Al Frank Dividend Value

THIRD QUARTER 2011

AFAM AL FRANK ASSET MANAGEMENT

Investment Strategy

Al Frank Dividend Value is a fully invested, actively managed equity strategy that seeks capital appreciation over the long term. Portfolios primarily include dividend paying stocks and broad diversification is sought via exposure to a significant number of major market sectors and industry groups. The selection of dividend paying stocks is intended to reduce volatility in the portfolios. Portfolios are constructed initially with equally weighted dollar positions spread across at least 50 individual holdings.

About AFAM

Founded in 1977, Al Frank Asset Management (AFAM) is an independent Registered Investment Advisor based in Aliso Viejo, CA. The firm exercises diligence and prudence in applying a value-based investment philosophy to help meet the investment goals and objectives of individuals, corporations and pension and profit sharing plans. AFAM offers two value-oriented, no-load proprietary mutual funds and individually managed client accounts. AFAM also serves as editor of *The Prudent Speculator* newsletter, a top-ranked investment newsletter in terms of total return performance according to the *Hulbert Financial Digest*.

Total Firm Assets
$430 Million

Investment Style
All Cap Value

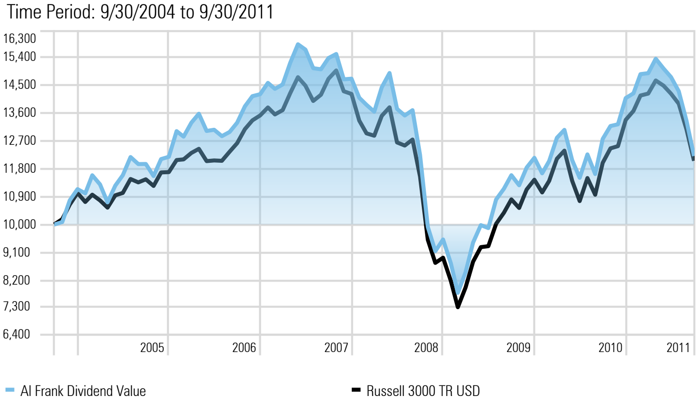
Objective
Long-term capital growth

Portfolio Inception
September 30, 2004

Benchmark
Russell 3000

Growth of Hypothetical $10,000 Investment

Time Period: 9/30/2004 to 9/30/2011



Portfolio Metrics*

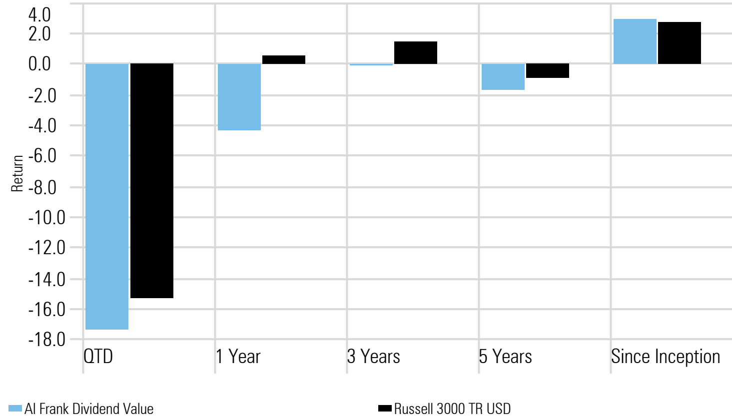
Time Period: 10/1/2004 to 9/30/2011

	Dividend Value	Russell 3000
Alpha	0.32	0.00
Beta	1.05	1.00
Std Dev	17.93	16.64

	Dividend Value	Russell 3000
P/E Ratio	10.23	12.67
P/B Ratio	1.25	1.77
P/S Ratio	0.66	1.08
Dividend Yield	3.66	2.58

*Data shown as supplemental information to the Composite.

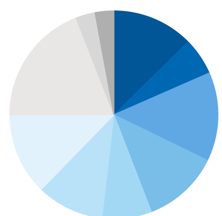
Performance (net of fees)



	QTD	1 Year	3 Year	5 Year	Since Inception
Al Frank Dividend Value	-17.31	-4.33	-0.09	-1.68	2.90
Russell 3000 TR USD	-15.28	0.55	1.45	-0.92	2.71

Equity Sectors (GICS)*

Portfolio Date: 9/30/2011



	%
Energy %	12.6
Materials %	5.8
Industrials %	13.8
Consumer Discretionary %	11.9
Consumer Staples %	7.7
Healthcare %	10.4
Financials %	12.7
Information Technology %	19.1
Telecom Services %	3.0
Utilities %	2.9
Total	**100.0**

