



Absolute Value – Absolute Returns

Overview

- Privately owned and independent
- Long history of investment success
- Fundamental research approach
- Expertise in small/mid-cap companies
- Value equity specialists

Objective

- Absolute return
- Capital preservation

Differentiated Approach

- Identify “Steinberg Stocks”
- Long-term investment horizon
- Capitalize on short-term volatility to capture long-term results
- Concentrated portfolio with distinctive holdings

Firm

Steinberg Asset Management, LLC (SAM), was founded by Michael A. Steinberg in 1982, originally as a research boutique. The firm manages approximately \$1.8 billion for institutions, endowments, foundations, family offices, and wealthy individuals. SAM specializes in the management of small, mid, smid and all-cap value equity portfolios.

Philosophy

SAM believes that a focused investment portfolio of businesses, with extraordinary risk/return profiles purchased at attractive valuations will generate superior long-term investment returns.

The “Steinberg Stock”

SAM seeks to uncover “Steinberg Stocks” which possess an extraordinary risk/reward profile. Key characteristics of a Steinberg Stock include:

- Preserve Capital:** Steinberg Stocks have what SAM believes to be a low risk of permanent loss of capital and typically have a combination of the following characteristics: strong balance sheets, significant sustainable free cash flow generation, strong core earnings power, and an asset base providing support for the business value.
- Grow Capital:** Invest in stocks with the potential to generate annualized returns of 18-24% over a three- to five-year period. Central to SAM’s return target is the development of the investment’s earnings profile over a strategic horizon, and the free cash flow generation of the base businesses as identified through deep, proprietary, fundamental research.
- Free Calls:** SAM’s in-depth fundamental research seeks to identify one or more “free calls” - events or developments that represent an opportunity to meaningfully increment the earnings power, asset value and/or cash flows of the investment not currently reflected in the security’s price - in each of its investments. Free calls provide an opportunity for the investment to generate outsized returns further tilting the risk/reward profile in our clients’ favor.

High “Active Share”

“Active Share”: A measure of the percentage of stock holdings in a portfolio that differ from the benchmark index. Studies have shown that high Active Share is a key condition for long-term outperformance. SAM’s investment process results in exceptionally high Active Share.

- For the past 10 years, the Active Share in SAM’s portfolios has been in the top quintile with greater than 80% of weightings differing from the benchmark.
- Outperformance over Russell 3000® Value Index of 2.63% on an annualized basis since inception.*

*SAM All-Cap annualized gross performance less annualized performance of Russell 3000® Value Index from 1/01/90 to 12/31/11.

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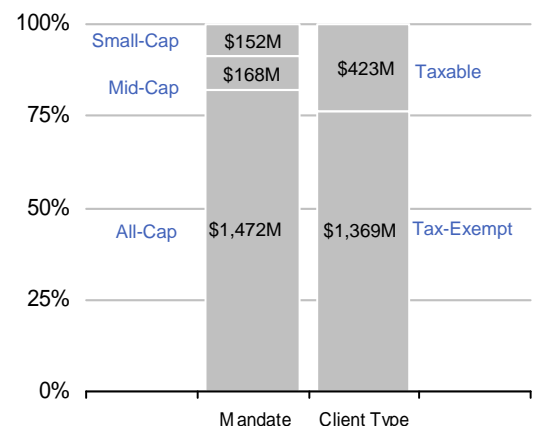
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Assets Under Management: \$1.8B



*Three Decades
of Value Investing*



Net Performance History (Figures as of the Period Ending 12/31/11)

	Small-Cap Value	Russell 2000® Value	Smid-Cap Value	Russell 2500™ Value	Mid-Cap Value	Russell Midcap® Value	All-Cap Value	Russell 3000® Value
4Q11	14.7%	16.0%	13.7%	15.5%	13.4%	13.4%	14.4%	13.3%
YTD	8.4	-5.5	8.7	-3.4	3.2	-1.4	3.3	-0.1
1 Year	8.4	-5.5	8.7	-3.4	3.2	-1.4	3.3	-0.1
3 Years	19.1	12.4	20.9	15.5	17.9	18.2	16.1	11.6
5 Years	-0.3	-1.9	3.6	-0.6	0.6	0.0	-0.3	-2.6
10 Years	7.7	6.4	-	-	7.3	7.7	7.5	4.1
15 Years	10.0	8.0	-	-	9.7	8.9	10.3	6.4

Returns over 1 year are annualized

Small-Cap Value Equity

Company	Weighting (%)	Characteristics Summary	SAM	Russell 2000® Value	Statistics
Golar LNG Ltd	9.6	Price/Cash Flow	13.3x	10.9x	Beta 0.75
Heckmann Corp	5.1	Price/Book	2.27x	1.24x	R ² 0.70
MedQuist Holdings Inc	5.1	Dividend Yield	1.17%	2.19%	Sharpe Ratio -0.06
Golar LNG Partners LP	4.4	Median Market Cap	\$1.13B	\$0.41B	
NeuStar Inc	3.9				

Smid-Cap Value Equity

Company	Weighting (%)	Characteristics Summary	SAM	Russell 2500™ Value	Statistics
Golar LNG Ltd	9.6	Price/Cash Flow	12.2x	10.2x	Beta 0.76
Heckmann Corp	5.2	Price/Book	2.27x	1.29x	R ² 0.75
MedQuist Holdings Inc	4.8	Dividend Yield	1.14%	2.20%	Sharpe Ratio 0.11
Alterra Capital Holdings Ltd	3.7	Median Market Cap	\$1.59B	\$0.58B	
Laboratory Corp of America Holdings	3.7				

