Quarterly Report

October 31, 2011

Roumell Asset Management, LLC

Third Quarter Summary

Performance Summary

	3Q 2011	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception*	Since Inception*
		Annualized as of 9/30/11						Total Return
Roumell Equity (Net)	**-11.06%**	**-8.56%**	**-2.74%**	**7.05%**	**1.55%**	**8.17%**	**10.04%**	**238.66%**
S&P 500	-13.87%	-8.68%	1.14%	1.23%	-1.18%	2.82%	1.15%	15.62%
Russell 2000	-21.87%	-17.02%	-3.54%	-0.37%	-1.02%	6.12%	4.73%	80.27%
Russell 2000 Value	-21.47%	-18.51%	-5.99%	-2.78%	-3.08%	6.47%	6.43%	121.23%
Roumell Balanced (Net)	**-7.32%**	**-5.16%**	**-0.31%**	**6.92%**	**1.51%**	**6.72%**	**7.44%**	**149.80%**
Thomson US Bal Index	-9.78%	-5.88%	-0.07%	3.57%	0.95%	3.37%	2.57%	38.15%
Roumell Fixed Income (Net)	**-2.07%**	**0.44%**	**2.43%**	**N/A**	**N/A**	**N/A**	**16.31%**	**51.50%**
Barclays US Aggregate Bond	3.82%	6.64%	5.26%	N/A	N/A	N/A	6.97%	20.36%
Barclays US Corp Hi Yield	-6.06%	-1.39%	1.78%	N/A	N/A	N/A	23.74%	79.65%

**Inception of Roumell Equity and Roumell Balanced is 1/1/99. Inception of Roumell Fixed Income is 1/1/09.*

Roumell Asset Management, LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Ashland Partners & Co. LLP, our independent verifier, completed its examination of the composite performance returns for the period of 1999 (inception) through June 30, 2011. All returns include reinvested dividends and interest. Please refer to the annual disclosure presentations at the end of this letter.

Smaller companies' shares came under extreme pressure in the third quarter (see Russell indices), and higher yielding corporate bond spreads widened. Offsetting these realities was our sizable cash balance. We ended the quarter with roughly 45% equity, 40% higher yielding corporate debt, and 15% cash equivalents. However, not all returns are created equal (be they negative or positive). The particular road we have traveled to our negative returns this year is fortunately also the road that puts us on solid footing today. **Going forward, we maintain three distinct advantages over a broad "market exposure" investment strategy—e.g., one heavily weighted toward S&P 500–like indices:**

- Our higher yielding corporate debt securities may now be trading at 5% to 15% below par (while still generating steady income), but par will ultimately be realized in these securities, in our opinion, making these "losses" temporary.
- Our small-cap and micro-cap holdings are trading at truly cheap valuation levels. These companies are characterized by a combination of strong balance sheets, solid medium-to-long-term secular growth outlooks, and/or highly desirable strategic asset values. (See the discussions that follow on Gilat and Compuware.)
- We continue to maintain healthy cash balances, allowing us to opportunistically add to existing holdings at cheaper prices or initiate new positions.

2 Wisconsin Circle, Suite 660 • Chevy Chase, Maryland 20815 • P: 301-656-8500 F: 301-656-8501 • www.roumellasset.com

In short, we believe we are well positioned on both an individual security basis and an overall portfolio one. We do not see ourselves as owning any market per se (debt or equity), but rather owning a collection of specially chosen securities in which we feel quite confident. It is our belief that our clients should also consider, within the context of their overall financial plans, adding money to their accounts. Remember, we, the partners of Roumell Asset Management, are fully invested right alongside you, our clients. In our opinion, patience and discipline will be rewarded.

Illiquidity as a Value Proposition

Given our rising concerns about anemic worldwide growth and the attendant economic stresses resulting from such concerns, we have positioned our portfolios toward smaller companies with quite specific investment narratives and deemphasized companies highly dependent on GDP growth, which we view as "market options." We continue to focus our attention away from the crowd. Our equity positions can be broadly divided into two categories: medium-to-long-term secular growth stories and exceedingly cheap valuation stories often accompanied by high strategic value to other industry participants.

