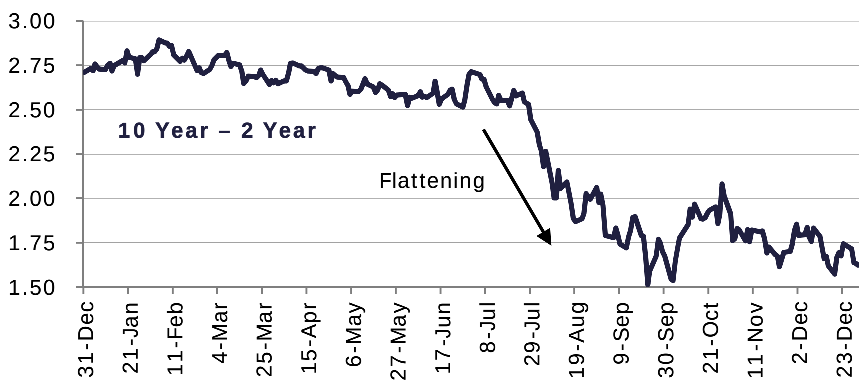
SAMSON CAPITAL ADVISORS

High Grade Core Intermediate Strategy

The Samson High Grade Core Intermediate strategy entered 2011 with a material underweight to Treasuries (which we viewed as overvalued), and considerable non-benchmark allocations to undervalued tax-exempt municipals and Build America Bonds. We also had a modest overweight to corporate bonds, with our emphasis on high quality, transparent industrials. As we explained in our January 2011 commentary, the Treasury curve slope at that time was statistically very steep: at nearly 2 standard deviations away from the mean of the prior 3 decades, it was an appropriate time to employ a barbell curve strategy that would benefit from the flattening we anticipated. We believed the curve was statistically unlikely to sustain such a slope; a theory supported by our fundamental analysis. Though we considered the possibility of a Fed rate hike as a cause of a flatter curve, this did not occur. Throughout the year repeated safe haven rallies drove the curve slope flatter.

Changing Slope of the Treasury Yield Curve (12/31/10-12/31/11)



The yield curve flattened, we reduced our barbell posture, and moved towards a bullet strategy. As an intermediate step towards a bullet, our

Performance Summary

		4Q 11	YTD	SI*
HGCI Comp	*Gross*	133%	6.53%	5.05%
	*Net***	125%	6.16%	4.69%
Barclays Int. Agg		0.91%	5.97%	5.23%
Ex BBB		0.83%	5.91%	5.21%
Ex BBB/CMBS/ABS		0.78%	5.90%	5.30%

*12/31/04-12/31/11
** Net of annual fees of 0.35%

Fixed Income Performance

	4Q 2011	2011
Int. Agg	0.91%	5.97%
U.S. TSY 5 Year	126%	9.36%
U.S. TSY 10 Year	123%	17.18%
U.S. TSY 30 Year	195%	35.60%
U.S. TIPS	2.69%	13.56%
Agy. MBS	0.88%	6.23%
Muni 1-10 Yr	183%	7.62%
Int. Corp.	139%	5.52%
Industrials	160%	7.33%
Financials	106%	2.70%
ABS	0.23%	5.14%
CMBS	3.11%	6.02%
High Yield	6.46%	4.98%
S&P 500	11.82%	2.11%

Source: Barclays Capital

Strategy Overview

Samson's HGCI strategy outperformed its benchmark for the year ended 2011 on a net basis. Our outperformance was largely driven by the core principles of our investment process:

- *Preference for high quality, transparent, and very liquid securities.* We do not invest in BBB rated corporates, CMBS, or ABS or use leverage or derivatives.
- *Sector allocation strategy grounded in traditional relative value methodologies.* We do not chase performance, rather, we have a preference for sectors that are fundamentally undervalued.
- *Fundamental outlook for yield curve slope, duration, and the direction of spread relationships.* We use fundamental macroeconomic data, statistical analysis, and credit research to drive our investment committee planning process, and our modeling.
- *Quantitative approach to risk management.* We monitor our strategy positioning using technology that allows us to quantify the opportunities and risks associated with our active positions vs. the benchmark.

