

Micro Cap Equity Strategy



NorthPointe Capital®, LLC is a domestic-equity money management firm dedicated to serving the investment needs of institutions and high-net-worth individuals.

NorthPointe is committed to:

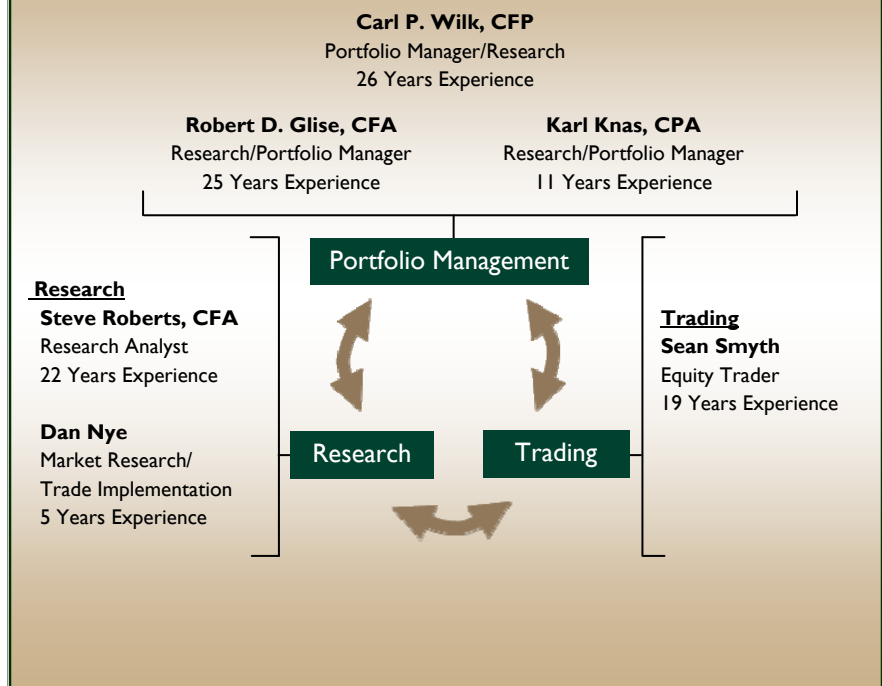
- Strict adherence to our investment philosophy and process
- Accurate and dynamic implementation of that process
- Superior client communications

Quantitative screens narrow the universe based on characteristics shared by attractive growth companies, such as consistent earnings growth, high return on equity and balance sheet strength.

Fundamental analysis is the most critical component of our approach. We look for sustainable competitive advantage. We seek to invest in companies that are gaining market share and generating a large portion of their revenue from recurring sources.

Our portfolio construction process emphasizes risk management. Our stock selection drives performance.

NorthPointe's Micro Cap Equity Team



Philosophy and Strategy

We believe that attractive returns can be obtained by investing in a diverse, high-quality portfolio of companies with proven, consistent track records. Our strategy has four main components:

The first step is quantitative analysis. We use screens to narrow the universe of stocks to a more manageable level. These quantitative screens filter the universe based on characteristics shared by attractive emerging companies, such as consistent earnings growth, high return on equity and balance sheet strength.

The second step and the most critical component is our in-depth fundamental analysis. Our analysis may include discussions with management, reading independent research reports, and reviewing SEC documents. We look for clues into the sustainability of a company's competitive advantage, which often is the key to consistent earnings growth. We seek to invest in companies that are gaining market share and generating a large portion of their revenue from recurring sources.

Once we have identified a company with a sustainable competitive advantage, we perform a thorough review of the near-term outlook. We favor companies that have recently experienced positive earnings surprises, that possess sustainable, above-average earnings growth and that have stable to rising operating ratio characteristics. These factors and others help us to understand companies' prospects.

The third step is applying a valuation overlay, which distinguishes us from many other micro cap managers. Our valuation methodology assimilates both quantitative and fundamental factors in determining the value of a stock.

The fourth and final element of our strategy is portfolio construction, with an emphasis on risk management. Our micro cap portfolios will generally be fully invested and limited to companies within the appropriate capitalization range. Our stock selection drives performance.

