
Investment team began working together in 1995;
 - The VRS was recognized as one of the most innovative and progressive pension funds;
 - Developed flexible portfolio management process which can be implemented across the US equity style and capitalization spectrum;
 - Directly managed \$4 billion at VRS (Large cap., midcap, megacap, value and growth);
 - Dynamic and evolving approach to risk control;
 - Large plan sponsor perspective.
- **Serving Institutional Investors**

Investment Philosophy

We believe the combination of systematic, stock-specific modeling, risk-controlled portfolio construction and disciplined trading techniques will reduce portfolio volatility and generate excess returns for investors.



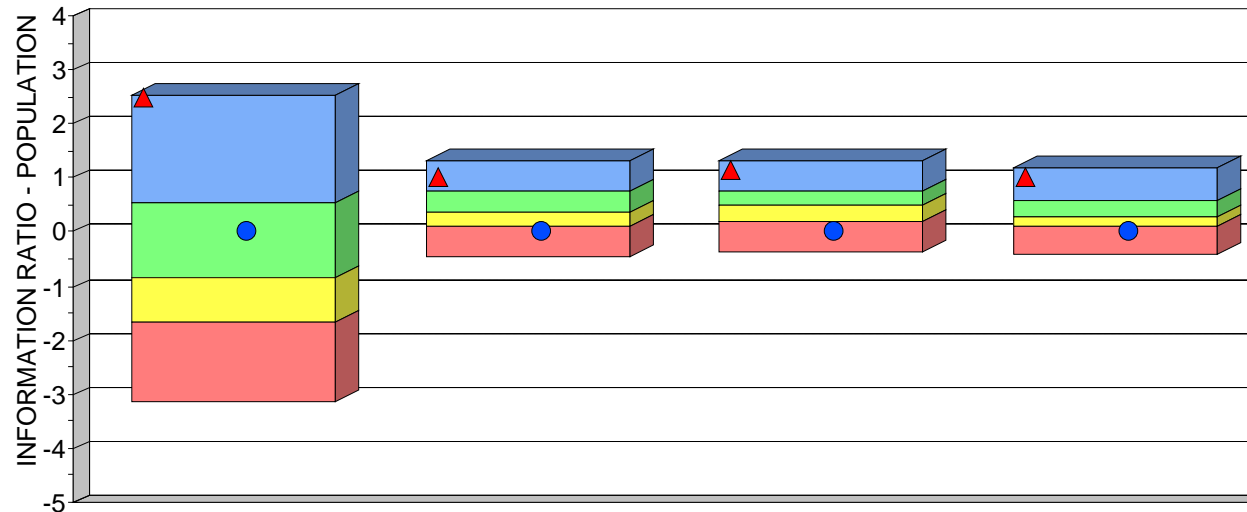
Investment Philosophy:

Generating Superior Risk-Adjusted Returns

Information Ratio: 1/31/2006 to 3/31/2010

Shenandoah Asset Management, LLC - Large Value
 Quartile Ranking Bar - Information Ratio 2/1/2006 to 3/31/2010
 Mgrdb: Russell 1000 Value

Source: Plan Sponsor Network (PSN) of Informa Investment Solutions

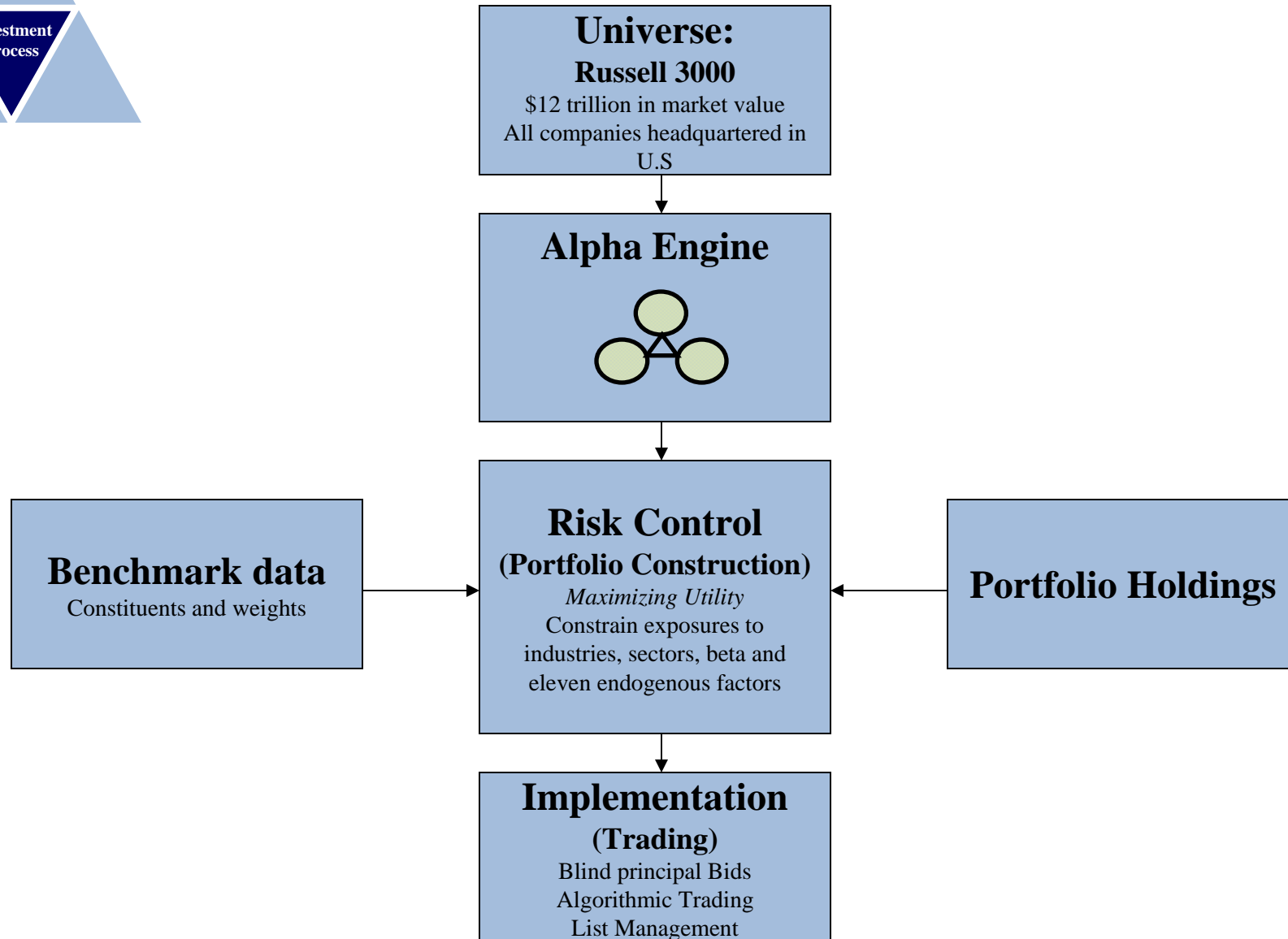


	1 Year	2 Years	3 Years	Since Inception
HIGH (0.05)	2.51	1.33	1.34	1.19
FIRST QUARTILE	0.53	0.73	0.75	0.58
MEDIAN	-0.84	0.37	0.50	0.29
THIRD QUARTILE	-1.67	0.12	0.19	0.09
LOW (0.95)	-3.16	-0.47	-0.36	-0.42
MEAN	-0.60	0.41	0.48	0.32
VALID COUNT	160	159	159	159

	1 Year		2 Years		3 Years		Since Inception	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Shenandoah Large Cap Value	2.51	1	1.00	14	1.14	10	1.00	3
● Russell 1000 Value	0.00	35	0.00	82	0.00	83	0.00	80



Investment Process

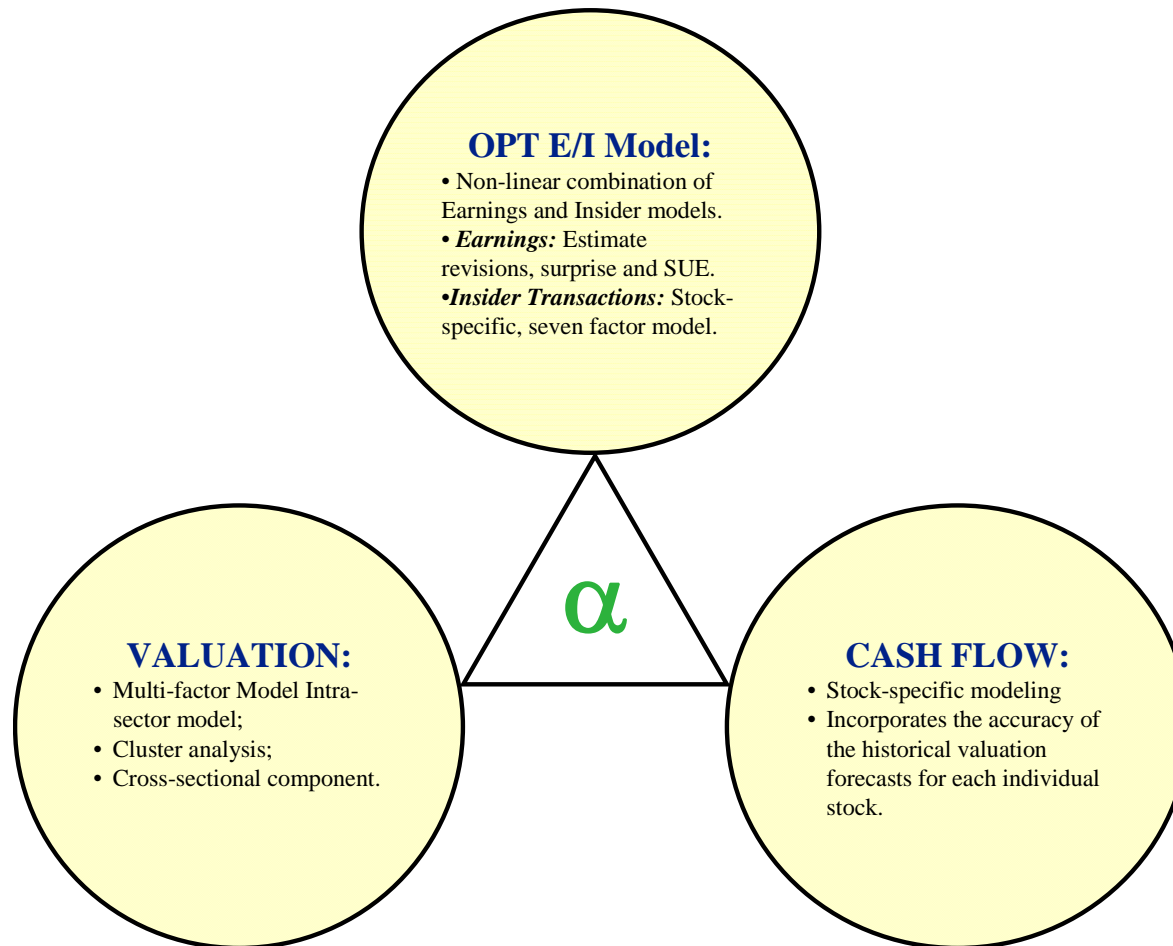




Investment Process: *Stock Selection*

The ideal stock has the following characteristics:

- Earnings are growing faster than expectations;
- Strong and improving cash flow;
- Reasonable-to-compelling valuation; and
- Insiders are buying



α

Systematic alpha-scoring process based on stock-specific modeling, information coefficients and Z-scores. No factor timing!



