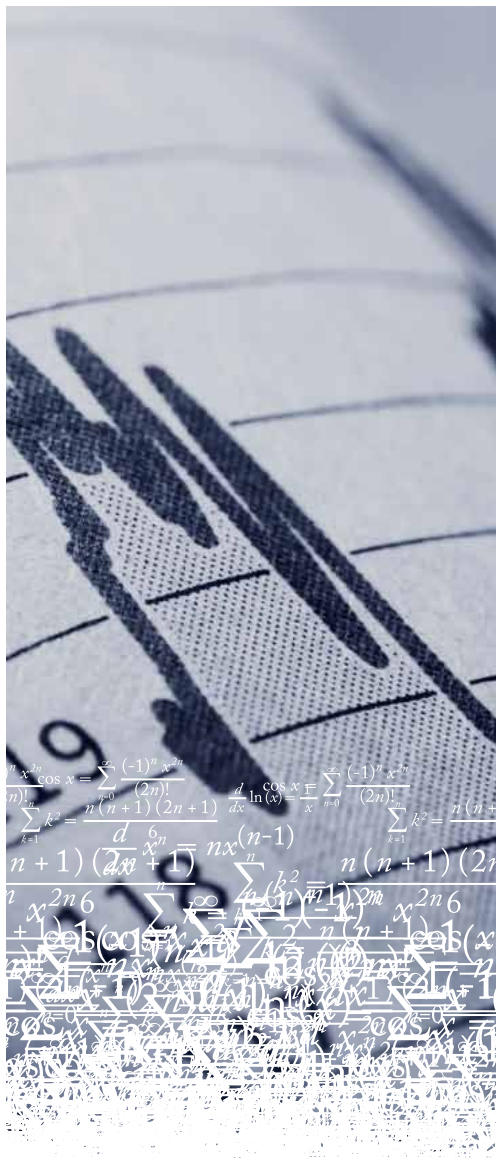




G · I · P · S

Global Investment Performance Standards



WHY GIPS COMPLIANCE MATTERS FOR INVESTORS

THE GIPS STANDARDS WERE DESIGNED TO PROVIDE ASSURANCE FOR INVESTORS WHO WANT RELIABLE PERFORMANCE METRICS BASED ON THE PRINCIPLES OF FAIR REPRESENTATION AND FULL DISCLOSURE.

- ▶ **GLOBAL.** The GIPS standards are a rigorous set of investment performance measurement standards adopted in 34 countries and recognized around the world for their unparalleled credibility, integrity, scope, and uniformity, enabling direct comparability of a firm's track record.
- ▶ **TRUST.** GIPS compliant firms voluntarily go beyond legal reporting requirements to demonstrate a commitment to open, honest, and ethical practices.
- ▶ **FULL-DISCLOSURE.** The thoroughness of the GIPS standards and the requirement for composite reporting greatly improves transparency by eliminating survivorship biases, misrepresentations and omissions of historical data.
- ▶ **CURRENT.** The GIPS standards evolve to address issues that arise in the dynamic investment industry.
- ▶ **CONFIDENCE.** Compliance creates a tangible incentive for firms to invest significant time and resources into internal risk-control mechanisms and the setting of performance benchmarks – the hallmarks of reliable long-term success.

TO CLAIM COMPLIANCE, AN INVESTMENT FIRM MUST DEMONSTRATE ADHERENCE TO COMPREHENSIVE AND RIGOROUS RULES GOVERNING INPUT DATA, CALCULATION METHODOLOGY, COMPOSITE CONSTRUCTION, DISCLOSURES, AND PRESENTATION AND REPORTING.

For more information, please visit: www.gipsstandards.org

Lesa Sroufe & Company, Inc. (LSC) is an SEC registered, Seattle, Washington based firm. LSC is a women-owned investment management company that specializes in the selection and management of securities that are deemed to be undervalued. The firm's investment philosophy is top-down, value oriented and often contrarian. LSC seeks securities that are deemed out-of-favor with mainstream investors and are priced under their potential fair value. LSC manages money for institutions and private clients. A compliant presentation and/or the firms list of composite is available by contacting Elizabeth Fleming at bf@sroufeco.com or 206.838.8383. Lesa Sroufe & Company, Inc. claims compliance with the Global Investment Performance Standards (GIPS®).