



♦ **The key to investment success is discipline.**

♦ **Over time, common stocks deliver the highest rate of return; over time, the Value style of investing outperforms the Growth style, but both should be represented in the overall portfolio.**



Concentrated Value Plus Equity Strategy

Investment Objective

The objective of this Concentrated Large Capitalization Value approach is to provide over the life of the Strategy and over every three-year period an investment return superior to that of the Russell 1000 Value Index. A secondary objective is maximum upside participation during periods of opportunity.

Investment Philosophy

The Efficient Market Hypothesis (EMH), which questions the ability of active equity management to outperform the market indexes on a consistent basis, is largely valid; however, there are three exploitable anomalies within the EMH:

- **The Yield Effect** - In a limited-candidate universe of large capitalization stocks, the highest yielding stocks tend to become superior performers
- **The Contrarian Effect** - In a limited-candidate universe of large capitalization stocks, the worst multi-year performers tend to become superior performers over the subsequent multi-year period
- **The Momentum Effect** - In a broad universe of candidates, the strongest performers tend to remain strong performers

Combining the sets of buy/sell disciplines exploiting the Contrarian Effect and the Momentum Effect produces consistently superior investment returns and maximum upside participation during periods of opportunity.

Investment Process

Consistent with the investment philosophy of Concentrated Value Plus, portfolios typically consist of 10 stocks in two independently managed groups:



The Contrarian Group is selected from the 75-candidate Nottingham LARGCAP Universe on the basis of multi-year underperformance. The Group then is held for a multi-year period of recovery. The Momentum Group stocks are selected from the S&P 500 on the basis of superior performance, and are held only as long as they remain superior performers. The role of the Groups is the same: to participate fully during favorable market periods. Furthermore, the use of multiple sets of buy/sell disciplines results in a more consistent pattern of superior returns.

Performance Summary



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	End of the Period						
	Concentrated Value Plus (%)	Russell 1000 Value Index (%)	Firm Assets (\$/mm)	Composite Portfolios (#)	Composite Assets (\$/mm)	% of Firm Assets (%)	Annual Composite Dispersion (%)
2008	-41.70	-36.86	88.0	1	0.2	1	--
2009	54.14	19.70	107.6	1	0.4	1	--
2010	5.73	15.51	80.5	10	1.8	2	0.73
2011 QI-QII	-3.39	5.92	77.9	8	1.5	2	--
Annualized							
Life of the Strategy	-2.42	-2.21					
Three Years	-0.22	2.28					

Nottingham results are presented net-of-the management fee; all annualized returns are associated with time periods ending June 30, 2011

PERFORMANCE DISCLOSURE STATEMENT

Nottingham Investment Advisers, Ltd., has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). No regulatory or governing body has been involved in the preparation or review of this report.

1. Nottingham Investment Advisers, Ltd., ("Firm") is an independent, SEC-registered investment adviser utilizing a number of primarily large capitalization equity investment strategies. Berge & Company, Ltd., and BKD.LLP, Certified Public Accountants in each case, completed Firm-wide Verifications of Nottingham's compliance with the AIM®-PPS™ for, respectively, the 1996-2001 and 2002-2005 periods. The Verifications associated with years after 2005 also were completed by BKD, LLP, and tested Nottingham's compliance with the aforementioned Global Investment Performance Standards (GIPS®). Verifications are conducted annually; a copy of the most recent report is available by request.

2. The Concentrated Value Plus performance composite (Composite A; all non-wrap fee accounts and those with a fixed annual brokerage charge less than 0.25% of assets) was created on January 1, 2008.

3. No segments of other portfolio composites and no accounts with a fixed annual broker charge are included in the Concentrated Value Plus composite.

4. The most appropriate benchmarks for the Concentrated Value Plus strategy are the style-specific Russell 1000 Value Index and the more broadly representative S&P 500 Index. Both are unmanaged, capitalizationweighted, and consist of primarily U.S. corporations. Index performance in both cases includes price change and income, however, neither Index has any expenses. The S&P 500 Index was the sole benchmark prior to January 1, 2010.

5. Investment results have been calculated net-of-the management fee, which was deducted from the results achieved by every account in the composite. The annual fee schedule is 1.0% of the first \$1 million, 0.75% of the next \$4 million, and 0.50% of remaining assets.

6. Investment results calculated net-of-the management fee are appropriate for presentation or redistribution in all settings, but must be accompanied by this disclosure language.

7. All performance calculations are based upon trade-date accounting, and, except where otherwise noted, are associated with time periods ending December 31.

8. Performance is expressed in U.S. Dollars.

9. Annual composite dispersion is the asset-weighted standard deviation of gross investment returns.

10. Exchange-Traded Fund shares may be utilized in this strategy from time to time. No other derivatives and no leverage are employed.

11. Past performance is no guarantee of future results.

12. A complete list of Nottingham performance composites and additional information regarding the calculation and reporting of Nottingham performance are available upon request.

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