Stock Selection: *Valuation Model*

- Relative Value model;
- Cross-sectional modeling;
- Intra-sector modeling;
- Winsorized model application – limiting impact of outliers

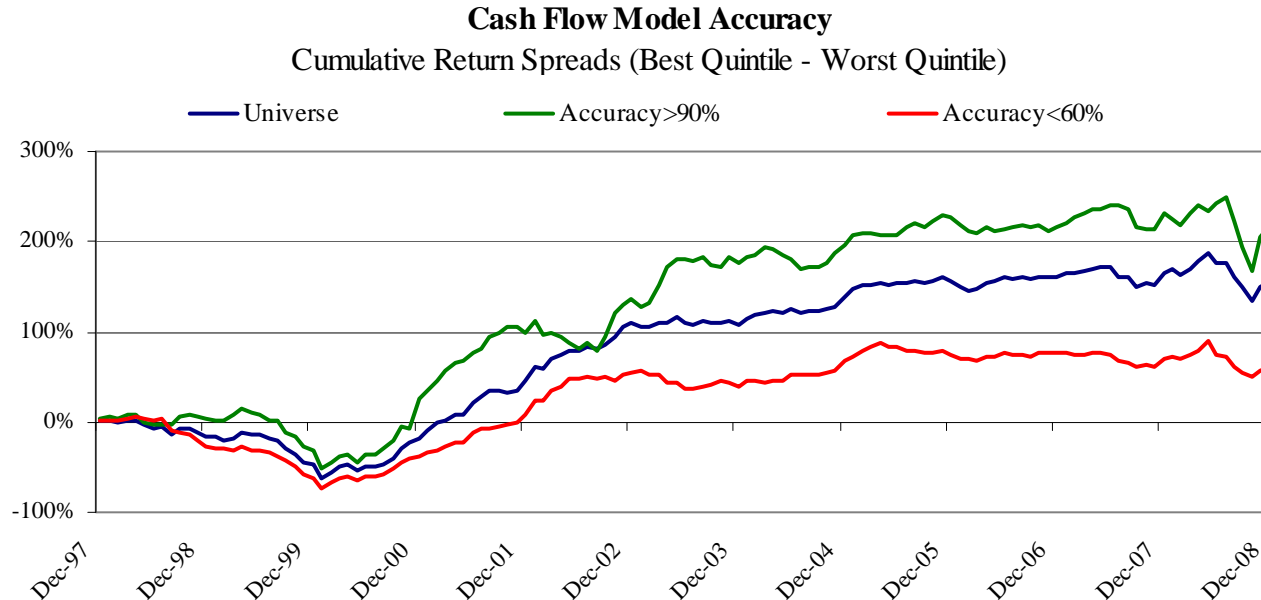
	Autos & Housing	Capital Equip	Materials	Cons Cyclicals	Cons Staples	Defense	Energy	Finance	Health Care Prods	Health Care Svc	Tech	Tele-comm	Trans	Utilities	Cross-Sectional Valuation
P/B						√	√	√					√	√	
P/E		√	√				√	√		√					√
P/Cashflow			√	√							√	√		√	
P/Sales	√			√	√	√				√		√	√		√
Total Cash-to-MktCap	√	√					√		√		√			√	√
Ent Value to EBIT	√						√	√					√		√
Ent Value to Cashflow	√	√	√	√	√				√	√	√		√		√
Total Yield	√	√	√	√	√		√	√	√	√	√		√	√	√
LBO Value															√
DDM															√
PEG Ratio															√

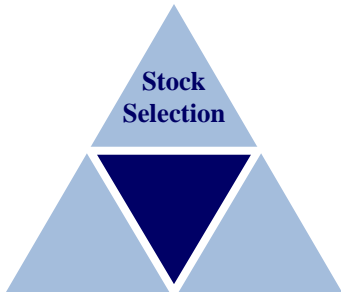


Stock Selection: *Cash Flow Model*

$$\text{Economic Margin} = \frac{\text{Operating Cash Flow} - \text{Capital Charge}}{\text{Invested Capital}}$$

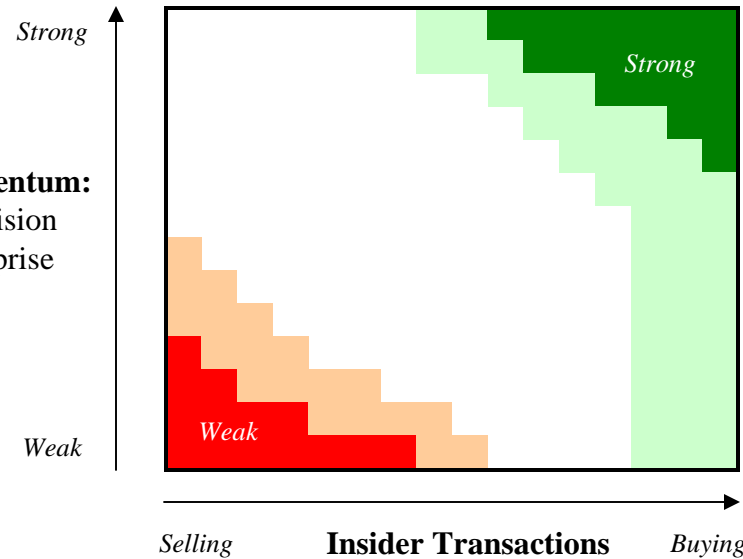
- Positive Economic Margin: Company is creating wealth;
- Negative Economic Margin: Company is destroying wealth;
- Economic Margin (EM) decays to zero over time (stock-specific);
- Schedule of decay is varied by sector and industry;
- Discount rate (used to present value future cash flows) varies according to the size and leverage profile of each company;
- **Historical accuracy of this model determines its weight in our process on a stock-by-stock basis. This greatly improves the predictability of excess returns:**





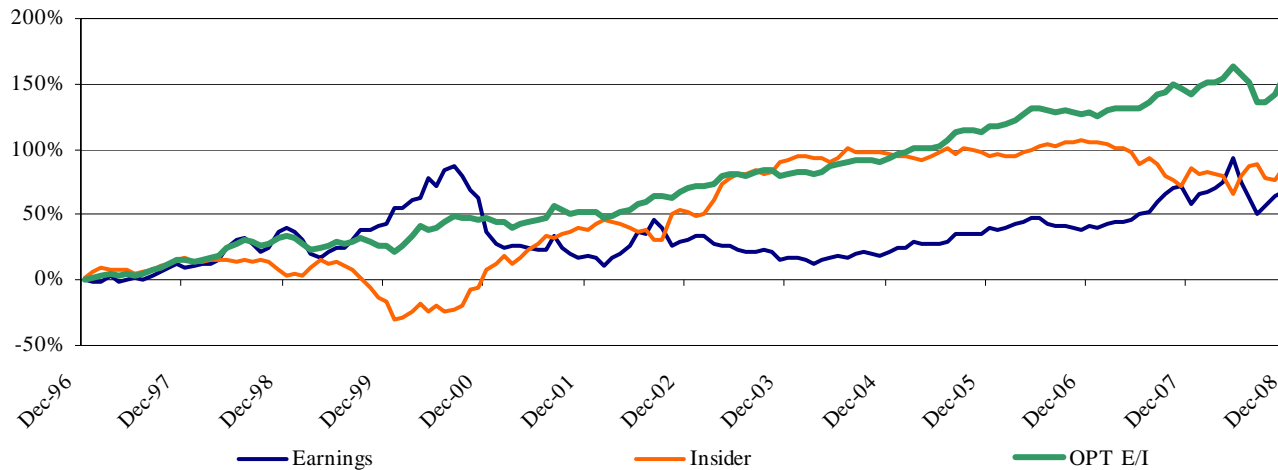
Stock Selection: *Opt E/I Model*

Earnings Momentum:
 Estimate Revision
 Earnings Surprise
 SUE



Model	Annual Quintile Spread	Annual std dev	Info Ratio
Opt E/I	8.33%	6.8%	1.23
Earnings	4.80%	13.6%	0.35
Insider	5.39%	13.8%	0.39

Opt E/I Model
 Cumulative Return Spreads (Best Quintile - Worst Quintile)





Risk Control

- **Dynamic and flexible approach to risk control.**
- We use the Northfield System to maximize the utility of our portfolios and constrain exposures to the following factors:
 - *Tracking Error:* Flexible and varied by strategy and client;
 - *Beta:* +/- 0.1 versus benchmark;
 - *10 Economic Sectors (GICS);*
 - *67 Industries (GICS);*
 - *11 Endogenous Risk Factors:* P/E, P/B, Dividend Yield, P/Revenue, Debt-to-Equity, Earnings Growth, Earnings Volatility, Market Cap., Trading Activity, Relative Strength, and Price Volatility;
 - *Cash:* <2% - No market timing!
- **Continuous Research: The sources of risk change more quickly than the sources of return!**
 - *Proactive approach to risk control to reflect current market.*
 - *ETF Effect:* Tightened Market Cap. constraint (size non-linearity +/-0.1 std dev) two years ago due to growing ETF market.
 - *Risk control varies by strategy:* Tracking error, sector/industry constraints, position size limits, etc.
 - *Flexible:* Risk/return targets can be varied to meet the needs of individual clients.
- **Goal: Generate superior risk-adjusted returns (high information ratios).**



Trading

- Our trades must be executed quickly and efficiently.
- Our implementation process is designed to minimize leakage of returns due to trading and transaction costs:
 - *Liquidity*: Expected return of each stock is reduced by expected transaction costs.
 - *Turnover*: Rebalancing process is designed to minimize trading by creating an “efficient frontier” of turnover versus utility (i.e. risk-adjusted expected returns).
 - *Sell Discipline*: It is a choice between alternatives; stocks are sold when we have a better investment idea.
- Trading Tools:
 - *Package Trades/Principal Bids* – We execute a majority of our trades through blind principal bids where the broker guarantees the prior day’s closing price on the entire trade list. This allows us to **minimize market impact**.
 - *Electronic Trading* – ITG Triton System – access to multiple brokers and algorithms, dark pools, ECNs, etc.;
 - *Crossing Networks* - Posit, Instinet, etc.
 - *Traditional Brokerage*
- Continuous post-trade review and evaluation.