For Institutional Investors Only

Micro Cap Equity Portfolio Focus

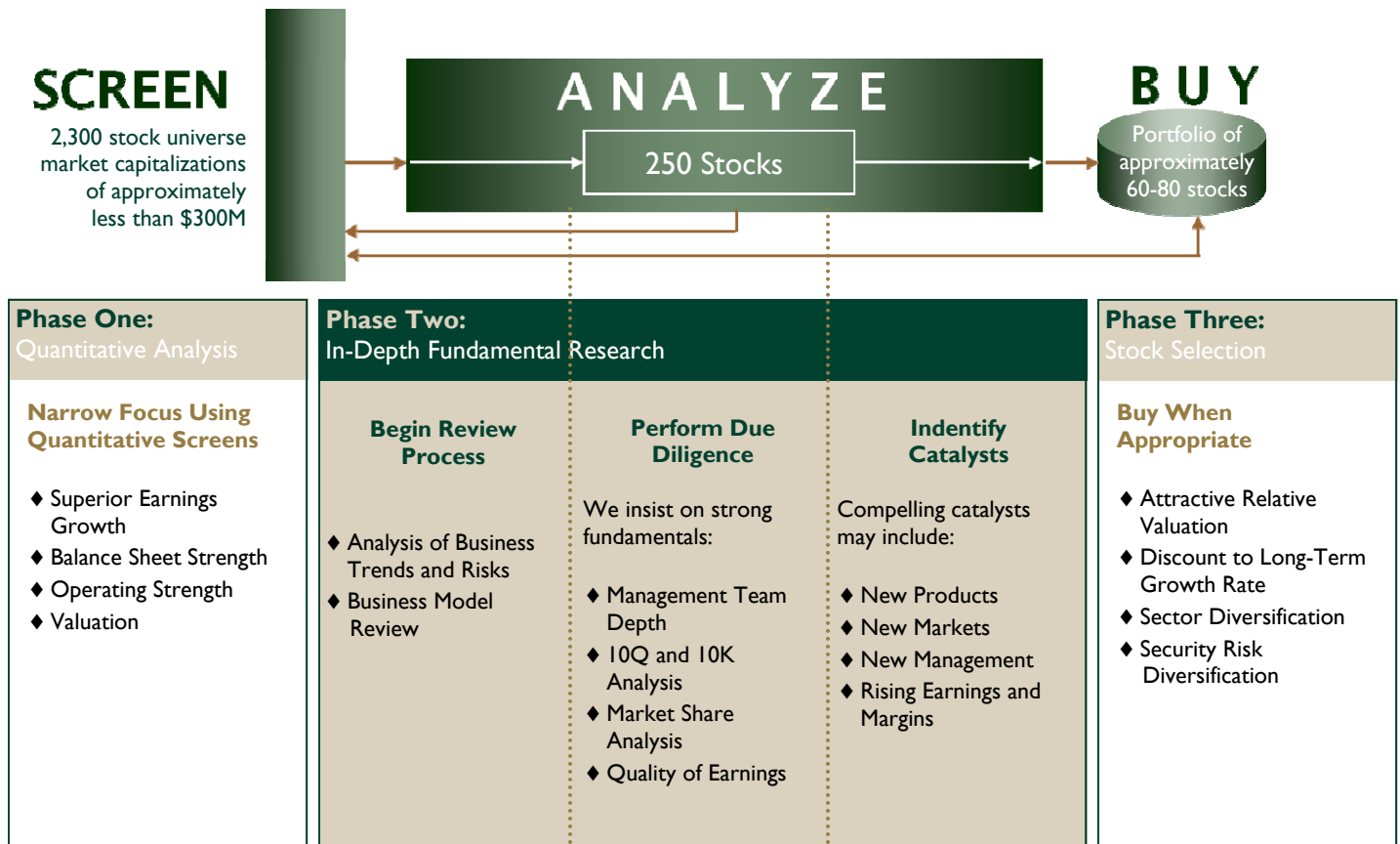
On behalf of our clients, we seek to identify and participate in the significant opportunities within the micro cap segment of the equity universe, we:

- ◆ Focus on quality emerging companies with strong fundamentals
- ◆ Identify catalysts for change
- ◆ Seek to add value through in-depth, proprietary research
- ◆ Strive to provide superior returns via active portfolio management

“At NorthPointe Capital, we believe it is our fundamental stock picking that will ultimately drive our performance.”

Carl P.Wilk, Portfolio Manager

Portfolio Construction Process



Ongoing Portfolio Management— Sell Discipline

“Following a strong sell discipline helps us capture gains and avoid disasters.”

Carl P. Wilk, Portfolio Manager

When will we continue to **HOLD** a stock?

STOCKS MEETING EXPECTATIONS

Key Variables:

- ◆ Catalysts occurring
- ◆ Financial stability
- ◆ Earnings performing as expected

When will we **SELL** or **TRIM** positions?