Mid-Cap Value Equity

Company	Weighting (%)	Characteristics Summary	SAM	Russell MidCap® Value	Statistics
Golar LNG Ltd	9.6	Price/Cash Flow	12.0x	9.3x	Beta 0.84
Arch Capital Group Ltd	6.4	Price/Book	1.93x	1.38x	R ² 0.84
Waste Connections Inc	5.5	Dividend Yield	1.24%	2.42%	Sharpe Ratio -0.02
NeuStar Inc	5.3	Median Market Cap	\$2.74B	\$3.76B	
Compass Minerals International Inc	4.1				

All-Cap Value Equity

Company	Weighting (%)	Characteristics Summary	SAM	Russell 3000® Value	Statistics
Golar LNG Ltd	9.6	Price/Cash Flow	12.0x	8.3x	Beta 0.90
Arch Capital Group Ltd	5.8	Price/Book	2.06x	1.43x	R ² 0.80
NeuStar Inc	4.6	Dividend Yield	1.33%	2.61%	Sharpe Ratio -0.07
Fidelity National Information Services Inc	3.9	Median Market Cap	\$4.71B	\$0.79B	
Compass Minerals International Inc	3.9				

All information except Beta, R², and Sharpe Ratio are from a representative account in the composite. Beta, R² and Sharpe Ratio are computed using the monthly composite returns for the historical five-year period ending 12/31/11. The securities in the Top Ten Holdings list should not be deemed as a recommendation to buy the specific securities in the list and do not represent all the securities purchased or sold and it should not be assumed that investments in these securities were or will be profitable. A listing of our 13(f) securities is filed with the SEC on Form 13F, please contact Steven Feld if you would like a copy of the last filed form. This information is shown as supplemental information only and complements the disclosures which appear at the bottom of this page. SAM has established a Partner Participation Plan with Jason Kesselman, Megan Kulick and Justin Steinberg as Partners. The Plan gives Partners a guaranteed portion in the profits of the firm on an annual basis. Additional Partners may be named under the Plan in the future.

PERFORMANCE DISCLOSURE

SAM is an SEC registered investment advisor. All composite accounts were invested using the same "value" investment philosophy now employed at SAM. Historic performance is no guarantee of future performance, profitability, or the avoidance of losses. The All-Cap Value Equity and Mid-Cap Value Equity composites were created in January 2000 and inception on January 1, 1990, the Small-Cap Value Equity composite was created in January 2000 and inception on January 1, 1995 and the Smid-Cap Value Equity composite was created in April 2006 and inception on April 1, 2006. These composites were created to reflect all portfolios managed with a similar mandate. Each composite contains concentrated, commission-paying, non-taxable value equity accounts with a market capitalization focus of holdings consistent with the composite name. All accounts are included in these composites unless: (a) the account size is less than \$250,000; or (b) the account has been in place less than a full calendar quarter; or (c) the client has not given full investment discretion over the account. Both gross and net results include the reinvestment of dividends and income and are gross of custody fees but net of transaction costs. Withholding tax on dividends is treated as a reduction of the security's dividend income for companies not domiciled in the U.S. Withholding tax on U.S. equities held by non-domestic accounts is treated as a cash withdrawal. Returns include the effect of foreign currency exchange rates. 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 domicile. Net performance reflects the deduction of actual advisory fees. Other expenses, such as custody fees, which the investors may have incurred independently, may have further reduced investors' actual results. A percentage of the composites may be invested in non-U.S. securities. The currency used to calculate performance is the U.S. dollar. Portions of the Small-Cap Value Equity composite have been carved-out from an account with an all capitalization mandate. (The carve-out represents 100% of the Small-Cap Value Equity composite from 1995-1999 and 80.71%, 72.82%, 67.24% and 51.81% respectively from 2000-2003. Cash has been allocated to the carve-out based on the small cap percentage of the total account using the ending market value. Beginning January 1, 2004, carve-outs were no longer included in the Small-Cap Value Equity Composite.) Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations as well as a complete list of SAM's composite descriptions and/or a GIPS compliant presentation is available by contacting Lorraine Vasquez at 212-980-0080 or vasquez@samny.com. SAM's investment management fee schedule is 1.00%. Actual investment advisory fees incurred by clients may vary. Non-commission portfolios generally incur fees, e.g. 'wrap fees' charged separately by the plan sponsor and are included in net of fee performance calculations.

SAM's All-Cap Value Equity composite is compared to the Russell 3000® Value Index, SAM's Mid-Cap Value Equity composite is compared to the Russell Midcap® Value Index, SAM's Small-Cap Value Equity composite is compared to the Russell 2000® Value Index, and SAM's Smid-Cap Value Equity composite is compared to the Russell 2500™ Value Index. For additional information, these composites have also been compared to the S&P 500 Index. The Russell 3000® Value Index, Russell Midcap® Value Index, Russell 2000® Value Index, and Russell 2500™ Value Index, are hypothetical and unmanaged indices compiled by the Frank Russell Company. The S&P 500 Index is a hypothetical and unmanaged index compiled by Standard and Poor's. All five indices are weighted by market capitalization and their returns include the reinvestment of dividends. The indices do not account for transaction costs or other expenses which an investor might incur in attempting to obtain such returns. The Russell and S&P indices are taken from published sources and deemed reliable. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of SAM. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in SAM's presentation thereof. The composites may differ significantly from the relevant performance benchmarks. Specifically, the composites may invest in fewer companies, and have significantly different industry exposure. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

Steinberg Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®).