Summary

- **Shenandoah is comprised of seasoned investment professionals:**
 - 125 years cumulative experience;
 - Client perspective: Investment team worked together previously at the Virginia Retirement System (since 1995).
- **Partnership Solution: Flexible portfolio construction discipline allows for client-specific needs and benchmarks.**
- **Performance: Strong returns and high information ratios.**
- **Active Research Effort: Stock selection, risk control and trading.**
- **Ownership: Principals and Employees own 97% of firm.**
- **Clients include three of the largest pension funds in the US.**

Appendix

Large Value Strategy (inception: February 1, 2006)

Portfolio Value: \$12 million

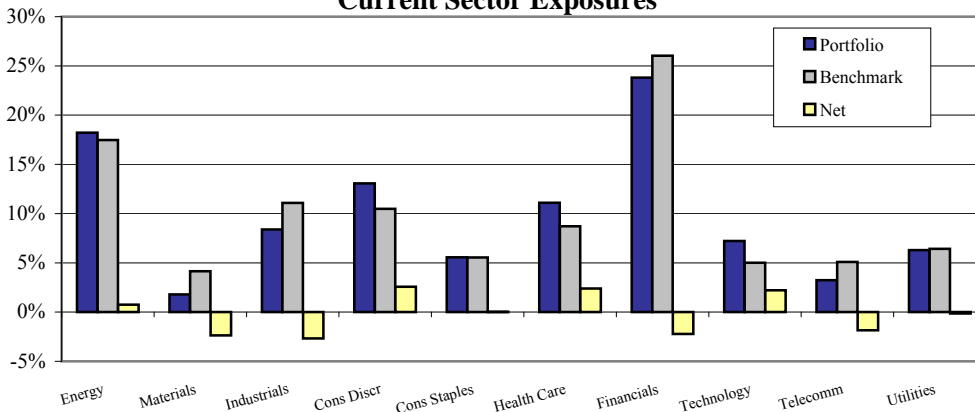
Total Firm AUM: \$291 million

>Returns:	Month	3 Mo	YTD	1 Yr	3 Yr	Since Incep
Large Value (Gross)	6.8%	8.1%	8.1%	57.4%	-4.6%	1.0%
Large Value (Net)	6.7%	8.0%	8.0%	56.8%	-4.9%	0.7%
Russell 1000 Value Index	6.5%	6.8%	6.8%	53.6%	-7.3%	-1.3%

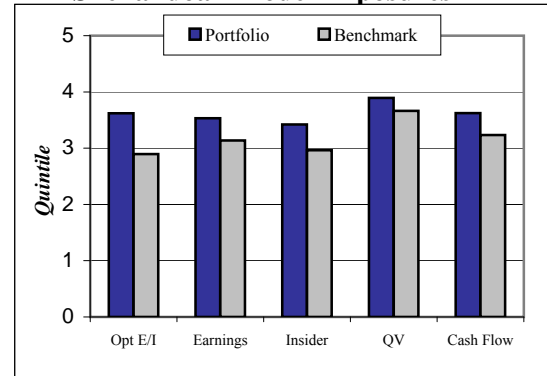
Past Performance does not guarantee future results. Performance for periods greater than one year is annualized. Gross returns (including realized and unrealized capital gains, reinvestment of dividends and interest) are before fees and administrative expenses. Net returns reflect the return to investors after all fees and expenses.

	Portfolio	Russ1000 Value
#Stocks	99	672
%Exposure	99%	100%
Max Position Size	3.9%	4.2%
Max Industry Overweight	2.0%	na
Max Industry Underweight	-1.7%	na
Avg Mkt Cap (\$mill)	69,700	71,014
Earnings Quintile	3.5	3.1
Insider Trading Quintile	3.4	3.0
Opt E/I Quintile	3.6	2.9
QV Valuation Quintile	3.9	3.7
Cash Flow Quintile	3.6	3.2
Cash Flow Exp Return	42.6	14.4
P/E Tr 12 months	18	21
P/E FY1	13	15
P/E FY2	11	12
EPS 5yr Growth Forecast	8.4	7.8

Current Sector Exposures



Shenandoah Model Exposures



Performance Attribution: Q1 2010

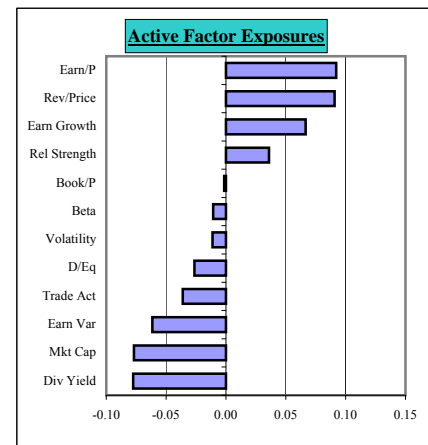
Quint	Opt E/I*	Earnings	Insider	QE	Cash Flow
5	10.6%	8.5%	13.6%	9.7%	8.5%
4	10.6%	8.3%	9.0%	8.7%	8.4%
3	7.3%	8.8%	7.5%	9.7%	7.5%
2	8.3%	9.1%	8.1%	8.6%	10.1%
1	9.7%	11.7%	8.3%	11.2%	12.8%
Q5-Q1	0.8%	-3.2%	5.3%	-1.5%	-4.3%

*Opt E/I is the optimized combination of the Earnings and Insider Transactions Models.

Position	QTD bps	% total	Active Wt
Overweights (>0.25%)	178	73.5%	48.0%
Neutral (+/- 0.25%)	-77	18.4%	-27.2%
Underweights (<-0.25%)	54	6.9%	-22.0%
Restricted Stocks	0	0.0%	0.0%
Cash	-9	1.1%	1.1%
Total	147	100%	0%

Northfield Attribution	Active Exposure	Factor Rtn	Avg Mo. Contr
Best 5 Factors/Industries (bps)			
Broadcasting	2.4	3.2	8
Electric Utilities	-2.7	-2.7	7
Market Cap	-0.1	-0.5	5
Price/Revenue	-0.1	-0.4	4
Oil Extraction	-1.3	-2.2	3
Worst 5 Factors Industries			
Services Business	1.3	-1.4	(2)
Retail Hard Goods	-1.1	1.3	(2)
Relative Strength	0.0	-0.9	(3)
Major Banks	-1.7	2.4	(4)
Price Volatility	0.0	-0.3	(5)

Sector Perf	Active %Wt	Sector Select (bps)	Stock Select (bps)	
Cons Discr	13.2%	1.9%	13	71
Materials	6.0%	-0.8%	(2)	24
Utilities	-3.5%	-1.6%	16	4
Energy	0.6%	-1.7%	11	8
Industrials	14.3%	-2.1%	(15)	28
Financials	11.4%	-1.4%	(5)	8
Health Care	1.9%	2.4%	(12)	15
Telecomm	-5.2%	-1.1%	7	(6)
Technology	4.3%	2.2%	(5)	2
Cons Staples	7.6%	1.0%	(4)	(4)
Total			5	150





**SHENANDOAH
ASSET
MANAGEMENT, LLC**

Large Value Strategy

“Blending systematic, stock-specific modeling and risk-controlled portfolio construction for the benefit of our clients”

ORGANIZATION:

- **Shenandoah Asset Management, LLC, a Registered Investment Advisor, was established in 1999 by three principals:** Robert F. Hill, Jr., CFA - *Chief Executive Officer*, Russell J. Brooks, Michael P. Painchaud
- **Investment Team is comprised of three Former Virginia Retirement System Investment Officers:**
Robert F. Hill, Jr., CFA
Cameron F. McLennan, CFA
Richard A. Mills, CFA
- **Ownership:** 97% owned by Founding Principals and Employees.
- **Serving Institutional Investors**

Contact Information:

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Phone: (804)343-1400
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PRODUCT PROFILE:

- **Universe:** Russell 1000 Value Index stocks
- **Benchmark:** Russell 1000 Value Index (Note: Any reasonable benchmark is acceptable.)
- **Expected Return:** Benchmark +2.0% p.a.
- **Tracking Error:** <4.0%
- **Correlation to Benchmark:** 98%
- **Number of Stocks:** 70-100
- **Turnover:** 70-120%
- **Minimum Initial Investment:** \$5 million
- **Fees:** 0.40% first \$25 million
0.30% next \$25 million
0.20% next \$25 million
0.15% over \$75 million

INVESTMENT PHILOSOPHY & PROCESS

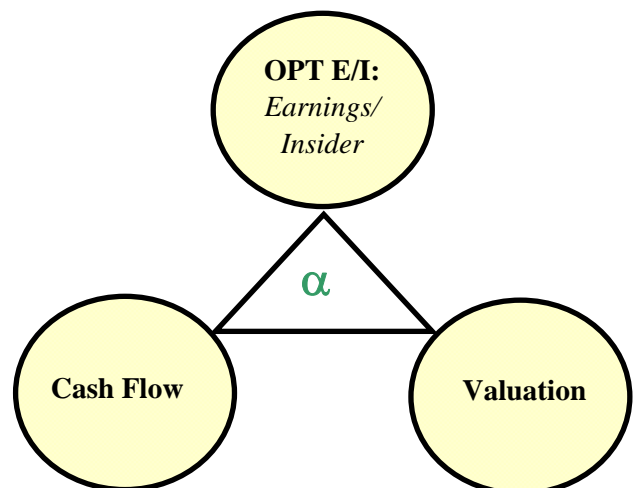
We believe the combination of skilled quantitative analysis, stock-specific modeling, risk-controlled portfolio construction and disciplined trading techniques will reduce portfolio volatility and generate excess returns for investors.

- **Stock Selection:** Stock-specific quantitative algorithm driven by earnings expectations, insider trading, valuation and cash flow measures. The optimal stock has the following characteristics:
 - √ Earnings are growing faster than expectations;
 - √ Cashflow is strong and improving;
 - √ Valuation is compelling;
 - √ Insiders (officers & directors) are buying.

- **Portfolio Construction (risk control):** Diversified, risk-controlled portfolios can be tailored to match the risk/return expectations of individual clients and accommodate various benchmarks. Among other factors we closely constrain aggregate exposures to: economic sectors, industries, beta, and eleven endogenous risk factors.

- **Trading:** We preserve value by using alternative trading strategies to control transaction costs and bring the model’s excess returns to the bottom line.

ALPHA Engine



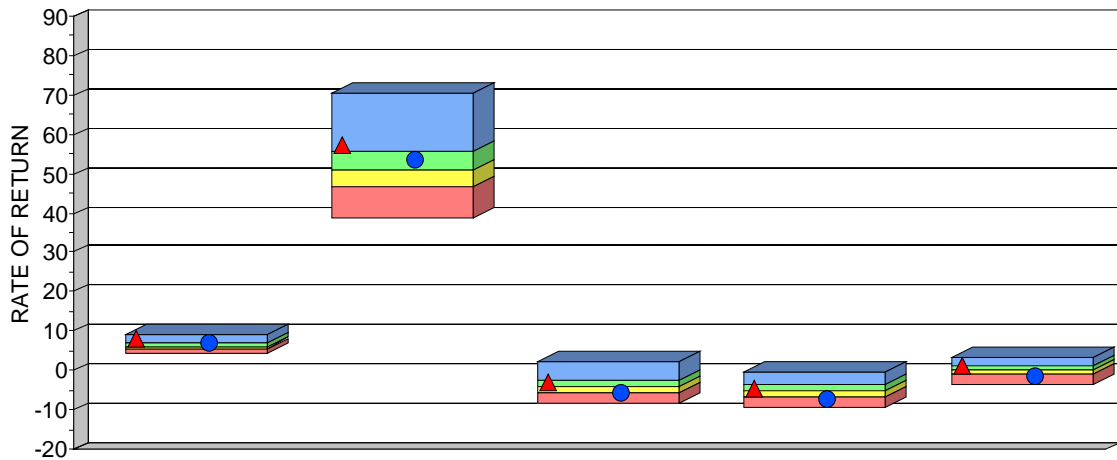
Shenandoah Large Value: *Statistics*

Shenandoah Asset Management, LLC - Large Value

Quartile Ranking Bar 2/1/2006 to 3/31/2010

Mgrdb: Russell 1000 Value

Source: Plan Sponsor Network (PSN) of Informa Investment Solutions



	Latest Quarter	1 Year	2 Years	3 Years	Since Inception
HIGH (0.05)	8.86	70.50	2.44	-0.33	3.35
FIRST QUARTILE	6.93	55.50	-2.71	-3.52	1.29
MEDIAN	6.03	50.95	-4.14	-5.19	0.03
THIRD QUARTILE	5.33	46.65	-5.63	-6.71	-1.03
LOW (0.95)	4.11	38.50	-8.38	-9.54	-3.71
MEAN	6.12	51.02	-3.92	-5.06	0.06
VALID COUNT	162	160	159	159	159