Companies in each category have strong capital structures, often net debt–free and cash rich, with talented and properly incentivized management teams. The stock prices of these companies can be volatile given their often modest share counts and general lack of liquidity. **We are not overly concerned about quarterly volatility because we possess something ultimately more important in these investments—namely, a deep disparity between price and value that we believe will be reconciled in time.**

The literature on the value of investing in illiquid smaller securities (e.g., Amihud and Mendelson, 1986; Brennan and Subrahmanyam, 1996; and Pastor and Stambaugh, 2003) was recently updated by the work of Zhiwu Chen, professor of finance at the Yale School of Management, and Roger Ibbotson, professor in the practice of finance at the Yale School of Management and founder of Ibottson Investment Research. In "Liquidity as an Investment Style," published in 2007 and updated in 2009, the two professors conclude, "Going after the most popular stocks does not pay, and investing in illiquidity does." The study's results showed significant return advantage to small-cap illiquid securities: from 1972 to 2009, this group generated an annual return of 17.87%. Mid and large capitalization stocks with high liquidity during the same period returned 9.30% annually. Our own since-inception returns underscore this data, having been driven primarily by small, overlooked companies with little investor interest during our accumulation period. We will accept an extra illiquidity discount in periods of market weakness in exchange for superior pricing, rather than pay a premium for the privilege of holding liquid, though significantly less discounted, securities.

Our goal is to be right, in aggregate, over time, not every time. As readers of this letter know, we were dead wrong in our second quarter purchase of Hewlett Packard and clearly did not appreciate the company's challenges. Nonetheless, the cost to a "right every time" standard is, in fact, too high, as the likely outcome will be many missed opportunities. Ultimately, our positions' investment success will be determined by our *average* purchase price, not our initial price. We have used recent market weakness to decrease our average cost basis in many holdings.

A final thought regarding the macroeconomic outlook: economic indicators are not particularly good at predicting investment returns. At the end of 2000, the United States enjoyed its first budget surplus in years, low unemployment, and strong GDP gains. Within two years the S&P 500 dropped by over 30%.

Similarly, the Chinese economy has grown 8% faster than the U.S. economy since 1992, but the MSCI China equity market index has underperformed the S&P 500 index. Further, a recent Goldman Sachs analysis found that since 1991, equity markets in the slowest-growing countries outperformed those in the fastest-growing countries by nearly 5% a year. In our mind, these data points support our belief that valuation trumps economic outlook. As a fundamental, deep value–oriented investor, we stay informed about macroeconomic issues, while remaining circumspect in estimating the value of such insights given our emphasis on valuation as the ultimate driver to investment returns. This is particularly relevant in a country like ours with dynamic capital markets, healthy mergers and acquisitions activity, and the presence of market activists who are willing to challenge management teams. Year-to-date, seventy-four companies in the Russell 2000 have been, or are in the process of being, acquired.

Our Top Purchases

Compuware Corp., CPWR. Founded in 1973 by Peter Karmanos, who currently serves as Chairman of the Board, Compuware combines a stable legacy mainframe software business that generates copious free cash flow ($175–$200 million annually) with two identifiable growth businesses, one with a clear path to value recognition. Not uncharacteristic of our equity positions, Compuware is unleveraged and, in fact, debt free.

There are basically four companies that serve the software mainframe business: IBM, CA Technologies, BMC Software, and Compuware. There remain many applications that are unlikely to ever see the "cloud" and will continue to utilize mainframe servers—e.g., the Social Security Administration's records. Sitting comfortably next to the company's stable legacy mainframe business are two distinct growth initiatives, each possessing significant value optionality. The company's Gomez offering analyzes website functionality for some of the world's largest companies to ensure they're working properly from entry points around the world and has been growing revenue at 25% per year. Moreover, the company has positioned itself to provide end-to-end software analytics from inside a company (Advantage software offering) to its outside internet presence (Gomez offering).