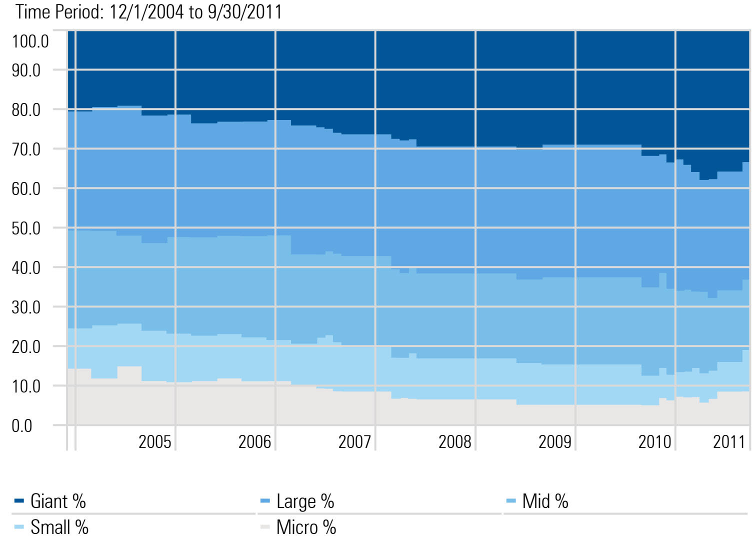
Top 15 Holdings*

Portfolio Date: 9/30/2011

	Weighting %
Verizon Communications Inc	1.81
DTE Energy Holding Company	1.73
International Business Machines Corp	1.71
Intel Corp	1.62
Waste Management Inc	1.54
Baxter International Inc.	1.51
Yamana Gold, Inc.	1.44
Microchip Technology, Inc.	1.43
Abbott Laboratories	1.43
Microsoft Corporation	1.42
Eaton Corp	1.41
Exxon Mobil Corporation	1.40
Philip Morris International, Inc.	1.39
Staples, Inc.	1.34
Aceto Corporation	1.32

Equity Market Capitalization

Time Period: 12/1/2004 to 9/30/2011



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Composite Performance

	Total Firm Assets (Millions)	Composite Assets (Millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	Russell 3000 (%)	Composite Dispersion (%)
2010	486	26	19	16.82	15.96	16.93	1.5
2009	451	22	16	28.93	28.12	28.34	3.7
2008	370	19	14	-35.21	-35.69	-37.31	1.1
2007	797	36	19	4.21	3.32	5.14	1.7
2006	853	38	16	17.76	16.66	15.72	1.8
2005	725	31	14	10.28	9.39	6.12	0.5
2004	616	16	≤5	11.48	11.46	11.95	NA

Results shown for the year 2004 represent partial period performance from September 30, 2004 through December 31, 2004.
NA – Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Investment Team

John Buckingham
Chief Investment Officer

Mark Mowrey, CFA
SVP, Investment Strategy

Jason Clark, CFA
Portfolio Manager

Jessica Chiaverini
Portfolio Manager

Don McDougall
Equity Trading Manager/
Associate Portfolio Manager

Disclosures

The Dividend Value Composite includes discretionary equity portfolios using our dividend value strategy of buying undervalued and/or out-of-favor stocks and holding them in broadly diversified portfolios for their long-term appreciation potential. For comparison purposes, the composite is measured against the Russell 3000 Index, a broad market index of the U.S. equity universe. On September 30, 2008, the manager standardized its benchmarks on the Russell family of Indexes and changed the benchmark from the Wilshire 5000. You cannot invest directly in an index. The minimum account size for inclusion in this composite is $100,000. The Dividend Value Composite was created December 2005.

Al Frank Asset Management (AFAM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. AFAM has been independently verified by Ashland Partners & Company, LLP from for the periods Jan. 1, 1996, through June 30, 2011. 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. The Dividend Value composite has been examined for the periods Sept. 30, 2004, through Dec. 31, 2010. The verification and performance examination reports are available upon request.

AFAM is an independent, registered investment adviser, wholly owned by AF Holdings, Inc. 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. Beginning January 1, 2006, composite policy requires the temporary removal of any portfolio incurring an aggregate net cash flow of at least 25% of portfolio assets. The temporary removal of such a portfolio occurs at the beginning of the month in which the significant cash flow occurs. The portfolio re-enters the composite at the beginning of the month after a net cash withdrawal and returns to the composite two full months after a net cash inflow. Beginning January 1, 2006, this policy was quarterly and beginning January 1, 2010, the policy is monthly. Prior to 2010, the composite includes portfolios that utilized the use of margin.

Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the effects of trading costs and reinvestment of all income. Net of fee performance was calculated using actual management fees charged to the client. The composite includes our proprietary mutual fund ("the Fund") that adheres to the strategy. Investment performance reflects voluntary fee waivers in effect for the Fund. In the absence of such waivers, net returns would be reduced. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Actual investment management fees vary beginning at 2% per annum. Our full management fee schedule is described in more detail in AFAM's Form ADV Part 2A.

Valuation metrics are the weighted-average of the ratios of all the holdings in the Composite and Index. Alpha is a measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. Beta is a measure of volatility, or systematic risk, of a portfolio in comparison to a benchmark. A beta greater than one indicates more volatility, while a beta less than one indicates less volatility than the relevant benchmark. Annualized Standard Deviation is a measure of the dispersion of investment returns from the mean. A higher standard deviation indicates higher volatility.

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