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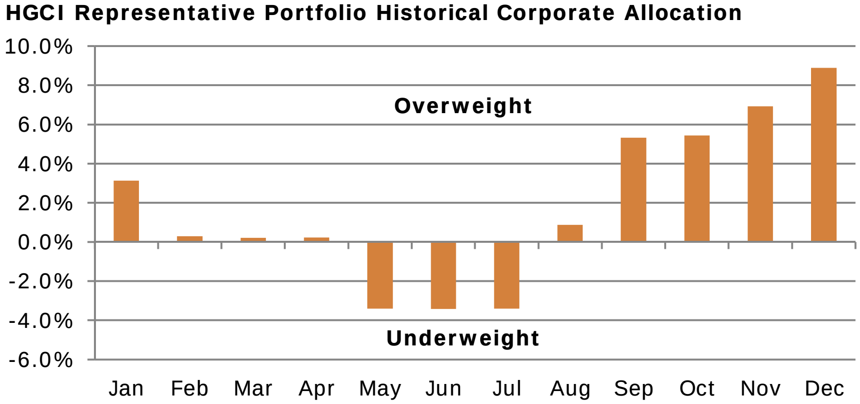
portfolios are now essentially curve neutral to the benchmark (shown in the Key Rate Duration analysis to the right). We anticipate moving to a more bulleted position in the months ahead.

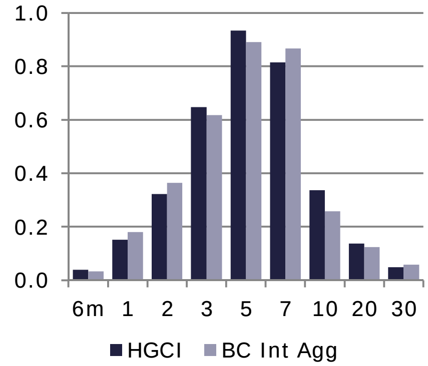
The longer end of our barbell strategy was constructed using Build America Bonds. We purchased these securities due to their cheap valuations relative to comparably rated corporate bonds. These bonds outperformed other high quality instruments due to the combination of spread tightening and yield curve flattening.. We cut our exposure to Build America Bonds as we reduced our barbell curve posture in the third and fourth quarters.

We steadily reduced our exposure to the Treasury market as it became increasingly overvalued. During the first quarter, we also reduced our exposure to corporate bonds from a modest overweight to neutral vs. the benchmark. The first quarter, it may be recalled, was that quaint time when investors were optimistic about the economy, and risk assets in general. Corporate bonds had generated significant excess returns vs. Treasuries. When corporates reached levels we believed to be fairly valued, we moved toward a neutral allocation. We could not have predicted the wave of "risk off" events that would follow in the months ahead: A tsunami at the end of the quarter, crisis in Europe emerging as the dominant investment concern for the remainder of the year, the loss of America's AAA rating. Yet, we believe our relative value methodology was our best risk management tool, and as corporates began a period of widening spreads and underperformance, our portfolios continued to perform well relative to the benchmark. The relative value spread data to the right shows how corporate spreads widened again by the late fall, and we moved from an underweight position in the sector to a material overweight using the kind of high quality issues favored by our credit team. The table below illustrates how our corporate positioning evolved throughout the year. The chart to the right also shows how industrials (we were overweight relative the benchmark) performed vs. financials (which we were underweight).

HGCI Representative Portfolio Historical Corporate Allocation



Key Rate Duration Analysis



Source: Barclays Capital

A-Rated Corporate Spreads

Source: Barclays Capital

Barclays Capital Intermediate Corporate Indices Performance

	Industrials	Financials
1Q 2011	0.86%	1.40%
2Q 2011	2.28%	1.92%
3Q 2011	2.40%	-1.67%
4Q 2011	1.60%	1.06%
2011	**7.33%**	**2.70%**

Our decision to move to an overweight in corporates was also informed by our outlook for the economy. Though we did not believe the economy was likely to accelerate rapidly, our internal forecasts suggested a recession was also unlikely. We believed a "muddle along" scenario was the most likely outcome, with a slow, upward climb in the economic data. Which is indeed what has happened. We also viewed the headlines about Europe through the prism of our currency investment process. The "risk off" trade that so injured corporate performance in the second half of the year (and created our buying opportunity) was influenced by concerns, stated loudly in the media, that the Euro would collapse, that 2008 was dawning anew in Europe, and that defaults across the EU were a rising probability. As noted in our firm's currency commentaries, there is indeed a documented crisis in Europe, but one that is being managed. The Euro, in our view, was not in danger of collapse, merely underperformance. In that context, the influence of European affairs on U.S. domestic spreads was too great. The spread widening also influenced the pricing of MBS and we added to the sector midyear as well. As the safe haven move in Treasuries accelerated, we rebuilt our tax-exempt municipal positions at among the highest ratios of the year [see chart to right].