Covisent is CPWR's other growth engine and is organized and run as an independent subsidiary. The company has made clear its intention to IPO Covisent and is expected to file with the SEC in the fourth quarter. Health care is likely the biggest market opportunity for Covisent's industrial-strength cloud offering, but the automotive market is significant as well. GM, Ford, Johnson Controls, and Lear are now all counted as clients. Covisent essentially hosts records that can then be accessed by various authorized users. The company entered this marketplace with an impressive win against IBM three years ago with the American Medical Association (AMA), where its software is offered to AMA members. This subsidiary is currently growing at over 30% annually. The Minnesota Health Information Exchange and Blue Cross Blue Shield of Michigan now run critical applications using Covisent software. Covisent generates highly sticky, recurring revenues as these are long-term contracts with high switching costs.

The math on our Compuware investment is compelling. At our purchase price, the market capitalization of the company is about $1.75 billion; enterprise value is roughly the same, as the company's balance sheet is neutral after the recent $250 million purchase of Dynatree. We assign a $400 million value to Covisent based on a significant discount to other publicly traded pure SAAS (software as a service) businesses (e.g., Intralink Holdings, IL; Realpage Inc., RP; Taleo Corp., TLEO). Most analysts value Covisent at $500 million or more. Holding constant the company's 2009 Gomez purchase of $325 million (the business has grown nicely since it was acquired), plus the recent Dynatree purchase, results in a residual value for the company's legacy mainframe business of roughly $825 million; a business that generates $175 million–plus in free cash flow.

Not unusual for us, this is in fact the second time Roumell Asset Management has invested in CPWR. Last year, we visited Compuware at its downtown Detroit headquarters (built and paid for within the last several years, leaving the company with no lease payment) and spent the day meeting with founder and 5% (roughly $90 million) equity owner Peter Karmanos and COO Bob Paul, who has since become CEO.

GMX Resources, Inc. 4.5% 5/1/15 Bonds. GMX Resources (GMXR) is an onshore natural gas exploration and production company with producing natural gas reserves located in the Cotton Valley and Haynesville plays in east Texas. Proved reserves as of 12/31/10 were 319 billion cubic feet equivalent (Bcfe); proved developed were 164 Bcfe. First half 2011 production was 13 Bcfe, leaving 151 Bcfe of proved developed reserves, without considering YTD reserve additions from drilling in Haynesville. GMXR also owns a combined 75,715 net undeveloped acres in the oily Bakken (36k acres) and Niobrara (40k acres) plays. We acquired the GMXR bonds at an average price of $68.25 for a yield-to-maturity of 16.5%.

We estimate that GMXR's undeveloped land is worth $2,000/acre (the company paid $1,800/acre in early 2011 and has subsequently invested additional capital for development). At $2,000/acre, the undeveloped land is worth $151 million. Recent joint ventures have gone off in the $4,000–$5,000 range for Bakken acreage and $2,000 for land in the Niobrara. GMXR also owns a couple of miscellaneous non-producing assets in the form of a majority pipeline interest in the Haynesville play and three drilling rigs. We value the pipeline interest at $50 million (the implied value from the Kinder Morgan Partners 40% stake sale in late 2009 is $55 million) and the three rigs at a total of $10 million (one rig has been sold since the end of Q2 for $4.5 million). Altogether, GMXR has $211 million in non-producing assets.

We assign a $2.00/million cubic feet equivalent (Mcfe) value to *only* GMXR's 151 Bcfe of proved developed reserves, resulting in a $300 million value. Transactional data suggests that $2.00/Mcfe is a fair value for high-production, short-lived natural gas assets such as GMXR's. Of note, we do not assign any value to the company's 155 Bcfe of proved undeveloped reserves. Summing GMXR's $300 million of reserves with its $211 million of non-producing assets results in a total value of $511 million. The implied market value of GMXR's debt using our average price of $68.25 is $262 million, implying just under 2x asset value coverage. The par value, holding all bonds at $100.00, of GMXR's debt and other liabilities is $375 million, equating to 1.4x coverage.

