

Quantum Dividend Growth

December 31st, 2011

Investment Objective

Investors seeking exposure to the broad equity market (S&P 500) at reduced levels of risk. Investment objective is to provide steadily increasing dividends above benchmark current yields. Secondary objective is to provide more stability of capital versus the S&P 500. Core equity holding.

Investment Team

	Experience (Yrs)
Howard Aschwald, CFA Chief Investment Officer	29
Stephen Bradley Portfolio Manager	41
Mat Johnson Portfolio Manager	18
Stephen Bradley Jr. Research Analyst	6

Portfolio Overview

	Portfolio ⁽⁴⁾	Benchmark ⁽²⁾
Holdings ⁽⁴⁾	37	500
Wtd. Avg. Market Cap.	\$86,514	\$96,963
Median Market Cap.	\$37,010	\$9,790
Current Dividend Yield	2.7%	2.1%
Forward P/E	11.9x	12x
Price-to-Book	2.3x	2.1x
Forward Return on Equity	24.5%	29.4%

Performance⁽¹⁾

Comparative Statistics	December 31st, 2011		
	3 year	5 year	7 year
Beta	0.95	0.89	0.89
Alpha	-0.4%	1.6%	1.3%
Tracking Error	3.3%	4.4%	4.0%
Information Ratio	-0.13	0.36	0.32
R ²	0.97	0.95	0.94
Standard Deviation	18.5%	17.5%	15.1%
Index Standard Deviation	18.7%	18.7%	16.3%
Sharpe Ratio	0.70	0.08	0.24
Index Sharpe Ratio	0.75	-0.01	0.16
Upside Capture	93.7%	88.1%	84.5%
Downside Capture	99.0%	92.9%	92.8%

Sector Exposure

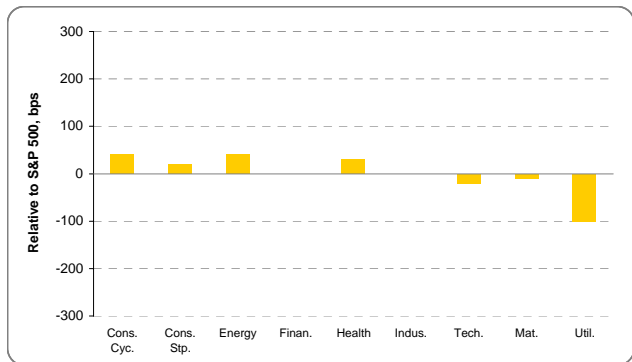
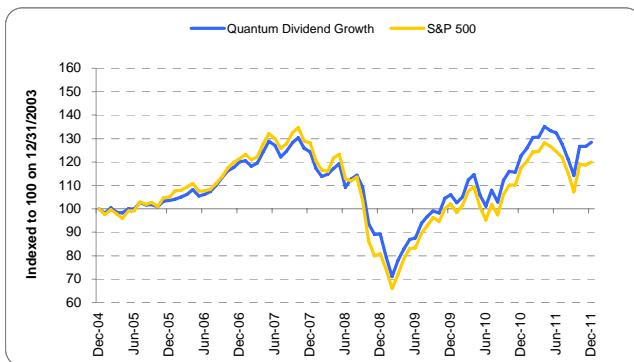
	Holdings ^(1,4)	Target Weight
U.S. Equities	37	100.0%
Consumer Discretionary	4	11.0%
Consumer Staples	4	11.5%
Energy	5	12.5%
Financials	5	13.0%
Healthcare	4	11.5%
Industrials	4	10.5%
Information Technology	8	23.0%
Materials	2	3.5%
Utilities	1	3.5%

Annualized Returns

	Strategy	Index ⁽²⁾	Risk Adj. ⁽³⁾
1 Month	1.4%	1.0%	
QTD	12.4%	11.8%	
1-year	4.7%	2.1%	
3-year	12.9%	14.1%	13.3%
5-year	1.4%	-0.3%	-0.2%
7-year	3.6%	2.6%	2.3%
Inception (11-30-02)	6.4%	5.4%	