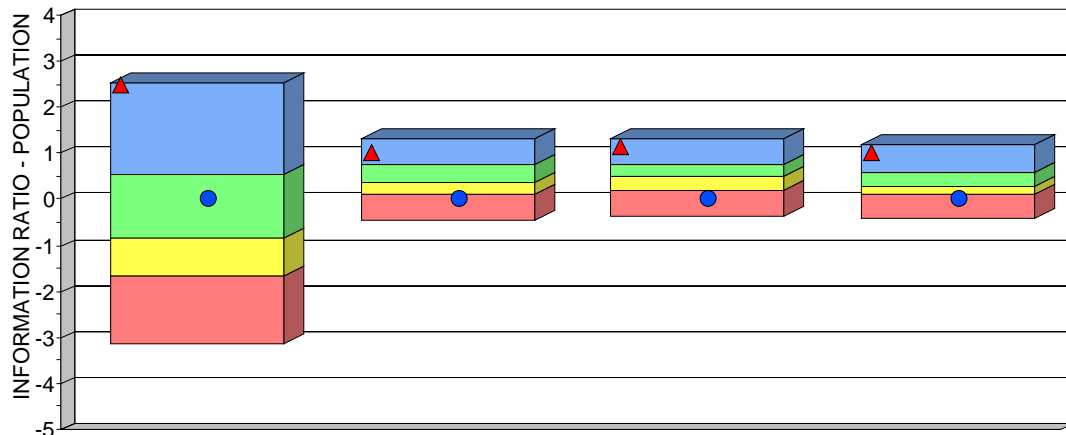
	Latest Quarter		1 Year		2 Years		3 Years		Since Inception	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Shenandoah Large Cap Value	8.11	4	57.38	11	-3.22	33	-4.56	40	1.02	29
● Russell 1000 Value	6.78	26	53.56	35	-5.97	82	-7.33	83	-1.27	80

Shenandoah Asset Management, LLC - Large Value

Quartile Ranking Bar - Information Ratio 2/1/2006 to 3/31/2010

Mgrdb: Russell 1000 Value

Source: Plan Sponsor Network (PSN) of Informa Investment Solutions



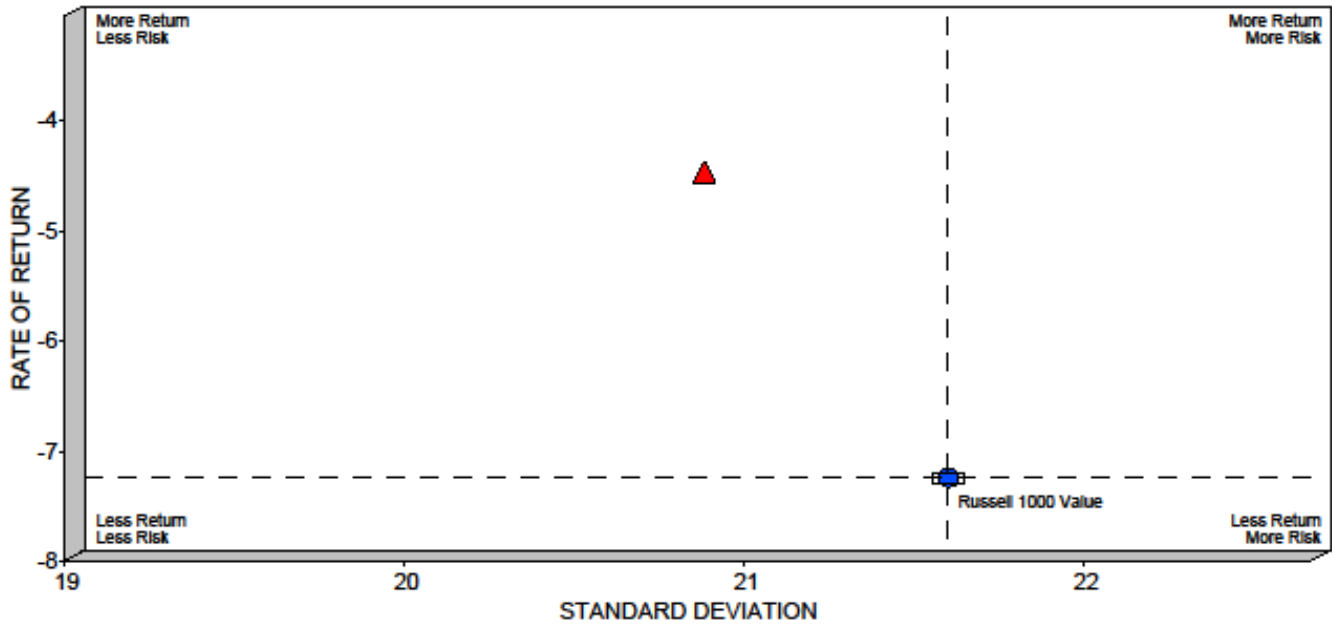
	1 Year	2 Years	3 Years	Since Inception
HIGH (0.05)	2.51	1.33	1.34	1.19
FIRST QUARTILE	0.53	0.73	0.75	0.58
MEDIAN	-0.84	0.37	0.50	0.29
THIRD QUARTILE	-1.67	0.12	0.19	0.09
LOW (0.95)	-3.16	-0.47	-0.36	-0.42
MEAN	-0.60	0.41	0.48	0.32
VALID COUNT	160	159	159	159

	1 Year		2 Years		3 Years		Since Inception	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Shenandoah Large Cap Value	2.51	1	1.00	14	1.14	10	1.00	3
● Russell 1000 Value	0.00	35	0.00	82	0.00	83	0.00	80

Shenandoah Large Value: *Statistics*

Shenandoah Asset Management, LLC -
Total Risk Reward

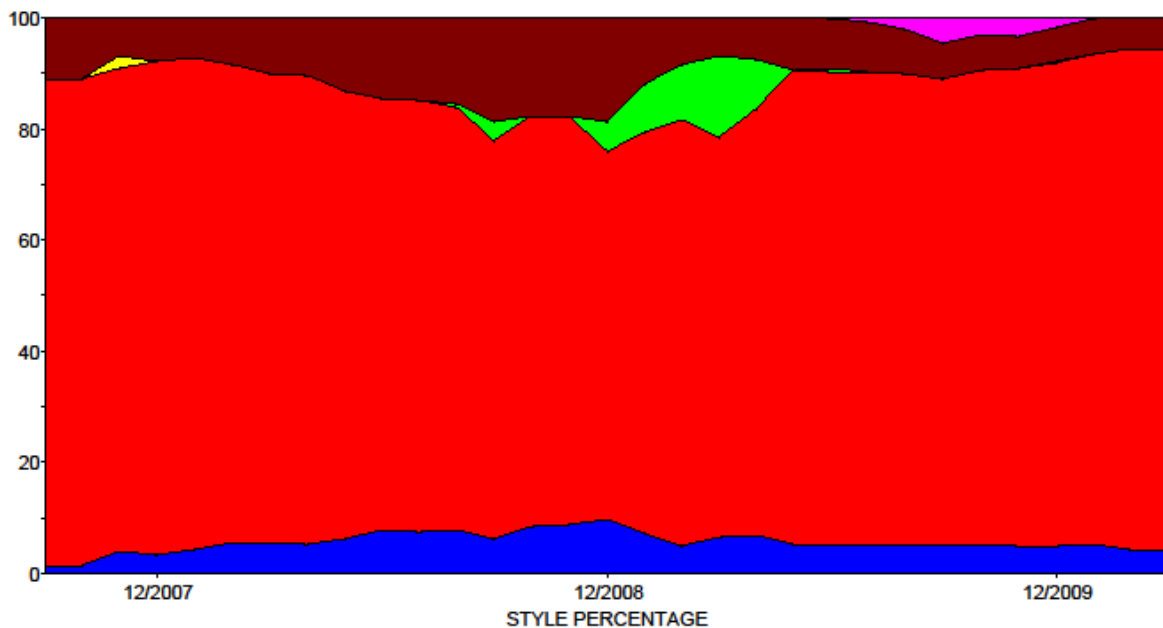
Source: Plan Sponsor Network (PSN) of Informa Investment Solutions



	ROR	Std Dev Pop	Alpha	Beta	R-Squared
▲ Shenandoah Large Cap Value	-4.56	20.85	2.54	0.96	0.99
● Russell 1000 Value	-7.33	21.57	0.00	1.00	1.00

Shenandoah Asset Management, LLC -
Large Cap Value
Style Allocation History

Source: Plan Sponsor Network (PSN) of Informa Investment Solutions



	9/2007	3/2010	MIN	MAX	MEAN	% IN	% OUT
■ TBILLS	1.33	3.77	1.29	9.49	5.47	100.00	0.00
■ LARGE VALUE	87.45	90.28	66.33	90.28	81.89	100.00	0.00
■ LARGE GROWTH	0.00	0.00	0.00	2.20	0.08	6.45	93.55
■ MEDIUM VALUE	0.00	0.00	0.00	14.93	1.69	25.81	74.19
■ MEDIUM GROWTH	11.22	5.95	5.75	18.97	10.31	100.00	0.00
■ SMALL VALUE	0.00	0.00	0.00	0.00	0.00	0.00	100.00
■ SMALL GROWTH	0.00	0.00	0.00	4.89	0.56	25.81	74.19



Midcap Composite (inception: July 1, 2005)

Portfolio Value: \$275 million

Total Firm AUM: \$291 million

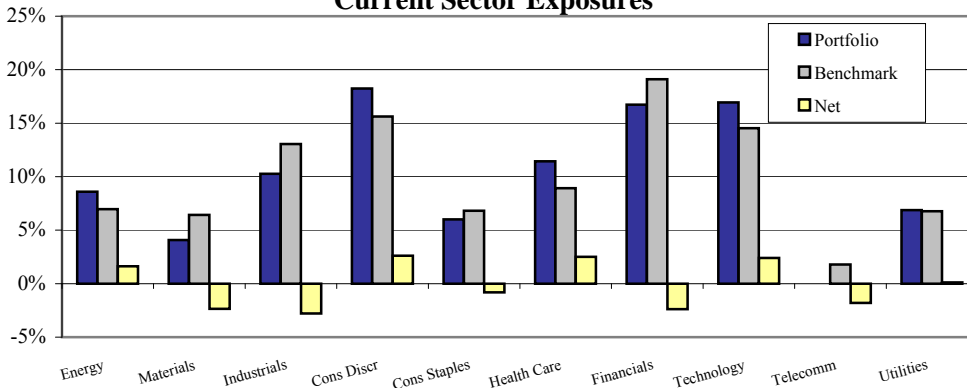
Returns:	Month	3 Mo	YTD	1 Yr	3 Yr	Since Incep
Midcap Composite (Gross)	6.1%	8.5%	8.5%	68.3%	-2.4%	4.4%
Midcap Composite (Net)	6.1%	8.4%	8.4%	67.8%	-2.7%	4.1%
Russell Midcap Index	7.1%	8.7%	8.7%	67.7%	-3.3%	3.5%

Notes: This composite includes several portfolios managed versus the Russell Midcap Index and one portfolio managed versus a Custom Russell Midcap Index. That Custom Russell Midcap Index excludes Tobacco stocks; from 3/31/2007 to 2/29/2008, that benchmark also excluded REITs.