Gilat Satellite Networks Ltd. GILT. Gilat designs, develops, and markets products and services for satellite-based communications networks, including solutions for internet, voice, and video. The company does not own satellites, but rather takes raw satellite connectivity and packages it for government, commercial, and residential use. Similar to CPWR, GILT has diversified its offerings and built a business that combines a stable and modestly growing Services and Solutions segment (primarily to enterprises and government customers in North America) with two distinct business lines offering significant growth options: Defense and Homeland Security Satellite Technology, and Commercial VSAT Technology (the latter mostly to equipment providers).

Gilat's service business continues to steadily grow at a modest rate and is characterized as generating solid recurring revenue. For instance, GILT has roughly a 30% market share in North America for managing credit card processing transactions at gasoline station pumps using satellite connectivity, with customers including Sunoco and Valero. State lotteries often use satellite connectivity as well. GILT dominates this market with an estimated 70% market share. The market for Managed Network Services (GILT can now manage hybrid satellite and terrestrial broadband technologies) is very large, and the company's expansion into this market space opens opportunities for more growth.

Gilat recently established a new defense division that includes two companies acquired in 2010: Wavestream, acquired for $135 million, designs radio frequency amplifiers; and RaySat Antenna Systems (RAS), acquired for $25 million, develops antenna systems for on-the-move communications. Wavestream and RAS provide higher margin opportunities given the sophistication of their respective technology offerings. Wavestream provides amplifier equipment to system integrators building satellite terminals. The strength of its offerings is underscored by its recent revenue growth: $19 million in 2008, $51 million in 2009, and $70 million in 2010. Wavestream recently introduced broadcast amplifiers to customers such as HBO and is seeing growth in its homeland security products in China.

GILT's Commercial VSAT Technology Division is focused on providing communication networks based on satellite technology to international markets, and is the leader in this segment. This year, GILT has been awarded a number of noteworthy contracts: (1) A contract with Optus Networks for up to $120 million (over three years) to provide Australia's National Broadband Network (NBN) with operations, remote site installation, and maintenance. The government-run NBN is an initiative aimed at providing Australian citizens with fiber connectivity. Satellite will be used in regions where the cost of fiber is prohibitive. (2) A contract to provide satellite communications equipment for expansion of a broadband network across Siberia and the Russian Far East. (3) A contract to provide broadband network and services for security communications in Latin America.

GILT's valuation is very compelling. Its current enterprise value of roughly $150 million ($135 million market cap and $15 million of net debt) is below the $155 million paid for Wavestream and RaySat (in the past 18 months), and those businesses account for less than 20% of GILT's current revenue. The investment is similarly compelling on a free cash flow (FCF) basis: GILT is estimated to generate about $20 million in operationally derived FCF (excludes working capital changes) in 2011 resulting in a near 15% FCF yield. We believe FCF will be higher in 2012.

Of note, a private equity consortium attempted to acquire GILT in early 2008 for $350 million net of cash, $11.40/share (the deal valued GILT at roughly 10x Earnings Before Interest, Taxes, Depreciation, and Amortization, or EBITDA). The deal was later terminated when the debt markets collapsed and the private equity group could not obtain financing at acceptable terms. Interestingly, a member of the consortium, Mivtach Shamir, still maintains roughly a 5% stake in GILT stock. Further, in early 2011, EchoStar acquired competitor Hughes Communications at 8.4x EBITDA. GILT certainly seems undervalued given its current multiple of 4x EBITDA, business diversification, unlevered balance sheet, and growing trend in securing major contracts.

Roumell Asset Management, LLC
Balanced Composite
Annual Disclosure Presentation

		COMPOSITE ASSETS		ANNUAL PERFORMANCE RESULTS		
YEAR END	TOTAL FIRM ASSETS (MILLIONS)	USD (MILLIONS)	NUMBER OF ACCOUNTS	COMPOSITE NET	THOMSON US BALANCED MUTUAL FUND	COMPOSITE DISPERSION
2010	311	83	167	12.25%	11.75%	2.59%
2009	249	55	124	33.19%	23.19%	5.79%
2008	166	40	121	-22.82%	-26.97%	5.01%
2007	270	75	154	-7.58%	5.76%	3.71%
2006	280	87	158	14.00%	10.47%	3.69%
2005	199	73	142	8.56%	4.22%	2.67%
2004	123	66	119	16.48%	7.79%	3.82%
2003	66	42	100	28.26%	18.60%	3.94%
2002	41	27	79	-9.70%	-11.36%	3.77%
2001	31	17	39	21.18%	-4.19%	4.75%
2000	19	10	23	8.47%	1.95%	4.53%
1999	16	9	22	12.53%	8.35%	2.63%