STOCKS NOT MEETING EXPECTATIONS

Key Variables:

- ◆ Deterioration of original investment case
- ◆ EPS miss
- ◆ Management change
- ◆ Profitability change
- ◆ Industry deterioration
- ◆ Accounting problems

STOCKS HIT VALUATION TARGETS

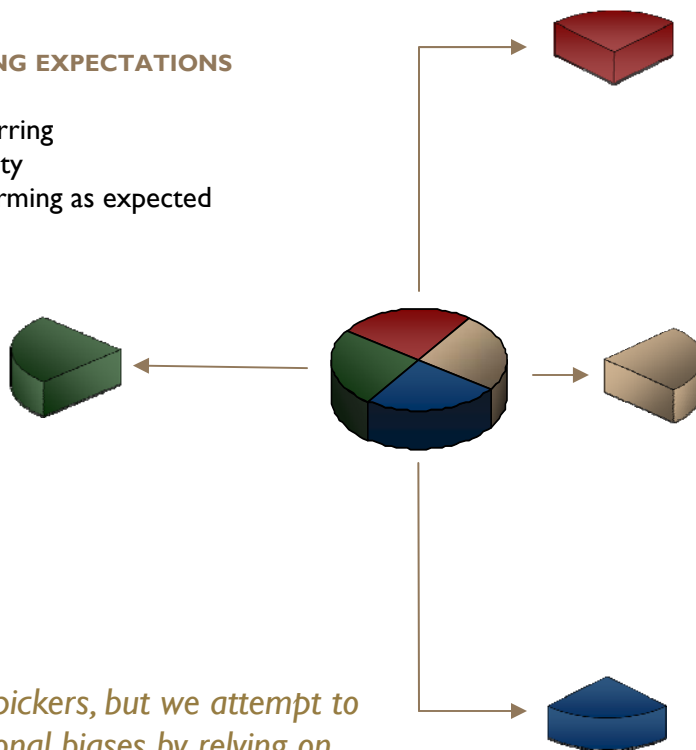
Key Variables:

- ◆ Stock exceeds upper boundary of our forecasted valuation range
- ◆ Company graduates from portfolio capitalization

BETTER ALTERNATIVES IDENTIFIED

Key Variables:

- ◆ More attractive valuation
- ◆ Better business plan
- ◆ Better financial flexibility
- ◆ Better management execution



We are stock pickers, but we attempt to eliminate personal biases by relying on our strong quantitative sell discipline.

Professional Biographies



Peter J. Cahill, CFA
CIO

NorthPointe Capital, 2000–Present, Portfolio Manager
Loomis, Sayles & Company, 1997–2000,
Vice President and Director of Quantitative Research
Bank America, 1993–1997, Quantitative Analyst
B.S., 1992, University of Notre Dame



Daniel A. Nye III
Research/Equity Trader

NorthPointe Capital, 2008–Present, Equity Trader
B.A., 2008, University of Michigan



Robert D. Glise, CFA
Portfolio Manager

NorthPointe Capital, 2002–Present, Portfolio Manager
Munder Capital Management, 1998-4/02 -
Sr. Portfolio Manager
Eaton Corporation, 1993-1998, Portfolio Manager,
In-House Investments
Comerica Bank, 1987-1993, Portfolio Manager
B.A., 1987, Michigan State University



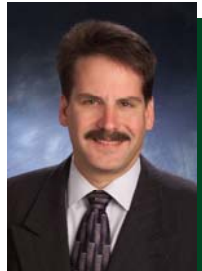
Stephen E. Roberts, CFA
Director of Research

NorthPointe Capital, 2000–Present,
Director of Research
Loomis, Sayles & Company, 1996–2000,
Vice President and Research Analyst
Roney & Company, 1992–1996, Research Analyst
Olde Discount, 1990–1992, Research Analyst
B.S.Che., 1984, University of Michigan
M.B.A., 1990, Michigan State University



Michael P. Hayden, CFA
CEO

NorthPointe Capital, 2000–Present, Managing Director
Loomis, Sayles & Company, 1996–2000,
Vice President of Marketing/Client Service
New York Life, 1992–1996, Managing Director
Travelers, 1981–1992, Vice President
B.S., 1980, Pennsylvania State University



Carl P. Wilk, CFP
Portfolio Manager

NorthPointe Capital, 2002–Present, Portfolio Manager
Munder Capital Management, 1995-4/02 -
Senior Portfolio Manager
Manufacturers Bank/Woodbridge Capital, 1986-1995 -
Senior Equity Analyst
B.S., 1983, Wayne State University
M.B.A., 1987, Wayne State University



Karl L. Knas, CPA
Portfolio Manager

NorthPointe Capital 2003-present - Portfolio Manager
SoundView Technology Group 8/2001 - 2/2003
Equity Research Analyst
Salomon Smith Barney 2/2001 - 8/2001
Equity Research Assoc.
B.A., 1994, Michigan State University
M.B.A., 2000, University of Chicago

NorthPointe Capital®, LLC (NorthPointe), located in Troy, Michigan, is an asset management firm. NorthPointe is a registered investment adviser with the Securities and Exchange Commission and provides investment services to institutional investors through separate accounts, mutual funds and wrap accounts.