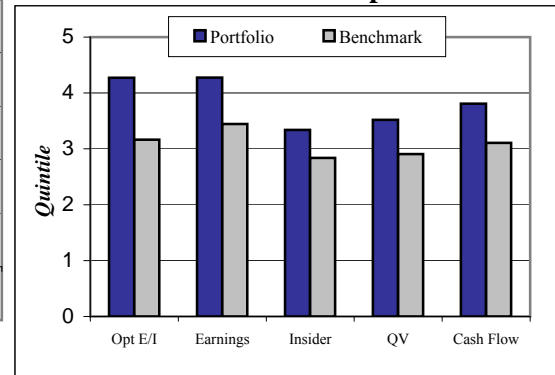
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	Portfolio	Russell Midcap
#Stocks	119	766
%Exposure	99%	100%
Max Position Size	1.7%	0.5%
Max Industry Overweight	1.9%	na
Max Industry Underweight	-1.9%	na
Avg Mkt Cap (\$mill)	5,615	6,486
Earnings Quintile	4.3	3.4
Insider Trading Quintile	3.3	2.8
Opt E/I Quintile	4.3	3.2
QV Valuation Quintile	3.5	2.9
Cash Flow Quintile	3.8	3.1
Cash Flow Exp Return	53.4	3.9
P/E Tr 12 months	17	24
P/E FY1	14	17
P/E FY2	12	14
EPS 5yr Growth Forecast	10.9	10.4

Current Sector Exposures



Shenandoah Model Exposures



Performance Attribution: Q1 2010

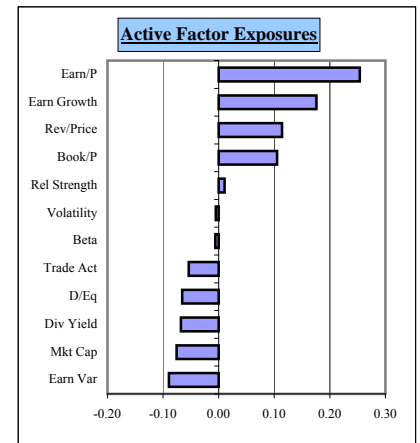
Quint	Opt E/I*	Earnings	Insider	QE	Cash Flow
5	11.9%	10.0%	13.7%	10.2%	8.0%
4	10.4%	8.4%	10.8%	8.6%	9.6%
3	8.1%	9.5%	8.5%	11.6%	8.4%
2	8.4%	8.4%	7.4%	8.9%	10.2%
1	10.0%	12.5%	8.5%	11.3%	13.1%
Q5-Q1	1.9%	-2.5%	5.1%	-1.1%	-5.1%

*Opt E/I is the optimized combination of the Earnings and Insider Transactions Models.

Position	QTD bps	% total	Active Wt
Overweights (>0.25%)	55	92.0%	75.4%
Neutral (+/- 0.25%)	-68	6.8%	-54.2%
Underweights (<-0.25%)	57	0.0%	-21.9%
Restricted Stocks	8	0.0%	-0.5%
Cash	-10	1.3%	1.3%
Total	43	100%	0%

Northfield Attribution	Active Exposure	Factor Rtn	Avg Mo. Contr
Best 5 Factors/Industries (bps)			
Price/Books	-0.1	-0.5	6
Retail Soft Goods	2.6	2.1	6
Electric Utilities	-1.9	-2.7	5
Broadcasting	1.3	3.2	4
Price/Revenue	-0.1	-0.4	4
Worst 5 Factors Industries			
Regional Banks	-1.2	1.8	(2)
Soaps & Toiletries	-0.7	1.7	(2)
Relative Strength	0.0	-0.9	(2)
Aerospace	-1.2	2.4	(3)
Lodging & Restaurant	-1.1	2.8	(3)

	Sector Perf	Active %Wt	Sector Select (bps)	Stock Select (bps)
Cons Discr	14.0%	2.0%	9	41
Industrials	9.5%	-1.9%	(2)	16
Cons Staples	10.8%	-0.1%	(1)	13
Health Care	10.4%	1.7%	(3)	12
Telecomm	4.4%	-1.8%	7	(1)
Energy	4.8%	-0.4%	5	0
Materials	8.5%	0.3%	(2)	4
Technology	2.5%	1.1%	(6)	(4)
Financials	11.8%	-1.5%	(3)	(15)
Utilities	-3.0%	-0.6%	6	(26)
Total			12	41





**SHENANDOAH
ASSET
MANAGEMENT, LLC**

Midcap U.S. Equity Strategy

“Blending systematic, stock-specific modeling and risk-controlled portfolio construction for the benefit of our clients”

Contact Information:

Russell J. Brooks
Principal
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(239) 948-0103
Shenandoah Asset Management, LLC
121 Shockoe Slip
Richmond, VA 23219
Phone: (804)343-1400
Fax: (804)343-1401
www.samllc.com

ORGANIZATION:

- **Shenandoah Asset Management, LLC, a Registered Investment Advisor, was established in 1999 by three principals:** Robert F. Hill, Jr., CFA - *Chief Executive Officer*, Russell J. Brooks, Michael P. Painchaud
- **Investment Team is comprised of three Former Virginia Retirement System Investment Officers:**
Robert F. Hill, Jr., CFA
Cameron F. McLennan, CFA
Richard A. Mills, CFA
- **Ownership:** 97% owned by Founding Principals and Employees.
- **Serving Institutional Investors**

PRODUCT PROFILE:

- **Universe:** Russell Midcap Index stocks
- **Benchmark:** Russell Midcap Index (Note: Any reasonable benchmark is acceptable.)
- **Expected Return:** Benchmark +2.0% p.a.
- **Tracking Error:** <4.0%
- **Correlation to Benchmark:** 98%
- **Number of Stocks:** 100-125
- **Turnover:** 70-120%
- **Minimum Initial Investment:** \$5 million
- **Fees:** 0.50% first \$25 million
0.40% next \$25 million
0.30% next \$25 million
0.20% next \$75 million
0.15% over \$150 million

INVESTMENT PHILOSOPHY & PROCESS

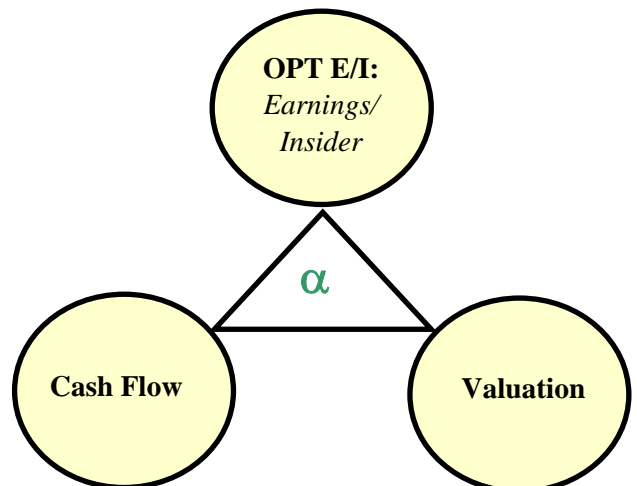
We believe the combination of skilled quantitative analysis, stock-specific modeling, risk-controlled portfolio construction and disciplined trading techniques will reduce portfolio volatility and generate excess returns for investors.

- **Stock Selection:** Stock-specific quantitative algorithm driven by earnings expectations, insider trading, valuation and cash flow measures. The optimal stock has the following characteristics:
 - √ Earnings are growing faster than expectations;
 - √ Cashflow is strong and improving;
 - √ Valuation is compelling;
 - √ Insiders (officers & directors) are buying.

• **Portfolio Construction (risk control):** Diversified, risk-controlled portfolios can be tailored to match the risk/return expectations of individual clients and accommodate various benchmarks. Among other factors we closely constrain aggregate exposures to: economic sectors, industries, beta, and eleven endogenous risk factors.

• **Trading:** We preserve value by using alternative trading strategies to control transaction costs and bring the model’s excess returns to the bottom line.

ALPHA Engine



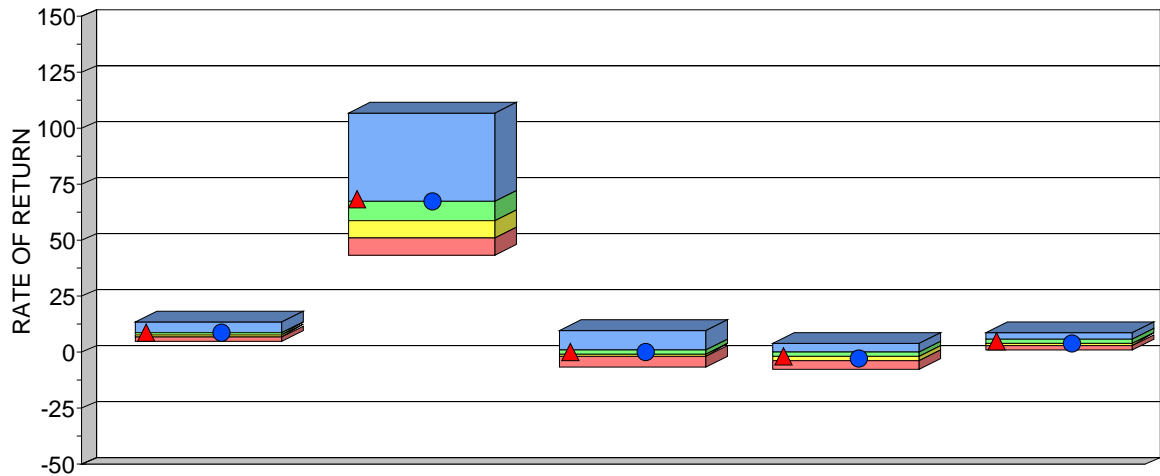
Shenandoah Midcap: *Statistics*

Shenandoah Asset Management, LLC - Midcap

Quartile Ranking Bar - 7/1/2005 to 3/31/2010

Mgrdb: Russell Midcap

Source: Plan Sponsor Network (PSN) of Informa Investment Solutions



	<u>Latest Quarter</u>	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>Since Inception</u>
HIGH (0.05)	13.28	106.37	9.88	4.17	8.66
FIRST QUARTILE	8.56	66.84	1.05	-0.30	5.33
MEDIAN	7.68	58.43	-0.65	-2.39	4.17
THIRD QUARTILE	6.58	50.92	-1.79	-3.40	2.95
LOW (0.95)	4.82	43.52	-7.16	-7.94	0.99
MEAN	7.81	60.51	0.13	-2.05	4.32
VALID COUNT	37	37	37	37	35