Balanced Composite contains fully discretionary balanced accounts (consisting of equity, fixed income, and cash investments) and for comparison purposes is measured against the Thomson US Balanced Mutual Fund Index. In presentations shown prior to March 31, 2006, the composite was also compared against the Lipper Balanced Index. Additionally, in presentations prior to December 2006, the composite was measured against the Vanguard Balanced Index Fund. The Thomson US Balanced Mutual Fund Index is a blend of more than 500 balanced mutual funds and is therefore deemed to more accurately reflect the strategy of the composite.

Roumell Asset Management, LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Roumell Asset Management, LLC 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 net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Beginning in 2010, for certain of these accounts, net returns have been reduced by a performance-based fee of 20% of profits, paid annually in the first quarter. Net returns are reduced by all fees and transaction costs incurred. Wrap fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. Prior to and post 2006, there were no wrap fee accounts in the composite. For the year ended December 31, 2006, wrap fee accounts made up less than 1% of the composite. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Returns include the effect of foreign currency exchange rates. Exchange rate source utilized by the portfolios within the composite may vary. Composite performance is presented net of foreign withholding taxes. Withholding taxes may vary according to the investor's domicile.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. Dispersion calculations are greater as a result of managing accounts on a client relationship basis. Securities are bought based on the combined value of all portfolios of a client relationship and then allocated to one account within a client relationship. Therefore, accounts within a client relationship will hold different securities. The result is greater dispersion amongst accounts. Additional information regarding the policies for calculating and reporting returns is available upon request.

The investment management fee schedule for the composite is as follows: for Direct Portfolio Management Services: 1.75% on the first $200,000, 1.50% on the next $300,000, and 1.00% on assets over $500,000; for Sub-Adviser Services: determined by adviser; for Wrap Fee Services: determined by sponsor. Actual investment advisory fees incurred by clients may vary.

The Balanced Composite was created January 1, 1999. Roumell Asset Management, LLC's compliance with the GIPS® standards has been verified for the period January 1, 1999 through June 30, 2011 by Ashland Partners & Company LLP. In addition, a performance examination was conducted on the Balanced Composite beginning January 1, 1999. A copy of the verification report is available upon request.

Roumell Asset Management, LLC
Fixed Income Composite
Annual Disclosure Presentation

		COMPOSITE ASSETS		ANNUAL PERFORMANCE RESULTS			
YEAR END	TOTAL FIRM ASSETS (MILLIONS)	USD (MILLIONS)	NUMBER OF ACCOUNTS	COMPOSITE NET	BARCLAYS US AGGREGATE BOND	BARCLAYS US CORP HIGH YIELD	COMPOSITE DISPERSION
2010	311	6	11	8.85%	6.54%	15.15%	1.07%
2009	249	5	11	38.06%	5.94%	58.21%	N/A

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

Fixed Income Composite contains fully discretionary fixed income accounts (consisting of closed-end bond funds, individual bonds, and open-end bond funds) and for comparison purposes is measured against the Barclays Capital US Aggregate Index and Barclays Capital US Corporate High Yield Index.

Roumell Asset Management, LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Roumell Asset Management, LLC 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 net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. For certain of these accounts, net returns have been reduced by a performance-based fee of 20% of profits, paid annually in the first quarter. Net returns are reduced by all fees and transaction costs incurred. Returns include the effect of foreign currency exchange rates. Exchange rate source utilized by the portfolios within the composite may vary. Composite performance is presented net of foreign withholding taxes. Withholding taxes may vary according to the investor's domicile.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. Dispersion calculations are greater as a result of managing accounts on a client relationship basis. Securities are bought based on the combined value of all portfolios of a client relationship and then allocated to one account within a client relationship. Therefore, accounts within a client relationship will hold different securities. The result is greater dispersion amongst accounts. Additional information regarding the policies for calculating and reporting returns is available upon request.