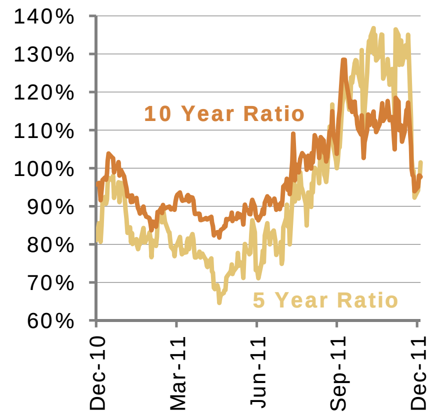
While many of our decisions in 2011 proved to be correct, our decision to sharply reduce Treasury exposure has thus far been early. None the less, we remain confident that the relative value methodology that has helped us avoid danger in the past will help us steer clear of the Treasury sell-off that we view as inevitable. The question is one of time.

Yet, the timing of any bond market correction remains deeply uncertain. A strong argument for a sharp rising rate environment could have been made many times over the past few years. Of course rates have fallen, despite the strength of those arguments.

For conservative investors, we will continue to guard against the risk of rising rates through our active management, while maintaining a fully invested posture. We believe the opportunity cost of too defensive a posture (i.e. holding large cash positions) is simply too great.

Jonathan Lewis
Managing Principal
Chief Investment Officer
January 24, 2012

Municipal / Treasury Ratios



Source: Morgan Markets

No representation or assurance is made that Samson High Grade Core Intermediate Strategy will or is likely to achieve its objectives, or will make a profit or will not sustain losses. Any statements regarding future events constitute only subjective views or beliefs, are not guarantees or projections of performance, should not be relied on, are subject to change due to a variety of factors, including fluctuating market conditions, and involve inherent risks and uncertainties, both general and specific, many of which cannot be predicted or quantified and are beyond our control. Future results could differ materially and no assurance is given that these statements are now or will prove to be accurate or complete in any way. Samson does not provide tax, accounting or regulatory advice. ANY TAX STATEMENT CONTAINED HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY PERSON, FOR THE PURPOSE OF AVOIDING TAX PENALTIES.

Past performance is not indicative of future results. Performance reflects the reinvestment of income and other earnings. Any benchmarks or indices shown are for illustrative purposes only, are unmanaged, assume reinvestment of income, and have limitations when used for comparison or other purposes because they may have volatility, credit or other material characteristics (such as number and types of securities) that are different from (HGCI). Certain information is based on third-party sources and, although believed to be reliable, it has not been independently verified and its accuracy or completeness cannot be guaranteed. This information is confidential, is intended only for intended recipients and their authorized agents and may not be distributed to any other person without our prior written consent.

High Grade Core Intermediate Composite

Schedule of Investment Performance for the Period 12/31/04–12/31/11

Primary Benchmark: Barclays Capital Intermediate Aggregate

	Total Firm	Composite Assets		Annual Performance Results				
				Composite	Barclays Capital	3 Year Std Deviation		Composite
Year End	Assets (mill)	USD (mill)	# of Accounts	Gross	Int. Aggregate	Composite	BC Int Agg	Dispersion
2011	7,440	223	28	6.53%	5.97%	2.32%	2.29%	0.41%
2010	7,122	149	17	4.95%	6.15%	3.38%	3.36%	0.14%
2009	6,516	125	15	5.97%	6.46%	3.40%	3.33%	0.13%
2008	4,525	94	9	3.66%	4.86%	3.22%	3.20%	0.15%
2007	3,653	33	Five or Fewer	8.10%	7.02%	2.25%	2.31%	N.A.
2006	3,105	45	Five or Fewer	4.33%	4.58%	N.A.	N.A.	N.A.
2005	2,588	52	6	1.95%	2.01%	N.A.	N.A.	N.A.

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year or lack of a full year or full three years of performance.

1) Definition of Firm: Samson Capital Advisors LLC (the "Firm"), founded in June 2004, is an SEC registered investment adviser as of May 2004. Samson provides investment management services.