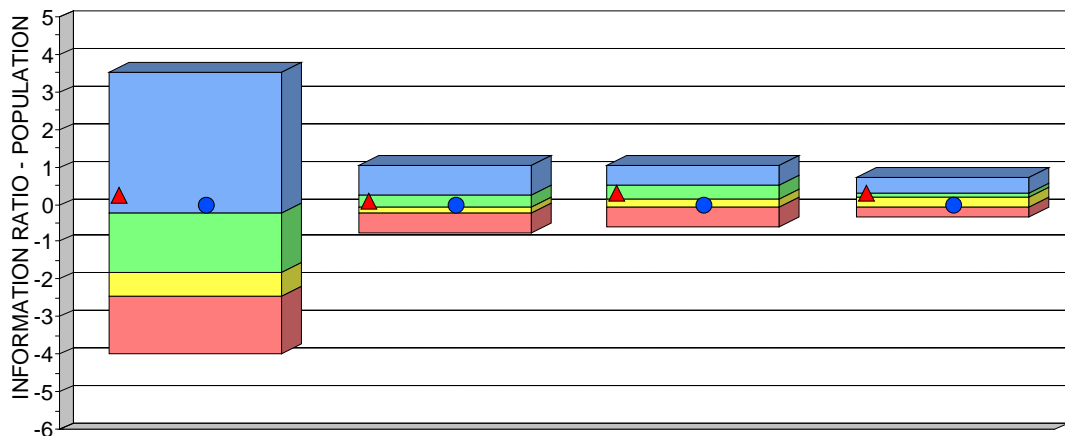
	<u>Latest Quarter</u>		<u>1 Year</u>		<u>2 Years</u>		<u>3 Years</u>		<u>Since Inception</u>	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Shenandoah SAM Midcap	8.52	29	68.34	13	-0.03	37	-2.35	48	4.43	42
● Russell Mid Cap	8.67	21	67.71	21	-0.37	40	-3.30	70	3.53	62

Shenandoah Asset Management, LLC - Midcap

Quartile Ranking Bar - Information Ratio 6/30/2005 to 3/31/2010

Mgrdb: Russell Midcap

Source: Plan Sponsor Network (PSN) of Informa Investment Solutions



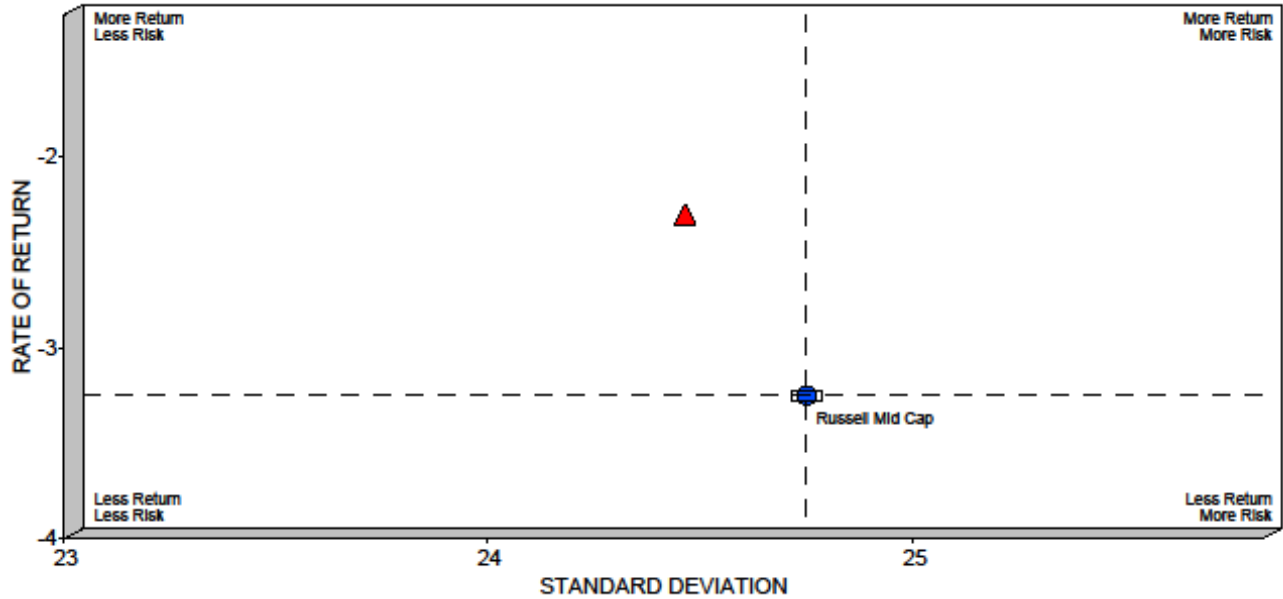
	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>Since Inception</u>
HIGH (0.05)	3.52	1.02	1.02	0.71
FIRST QUARTILE	-0.25	0.25	0.52	0.31
MEDIAN	-1.84	-0.05	0.13	0.17
THIRD QUARTILE	-2.46	-0.22	-0.07	-0.10
LOW (0.95)	-4.01	-0.76	-0.58	-0.36
MEAN	-1.30	0.03	0.17	0.13
VALID COUNT	37	37	37	35

	<u>1 Year</u>		<u>2 Years</u>		<u>3 Years</u>		<u>Since Inception</u>	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Shenandoah SAM Midcap	0.25	16	0.09	35	0.29	37	0.30	31
● Russell Mid Cap	0.00	21	0.00	40	0.00	70	0.00	62

Shenandoah Midcap: *Statistics*

Shenandoah Asset Management, LLC - Midcap
Total Risk Reward

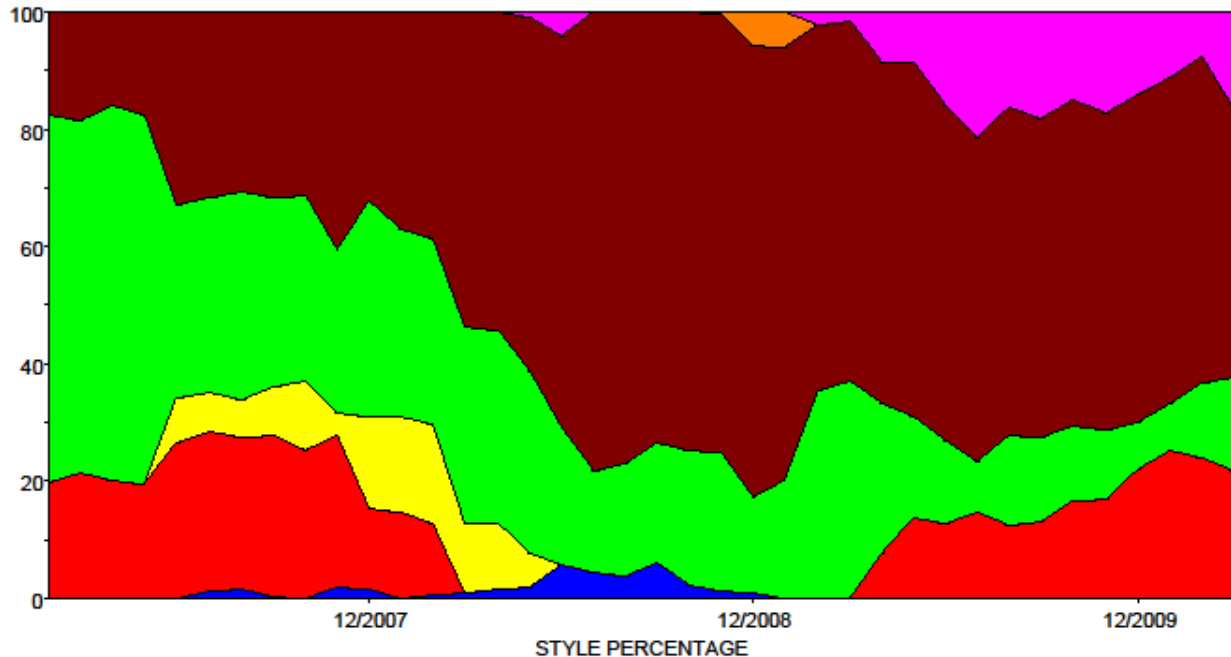
Source: Plan Sponsor Network (PSN) of Informa Investment Solutions



	ROR	Std Dev Pop	Alpha	Beta	R-Squared
▲ Shenandoah SAM Midcap	-2.35	24.44	0.89	0.98	0.98
● Russell Mid Cap	-3.30	24.72	0.00	1.00	1.00

Shenandoah Asset Management, LLC -
SAM Midcap
Style Allocation History

Source: Plan Sponsor Network (PSN) of Informa Investment Solutions

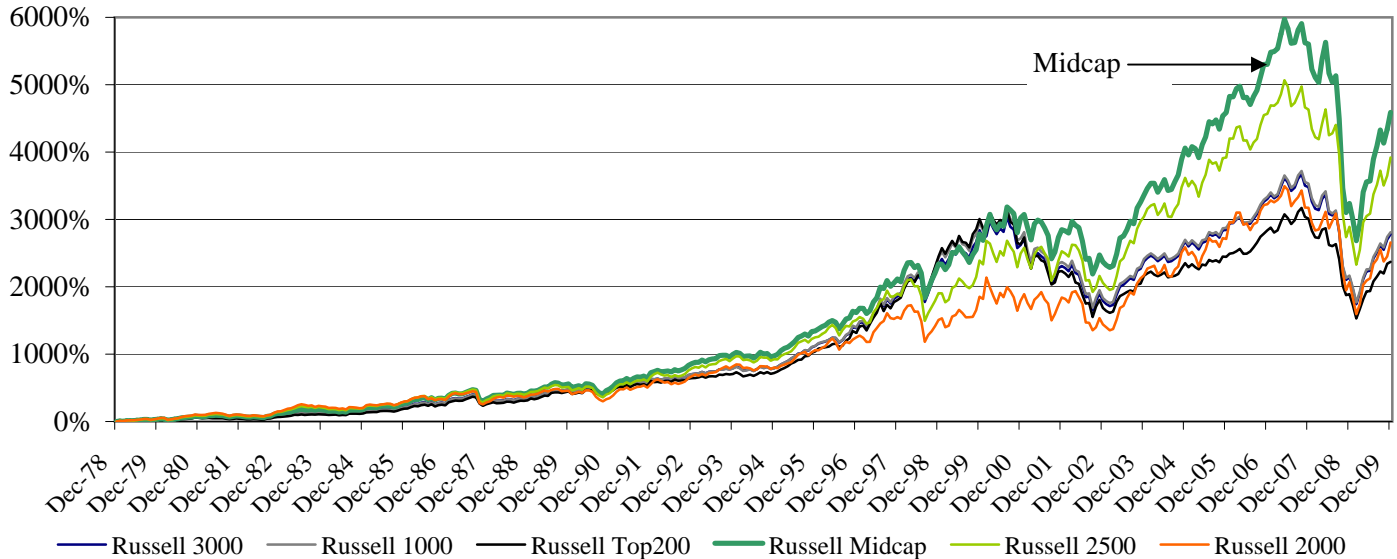


	2/2007	3/2010	MIN	MAX	MEAN	% IN	% OUT
■ TBILLS	0.00	0.00	0.00	5.92	0.95	42.11	57.89
■ LARGE VALUE	19.75	21.78	0.00	27.42	12.66	65.79	34.21
■ LARGE GROWTH	0.00	0.00	0.00	16.96	3.21	31.58	68.42
■ MEDIUM VALUE	62.54	15.89	7.92	64.08	27.37	100.00	0.00
■ MEDIUM GROWTH	17.71	45.81	15.95	78.33	50.76	100.00	0.00
■ SMALL VALUE	0.00	0.00	0.00	6.20	0.32	7.89	92.11
■ SMALL GROWTH	0.00	16.52	0.00	21.40	4.73	42.11	57.89



