

GNICAPITAL

▶ GNI Long/Short Equity Portfolio

This composite of separately managed accounts is for investors with a long-term time horizon and the ability to tolerate moderate risk and volatility. These accounts are opportunistic, using a full range of investment strategies to trade U.S. equities, both long and short, as well as options, and may use leverage from time-to-time. The holding period for any given position varies in length, depending on the situation. The objective is consistent absolute performance through a market cycle. An appropriate comparison benchmark would be the S&P 1500 Index.

▶ Investment Strategy

Our concentrated long/short equity portfolio is selected from a broad universe of U.S.-traded stocks using a rigorous, research-driven process that begins with the development of a top-down, macro viewpoint and concludes with fundamentally driven, bottom-up stock selection. Through this approach, we aspire to uncover and allocate capital to the most favorable markets, sectors, and companies available. This go-anywhere strategy is not constrained by style-box mandates or a requirement to be fully invested when few attractive opportunities exist. We strive to be both flexible and nimble in our style and sector selection, adjusting to dynamic capital markets.

▶ Portfolio Statistics

	GNI	S&P 1500
Annualized Return	7.73%	1.53%
Annualized Standard Deviation	18.89%	18.00%
R-Squared	0.31	1.00
Market Up Capture	83.00%	100.00%
Market Down Capture	42.90%	100.00%
Max Drawdown	-28.55%	-45.58%

▶ Annual Returns

	S&P 1500		
	Gross	Net	Index
1999	54.72%	54.72%	20.24%
2000	40.02%	39.31%	-6.96%
2001	4.53%	3.40%	-10.63%
2002	-17.83%	-18.53%	-21.30%
2003	27.69%	26.43%	29.57%
2004	7.78%	6.65%	11.79%
2005	2.19%	1.06%	5.65%
2006	-3.53%	-4.72%	15.38%
2007	9.29%	8.34%	5.53%
2008	-24.07%	-24.43%	-36.70%
2009	8.29%	7.76%	27.27%

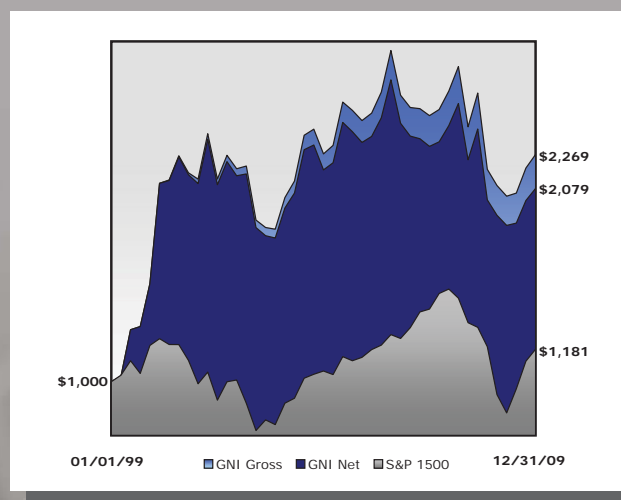
▶ About GNI Capital

GNI Capital, Inc. is a long/short equity investment management firm. GNI provides investment management services to institutional clients including mutual fund sponsors, trust companies, investment advisory firms, corporate retirement plans and family offices. GNI is an independently-operated, distinct investment management division of Centillion Partners, Inc., a financial services holding company.



Focus	Absolute Return
Manager	GNI Capital, Inc.
Inception Date	01/01/99
Portfolio Structure	Managed Account, Mutual Fund
Total Firm Assets	\$159,829,133
Total Strategy Assets	\$14,825,529

▶ Growth of \$1000 Investment



▶ Annualized Returns

As of 12/31/09	Gross	Net	S&P 1500
Quarter	3.46%	3.35%	5.98%
1 Year	8.29%	7.76%	27.27%
3 Year *	-3.50%	-4.09%	-5.26%
5 Year *	-2.39%	-3.21%	0.72%
10 Year *	3.90%	3.00%	-0.18%
Inception (01/01/99) *	7.73%	6.88%	1.53%

* Returns greater than one year are annualized.

GNICAPITAL.COM

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▶ Portfolio Managers



Charles L. Norton, CFA
Principal

Mr. Norton is a Principal of GNI Capital, responsible for portfolio management and investment research for all of the company's managed assets. In addition, he is a regular contributor for RealMoney.com, a financial website published by TheStreet.com. Mr. Norton is a frequent guest on CNBC and Bloomberg Television, and he has been cited in numerous publications including the New York Times, USA Today, and Fortune Magazine. Previously, Mr. Norton had been a Vice President in the Equity Research Department of Gotham Capital Management, a New York-based hedge fund firm, where he also managed separate long/short equity accounts. Prior to his experience on the buy side, Mr. Norton worked in the investment banking division of Smith Barney, where he was an analyst in the Health Care Group, reporting directly to the head of the group. Mr. Norton has a Bachelor of Science in Management degree in Finance from Tulane University's A.B. Freeman School of Business, and is a CFA charterholder. He is a member of the CFA Institute and the CFA Society of Dallas-Fort Worth.



Allen R. Gillespie, CFA
Principal

Mr. Gillespie is a Principal of GNI Capital, responsible for portfolio management and investment research for all of the company's managed assets, and he also serves as a South Carolina Retirement System Investment Commissioner. In addition, Mr. Gillespie contributes commentary to RealMoney.com, a financial website published by TheStreet.com. Previously, Mr. Gillespie was a Registered Representative at Robinson-Humphrey and Smith Barney from 1995 until 1997. In 1997, he began managing private client portfolios, and founded and managed the Blue Ridge Total Return Fund, which was sold to the Colonial Trust Company in 1999. In addition to his advisory work, Mr. Gillespie provided independent research to a New York-based long/short equity hedge fund. Mr. Gillespie graduated cum laude from Washington & Lee University with a Bachelor of Arts degree in Economics, and he has been granted the Chartered Financial Analyst designation. He is a member of the CFA Institute and the New York Society of Security Analysts.

▶ Global Investment Performance Standards Disclosures

GNI composites do not include non-fee-paying portfolios. GNI composite performance results are expressed in U.S. dollars.

GNI CAPITAL INC. claims compliance with the Global Investment Performance Standards (GIPS®). GNI Capital, Inc. has been verified for the periods January 1, 1998 to September 30, 2009 by Dabney Investment Consulting Associates, Inc. A copy of the verification report is available upon request.

To receive a complete list and description of all GNI Capital's composites and/or a presentation that adheres to the GIPS standards, contact Charles L. Norton, CFA at (972) 764-5222 or cnorton@gnicapital.com.