2) Compliance Statement: Samson Capital Advisors claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Samson Capital Advisors has been verified for the periods June 1, 2004 through December 31, 2008 by Ashland Partners & Company LLP and from January 1, 2009 through December 31, 2009 by The Spaulding Group.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. The High Grade Core Intermediate Composite has been examined for the periods December 31, 2004 through December 31, 2008. The verification and performance examination reports are available upon request.

This presentation of investment performance sets forth the time-weighted rates of returns for the High Grade Core Intermediate Composite (the "composite") for the period shown. Past performance is no guarantee of future results and may differ in future time periods.

3) Policies: Additional information regarding the Firm's policies and procedures for calculating performance, valuing portfolios, and preparing compliant presentations is available upon request.

4) Composite Description: The High Grade Core Intermediate Composite was created September 30, 2005. The Composite consists of all fully discretionary, fee paying separately managed accounts in the High Grade Core Intermediate style. The High Grade Core Intermediate strategy is a relative return focused mandate appropriate for investors with an indefinite investment horizon, seeking to maximize return with a lower degree of principal volatility than typical aggregate market strategies. The minimum account size for this composite is $2.5 million.

5) Benchmark: For comparison purposes, the composite is measured against the Barclays Capital Intermediate Aggregate Index.

The Barclays Capital U.S. Intermediate Aggregate Index is an unmanaged index that represents the U.S. domestic investment-grade bond market. It is comprised of the Barclays Capital Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, including securities that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least $100 million. Please note that indices do not take into account any fees and expenses of investing in the individual securities that they track and that individuals cannot invest directly in any index. Data about the performance of these indices are prepared or obtained by NBM and include reinvestment of all dividends and capital gain distributions.

6) Reporting Currency: Composite returns are expressed in U.S. dollars.

7) Fees: Gross-of-fees returns are presented before management fees, but net of all trading expenses, custodial fees, and withholding taxes. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) $1,000,000 investment, (c) portfolio return of 8% a year, and (d) 1.00% annual investment advisory fee would be $10,416 in the first year, and cumulative effects of $59,816 over five years and $143,430 over ten years. Additional information regarding the policies for calculating and reporting returns is available upon request. The management fee schedule is as follows: 0.40% on the first $10 million, 0.30% on the next $10 million, and 0.25% thereafter. Actual investment advisory fees incurred by clients may vary.

Net-of-fee performance is show net of model management fees (the highest charged to an account in the composite), all trading expenses, custodial fees, and withholding taxes.

8) Significant Flows: The composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of at least 15% of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite at the beginning of the month, after full investment.

9) Internal Dispersion: The measure of dispersion used in this presentation is the asset-weighted standard deviation of annual gross-of-fees returns of those portfolios that were included in the composite for the entire year. This calculation measures the fluctuation of the rates of return of portfolios with the Composite in relation to the average return. Dispersion is not shown for composites with 5 or fewer portfolios for a full year.

10) List of the Firm's Composites: In addition to the Composite, the Firm provides investment management services utilizing different strategies. A complete list of composite descriptions is available upon request.

11) Additional Disclosures: As of 7/1/09 portfolios are revalued for cash flows of 10% or more. Prior to 7/1/09 portfolios were not revalued for large flows.

Benchmarks are shown for illustrative purposes only, may not be available for direct investment, are unmanaged, assume reinvestment of income, and have limitations when used for comparison or other purposes because they may have volatility, credit, or other material characteristics (such as number and types of securities) that are different from the Strategy. Information is as of the date hereof unless otherwise indicated. Certain information is based on data provided by third-party sources and, although believed to be reliable, it has not been independently verified and its accuracy or completeness cannot be guaranteed. This information is confidential, is intended only for intended recipients and their authorized agents and may not be distributed to any other person without the Manager's prior written consent. Notwithstanding and foregoing, the recipient and their authorized agents may disclose to any and all persons, without limitation of any kind, the structure and tax aspects of the transactions described herein and all materials of any kind that are provided by Samson to the recipient related to such structure and tax aspects.

Beginning January 1, 2008, the composite definition was expanded to include accounts with mandates that allow for investment in securities which do not fall within the High Grade Core Intermediate style. For example, the mandate may allow for allocations to alternative sectors or an extension in duration outside the acceptable boundaries of the High Grade Core Intermediate style. At their time of inclusion, these portfolios had no allocation to these securities. Should these portfolios become invested in these securities, they will be removed from the composite.