Medium-sized companies (midcap) are often overlooked in traditional US equity asset allocation structures. Many plans and consultants divide the universe of US stocks into “large cap” and “small cap” sub-categories, viewing midcap as a hybrid of these two extremes. **Research indicates that, given the strong absolute and risk-adjusted returns achieved in the midcap arena, investors should strongly consider a dedicated allocation to midcap stocks.**

Russell Index Performance



Returns	Ann Return	Std Dev	Info. Ratio	Sharpe Ratio
Russell Midcap	13.2%	17.2%	0.77	0.45
Russell 2500	12.7%	18.5%	0.68	0.38
Russell 1000	11.5%	15.6%	0.74	0.38
Russell 3000	11.4%	15.8%	0.73	0.37
Russell 2000	11.3%	19.9%	0.57	0.29
Russell Top200	10.9%	15.4%	0.71	0.35

Correlations:	Russell 3000	Russell 1000	Russell Top200	Russell Midcap	Russell 2500	Russell 2000
Russell 3000	1					
Russell 1000	1.00	1				
Russell Top200	0.98	0.99	1			
Russell Midcap	0.97	0.95	0.90	1		
Russell 2500	0.92	0.90	0.84	0.97	1	
Russell 2000	0.88	0.85	0.79	0.94	0.99	1

Comments:

The Russell Midcap Index dominates all other broad Russell indices on both an absolute return and risk-adjusted return basis over the period of study (January, 1979 to December, 2009):

- **Strongest returns:** The Russell Midcap outperformed all other indices by 50-230 bps p.a.;
- **Highest Risk-adjusted returns:** The Russell Midcap has the highest Information Ratio and Sharpe Ratio;
- **Better than small cap or "smid"** based on absolute and risk-adjusted returns;
- Russell Midcap returns are 97% correlated to Russell 2500 (“smid”) with more return and less risk.
- **Stable, liquid universe:** The Russell Midcap index includes approximately 800 stocks, representing \$3.1 trillion in market capitalization. The index is rebalanced each June to include the 201st through 1000th largest companies (by market cap) in the Russell 1000.

Shenandoah currently manages a midcap strategy that is benchmarked against the Russell Midcap index.

Expected returns are +2-3% p.a. over a market cycle with <4.0% tracking error.

Data Source: Frank Russell Corporation

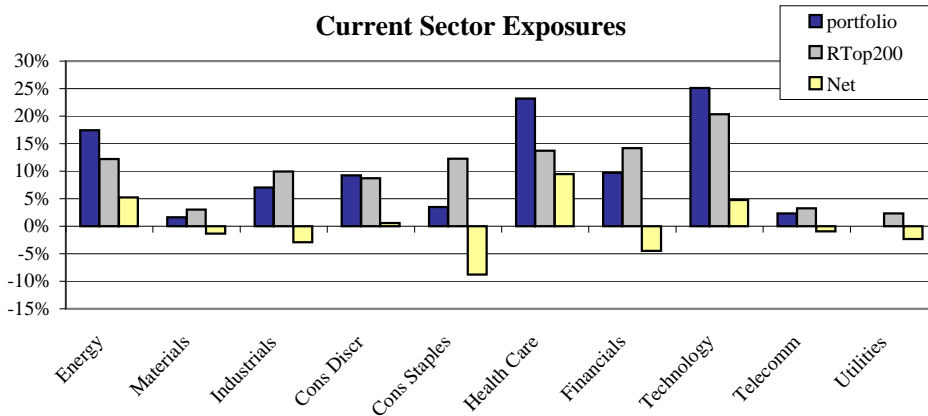


Mega Cap Strategy (simulation)

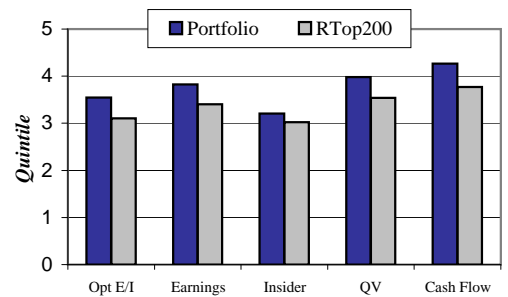
	entire period	YTD	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Shenandoah Mega Cap	6.9%	5.0%	26.6%	-34.0%	4.3%	16.5%	5.4%	14.9%	30.4%	-22.6%	-4.5%	-12.9%	18.8%	33.4%	40.8%	
Russell Top 200 Index	4.7%	4.5%	24.2%	-36.1%	5.9%	15.5%	3.8%	8.3%	26.7%	-23.4%	-14.6%	-12.1%	21.8%	34.0%	34.5%	
Excess Returns	2.2%	0.5%	2.4%	2.1%	-1.6%	1.0%	1.6%	6.6%	3.7%	0.7%	10.1%	-0.8%	-3.0%	-0.6%	6.3%	

Past Performance does not guarantee future results. Performance for periods greater than one year is annualized. Gross returns (including realized and unrealized capital gains, reinvestment of dividends and interest) are before fees and administrative expenses. Net returns reflect the return to investors after all fees and expenses. These are simulated returns.

Current Sector Exposures



Shenandoah Model Exposures



Sector Exposures:

	port	bench	Net
Energy	17.4%	12.2%	5.2%
Materials	1.6%	3.0%	-1.4%
Industrials	7.0%	10.0%	-2.9%
Cons Discr	9.3%	8.7%	0.6%
Cons Staples	3.5%	12.3%	-8.8%
Health Care	23.2%	13.7%	9.5%
Financials	9.7%	14.2%	-4.5%
Technology	25.1%	20.4%	4.7%
Telecomm	2.3%	3.2%	-0.9%
Utilities	0.0%	2.3%	-2.3%
Total	99%	100%	

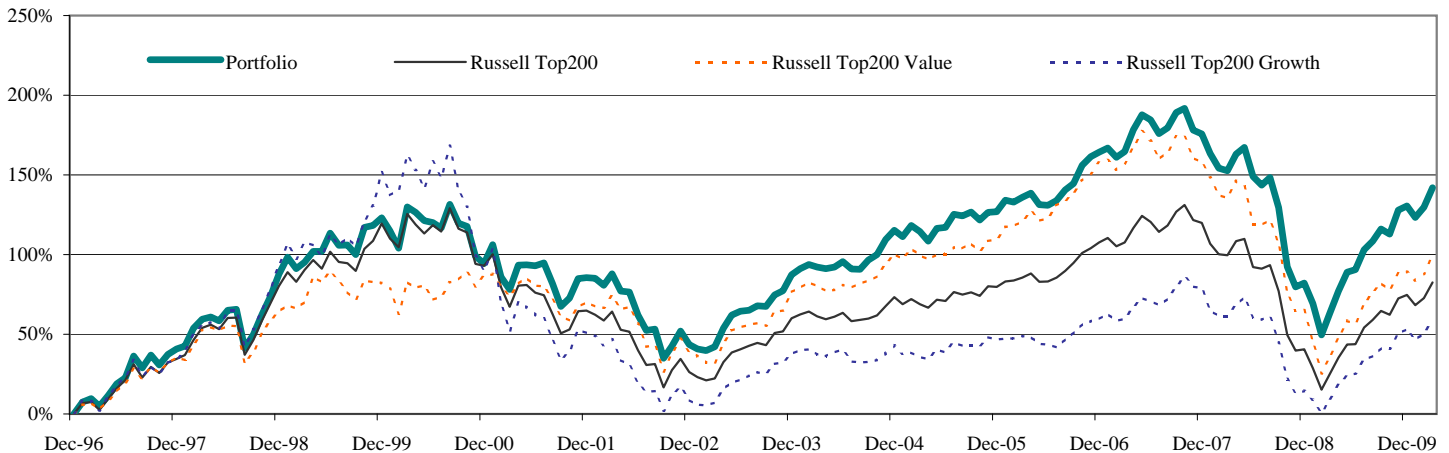
Top 10 Holdings:

Ticker	Name	Weight
XOM	EXXON MOBIL CORP	5.1%
MSFT	MICROSOFT CORP	3.8%
GE	GENERAL ELECTRIC CO	3.6%
JNJ	JOHNSON & JOHNSON	3.4%
AAPL	APPLE INC	3.2%
IBM	INTL BUSINESS MACHINE	3.2%
BAC	BANK OF AMERICA CORP	3.2%
CVX	CHEVRON CORP	2.8%
HPQ	HEWLETT PACKARD CO	2.7%
INTC	INTEL CORP	2.7%
Total		33.8%

Characteristics:

	Portfolio	Russell Top200
#Stocks	49	193
Max Position Size	5.1%	3.9%
Max Industry Overweight	5.1%	na
Max Industry Underweight	-3.3%	na
Avg Mkt Cap (\$billion)	108.0	97.9
Earnings quintile	3.8	3.4
Insider Transactions quintile	3.2	3.0
Opt E/I quintile	3.5	3.1
QV Valuation quintile	4.0	3.5
Cash Flow quintile	4.3	3.8
Cash Flow Exp Return	69%	33%

Shenandoah: Simulated MegaCap Returns





**SHENANDOAH
ASSET
MANAGEMENT, LLC**

Mega Cap Fact Sheet

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Contact Information:

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- **Serving Institutional Investors**

PRODUCT PROFILE:

- **Universe:** Russell Top 200 Index stocks
- **Benchmark:** Russell Top 200 Index
(Note: Any reasonable benchmark is acceptable.)
- **Expected Return:** Benchmark +2.0% p.a.
- **Tracking Error:** <4.0%
- **Correlation to Benchmark:** 96%
- **Number of Stocks:** 50-75
- **Turnover:** 70-120%
- **Minimum Initial Investment:** \$5 million
- **Fees:** 0.40% first \$25 million
0.30% next \$25 million
0.20% next \$25 million
0.15% over \$75 million

INVESTMENT PHILOSOPHY & PROCESS

We believe the combination of skilled quantitative analysis, stock-specific modeling, risk-controlled portfolio construction and disciplined trading techniques will reduce portfolio volatility and generate excess returns for investors.