Largest Holdings^(1,5)

	Company	Weight
Consumer Discretionary	TJX Companies	3.0%
Consumer Staples	Coca-Cola	3.0%
Energy	ConocoPhillips	2.5%
Financials	PNC Financial Services	3.0%
Healthcare	Bristol Myers	3.5%
Industrials	Rockwell Automation	3.0%
Information Technology	IBM	3.0%
Materials	Freeport McMoran	2.0%
Utilities	Duke Energy Corp	3.5%



⁽¹⁾ Performance shown is gross of fees. Figures quoted represent past performance, which is no guarantee of future results. Returns for periods of less than 1-year are not annualized. All holdings and performance information is supplemental to the GIPS® fully compliant presentation located at www.quantumcap.com under the performance tab on the institutional website.

⁽²⁾ S&P 500.

⁽³⁾ Risk Adjusted Index Performance was calculated using $(R_m - \text{Beta}_p)$, Sharpe Ratio calculated with assumed R_f of 0%

⁽⁴⁾ Based upon model holdings. Actual holdings held per account may vary, accounts with 80% or more of the model holdings are included in account performance.

⁽⁵⁾ Based on model holdings, shows largest holding per sector. When multiple securities have the same weight, holding shown is discretionary.

**QUANTUM CAPITAL MANAGEMENT
DIVIDEND GROWTH COMPOSITE
ANNUAL DISCLOSURE PRESENTATION**

Year End	Total Firm Assets (millions)	Composite Assets		Annual Performance Results			
		USD (millions)	Number of Accounts	Composite Gross	Composite Net	S&P 500	Composite Dispersion
2010	303	54	124	-	-	-	-
2009	194	47	124	18.8%	17.4%	26.7%	1.6%
2008	172	33	74	(28.2%)	(29.1%)	(37.0%)	.9%
2007	243	48	107	3.6%	2.4%	5.5%	2.2%
2006	230	48	109	16.0%	14.6%	15.8%	1.6%
2005	212	39	95	3.5%	2.3%	4.9%	1.3%
2004	201	34	85	11.8%	10.5%	10.9%	1.7%
2003	159	18	50	30.5%	29.0%	28.7%	6.2%

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Dividend Growth Composite contains fully discretionary equity accounts managed to provide an above average growing stream of income and capital appreciation. For comparison purposes this composite is measured against the S&P 500 Index. The minimum account size to be included in this composite is \$120,000.

Quantum Capital Management has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

Quantum Capital Management is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest applicable management fee of 1.2% applied monthly. The annual composite dispersion presented is equal-weighted standard deviation calculated for the equity segment of the accounts in the composite the entire year. Additional information regarding the policies for calculating and reporting returns is available upon request.

The investment management fee schedule is as follows: 1.2% on the first 1,000,000; 1% on the next 1,000,000 up to \$2,000,000; .8% on the next \$4,000,000 up to \$6,000,000 and .75% on the next \$5,000,000 up to \$11,000,000, .65% on the next \$15,000,000 up to \$26,000,000 and .55% over \$26,000,000. Fees are negotiable.

Prior to January 1, 2010 100% carve-outs were included in this composite and the performance reflected required total segment plus cash returns. Prior to October 31, 2006, cash was allocated monthly to segment performance based on the percent of cash held in the pure equity accounts included in the composite. Beginning November 1, 2006 sub-portfolios were used and segment returns include the effect of cash balances from dividends paid during the month and excess cash from trading; however, all cash was swept out of the segments at month-end. Beginning January 1, 2010 sub-portfolios are used and each segment is accounted for as if it were a separate portfolio with a cash balance maintained from month to month.

The Quantum Dividend Growth Composite was created November 30, 2002. Quantum Capital Management's compliance with the GIPS standards has been verified for the period January 1, 1997 through December 31, 2009 by Ashland Partners & Company LLP. A copy of the verification reports is available upon request.