The investment management fee schedule for the composite is as follows: for Direct Portfolio Management Services: 1.00% on all assets; for Sub-Adviser Services: determined by adviser. Actual investment advisory fees incurred by clients may vary.

The Fixed Income Composite was created and incepted January 1, 2009. Roumell Asset Management, LLC's compliance with the GIPS® standards has been verified for the period January 1, 1999 through June 30, 2011 by Ashland Partners & Company LLP. In addition, a performance examination was conducted on the Fixed Income Composite beginning January 1, 2009. A copy of the verification report is available upon request.

Roumell Asset Management, LLC
Equity Composite
Annual Disclosure Presentation

		Composite Assets		Annual Performance Results				
Year End	Total Firm Assets (Millions)	USD (Millions)	Number of Accounts	Composite Net	S&P 500	Russell 2000	Russell 2000 Value	Composite Dispersion
2010	311	189	479	14.71%	15.06%	26.85%	24.49%	2.17%
2009	249	153	414	42.19%	26.47%	27.18%	20.57%	5.57%
2008	166	104	413	-27.35%	-36.99%	-33.79%	-28.93%	3.40%
2007	270	178	549	-7.67%	5.49%	-1.57%	-9.78%	2.68%
2006	280	176	458	16.89%	15.79%	18.37%	23.48%	2.18%
2005	199	111	312	12.38%	4.91%	4.55%	4.71%	2.59%
2004	123	47	125	20.18%	10.88%	18.33%	22.25%	2.69%
2003	66	15	46	32.13%	28.69%	47.25%	46.03%	4.04%
2002	41	8	44	-10.15%	-22.10%	-20.48%	-11.43%	4.33%
2001	31	5	30	32.76%	-11.89%	2.49%	14.02%	6.33%
2000	19	2	12	7.97%	-9.10%	-3.02%	22.83%	4.05%
1999	16	2	9	26.02%	21.04%	21.26%	-1.49%	3.92%

Equity Composite contains fully discretionary equity accounts and for comparison purposes is measured against the S&P 500, Russell 2000, and Russell 2000 Value Indices. The S&P 500 Index is used for comparative purposes only and is not meant to be indicative of the Equity Composite performance. In presentations shown prior to March 31, 2005, the composite was also compared against the Nasdaq Index. The benchmark was eliminated since it did not represent the strategy of the composite.

Roumell Asset Management, LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Roumell Asset Management, LLC 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 net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Net returns are reduced by all fees and transaction costs incurred. Wrap fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. Wrap accounts are included in the composite. As of December 31, 2006, 2007, 2008, 2009, and 2010, wrap fee accounts made up 33%, 36%, 31%, 33%, and 41% of the composite, respectively. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Returns include the effect of foreign currency exchange rates. Exchange rate source utilized by the portfolios within the composite may vary. Composite performance is presented net of foreign withholding taxes. Withholding taxes may vary according to the investor's domicile.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. Dispersion calculations are greater as a result of managing accounts on a client relationship basis. Securities are bought based on the combined value of all portfolios of a client relationship and then allocated to one account within a client relationship. Therefore, accounts within a client relationship will hold different securities. The result is greater dispersion amongst accounts. Additional information regarding the policies for calculating and reporting returns is available upon request.

The investment management fee schedule for the composite is as follows: for Direct Portfolio Management Services: 1.75% on the first $200,000, 1.50% on the next $300,000, and 1.00% on assets over $500,000; for Sub-Adviser Services: determined by adviser; for Wrap Fee Services: determined by sponsor. Actual investment advisory fees incurred by clients may vary.

The Equity Composite was created January 1, 1999. Roumell Asset Management, LLC's compliance with the GIPS® standards has been verified for the period January 1, 1999 through June 30, 2011 by Ashland Partners & Company LLP. In addition, a performance examination was conducted on the Equity Composite beginning January 1, 1999. A copy of the verification report is available upon request.