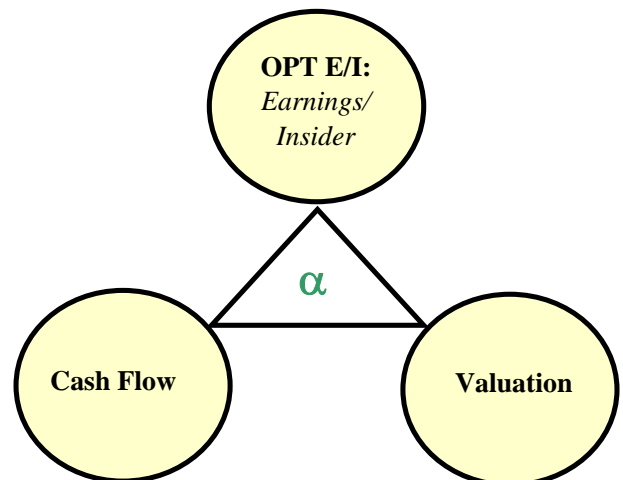
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ALPHA Engine





**SHENANDOAH
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Portfolio Characteristics: 3/31/10

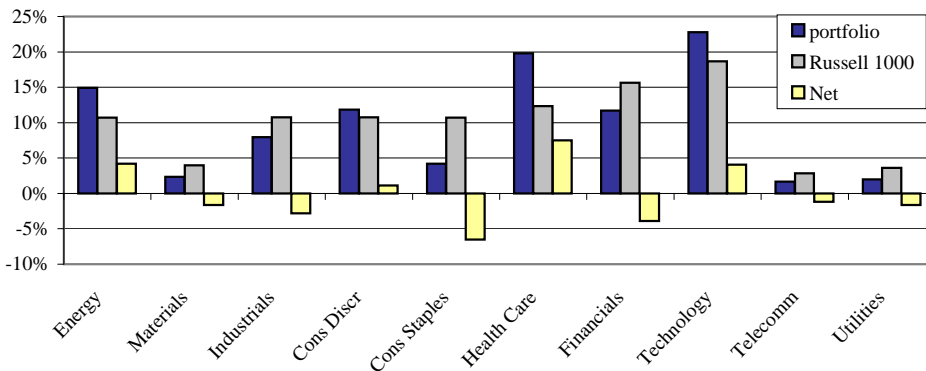
email: bhill@samllc.com
internet: www.samllc.com

Large Cap Strategy (simulation)

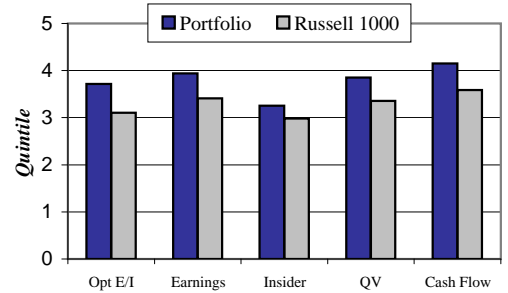
	entire period	YTD												
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Shenandoah Large Cap	5.7%	6.0%	29.2%	-35.2%	5.1%	16.8%	9.1%	17.5%	34.4%	-20.1%	-3.0%	-8.4%	17.0%	27.0%
Russell 1000 Index	3.6%	5.7%	28.4%	-37.6%	5.9%	15.4%	6.3%	11.4%	29.9%	-21.6%	-12.7%	-7.9%	20.5%	26.8%
Excess Returns	2.2%	0.3%	0.8%	2.4%	-0.7%	1.3%	2.8%	6.1%	4.5%	1.4%	9.8%	-0.5%	-3.6%	0.2%

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Current Sector Exposures



Shenandoah Model Exposures



Sector Exposures:

	port	bench	Net
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Industrials	8.0%	10.8%	-2.8%
Cons Discr	11.8%	10.7%	1.1%
Cons Staples	4.2%	10.7%	-6.5%
Health Care	19.8%	12.3%	7.5%
Financials	11.7%	15.6%	-3.9%
Technology	22.8%	18.7%	4.1%
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Total	99%	100%	

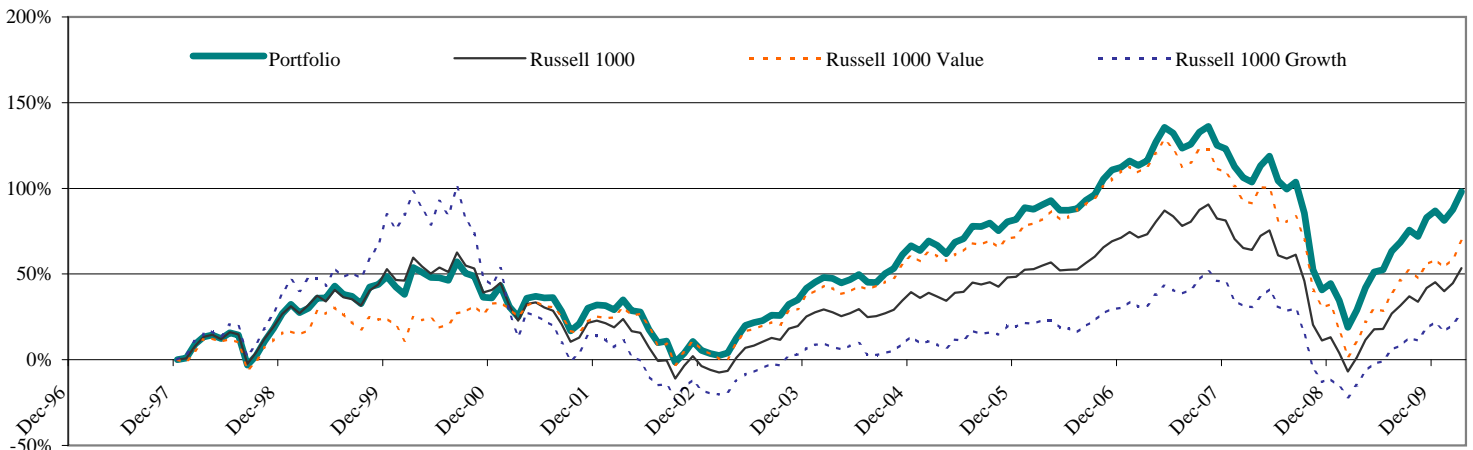
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GE	GENERAL ELECTRIC CO	2.5%
JNJ	JOHNSON & JOHNSON	2.4%
IBM	INTL BUSINESS MACHINE	2.3%
AAPL	APPLE INC	2.3%
BAC	BANK OF AMERICA CORP	2.3%
CVX	CHEVRON CORP	2.0%
HPQ	HEWLETT PACKARD CO	2.0%
INTC	INTEL CORP	1.9%
Total		24.2%

Characteristics:

	Portfolio	Russell 1000
#Stocks	168	965
Max Position Size	3.7%	2.8%
Max Industry Overweight	4.2%	na
Max Industry Underweight	-2.5%	na
Avg Mkt Cap (\$billion)	78.7	71.7
Earnings quintile	3.9	3.4
Insider Transactions quintile	3.3	3.0
Opt E/I quintile	3.7	3.1
QV Valuation quintile	3.8	3.4
Cash Flow quintile	4.2	3.6
Cash Flow Exp Return	65%	25%

Shenandoah: Simulated Large Cap Returns





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INVESTMENT PHILOSOPHY & PROCESS

We combine our simulated Mega Cap strategy with our existing Midcap product to generate a unique Large Cap strategy, where the mega cap and midcap exposures are managed independently to ensure proper coverage and maximize the power of our models.

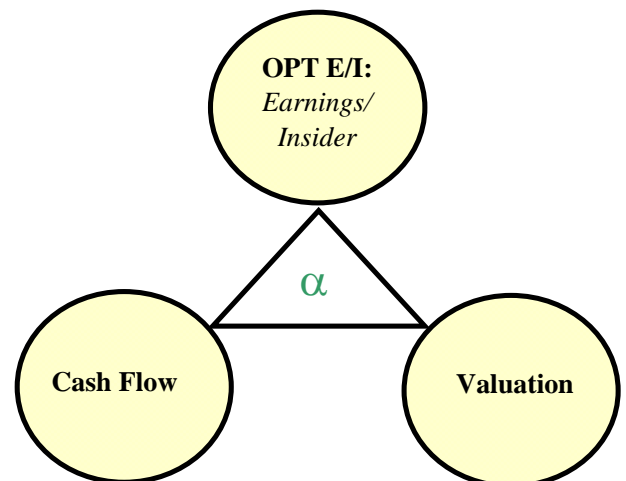
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• **Trading:** We preserve value by controlling and monitoring transaction costs, executing most trades via blind principal bids.

ALPHA Engine



Biographies

Over 125 years of cumulative investment experience

Robert F. Hill, Jr., CFA - *Principal & Chief Executive Office*

Mr. Hill is responsible for SAM's investment management operation, portfolio management, and trading. Prior to co-founding SAM in January, 1999, he was the Director of Equity at the Virginia Retirement System where he was responsible for the \$16 billion US equity portfolio, including \$4.5 billion managed internally. Mr. Hill received his BS, Systems Engineering, from the University of Virginia, an MBA from Virginia Commonwealth University, and is a Chartered Financial Analyst.

Russell J. Brooks - *Principal*

Mr. Brooks directs SAM's new business development and client service. He was a Founder/ Principal of Market Profile Theorems Inc., a Seattle, WA. firm which provides quantitative investment research to major institutional money managers and plan sponsors. Prior to founding MPT, he was director of institutional marketing at Daiwa Securities of America. In 1993, Mr. Brooks was one of five industry practitioners to testify before Congress on soft dollars (Markey Hearings). He received his B.A. from Boston University.

Michael P. Painchaud – *Principal & Consultant*

Mr. Painchaud is a Co-Founder/Principal of Market Profile Theorems, Inc., a Seattle, WA. firm which provides quantitative investment research to major institutional money managers and plan sponsors. Prior to co-founding MPT he served as Director of Research for Daiwa Securities of America where he was responsible for the creation and production of equity research products distributed in the US, Canada, and Japan. He has extensive experience in the fields of systems design, product development, and production. Mr. Painchaud received his B.S from Michigan State University.

Cameron F. McLennan, CFA – *Vice President & Portfolio Manager*

Mr. McLennan assists in all areas of portfolio management and trading as well as being responsible for fundamental stock analysis. Prior to joining SAM, he was a fundamental equity analyst at BB&T Capital Markets. Prior to BB&T, Mr. McLennan was an Investment Officer at the Virginia Retirement System where he was involved in the management of the domestic and international equity programs, including the management of a \$1.7 billion Equal Weighted S&P 500 portfolio. A native of Australia, Mr. McLennan received his B. Bus. Finance/Marketing, from the University of Southern Queensland, an MBA from James Madison University, and is a Chartered Financial Analyst.

Richard Mills, CFA – *Vice President*

Mr. Mills is responsible for Shenandoah's internal research effort as well as managing systems, data and the back office. Prior to joining SAM, he was Senior Investment Analyst for Public Equity at the Virginia Retirement System where his duties included hiring and oversight of equity managers, portfolio management, plan-wide risk management, and systems development for risk analytics & internal quantitative research. Mr. Mills received a BA from the University of Virginia, an MBA from Virginia Commonwealth University, and is a Chartered Financial Analyst.

Acknowledgements & Disclosures

Performance Disclosure of Funded products:

Past performance does not guarantee future results. Performance for periods greater than one year is annualized. Gross returns (including realized and unrealized capital gains, reinvestment of dividends and interest) are before fees and administrative expenses. Net returns reflect the return to investors after all fees and expenses.

Simulated (unfunded) Products: Hypothetical Performance Disclosure

Past Hypothetical Performance does not guarantee future actual results. Hypothetical results have many inherent limitations. No representation is being made that any account will or is likely to achieve returns similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved by any particular investment strategy.

One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical investment does not involve financial risk, and no hypothetical investment record can completely account for the impact of financial risk in actual investing. For example, the ability to withstand losses or to adhere to a particular investment strategy in spite of investment losses are material points which can also adversely affect actual investment results. There are numerous other factors related to the markets in general or to the implementation of any specific investment strategy which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual investment results. Performance for periods greater than one year is annualized. Gross returns (including realized and unrealized capital gains, reinvestment of dividends and interest) are before fees and administrative expenses. Net returns reflect the return to investors after all fees and administrative expenses. Net returns are NOT provided here as they are determined by the fee level, which is a function of the assets under management in the client's specific application. We will be happy to provide simulated net returns by applying a fee level based upon a client-specified asset level.

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