

Managed Account Performance - Kerns Capital Management, Inc.

Period Ending 03/31/2010

	PERFORMANCE						Since 12/31/2000			RISK ²	
	Month to Date	Last 3 Months	Year to Date	Last 12 Months	3 Years	5 Years	Value of \$1,000,000	Total Growth	Better Than S&P 500 by	3yr. Standard Deviation	5yr. Standard Deviation
MANAGED ACCOUNTS¹											
Equity											
KCM Conservative Growth	3.99%	3.31%	3.31%	18.94%	3.68%	5.69%	\$1,890,386	89.04%	\$836,851	9.27%	9.54%
KCM Moderate Growth	4.41%	3.76%	3.76%	22.50%	3.23%	6.19%	\$1,771,552	77.16%	\$718,016	10.78%	11.31%
KCM Aggressive Growth	5.35%	4.12%	4.12%	28.54%	3.52%	6.75%	\$1,884,509	88.45%	\$830,973	14.04%	13.36%
Income											
KCM Stable Value	1.67%	1.63%	1.63%	9.54%	0.03%	2.70%	\$1,462,700	46.27%	\$409,164	4.84%	4.26%

RISK ADJUSTED RETURN - PERCENT OF MORNINGSTAR TRACKED MUTUAL FUNDS WE HAVE OUTPERFORMED FOR THE PERIOD:³

	99.97%	99.55%	99.55%	98.43%	98.43%	99.16%
Equity Funds						
KCM Conservative Growth	99.97%	99.55%	99.55%	98.43%	98.43%	99.16%
KCM Moderate Growth	99.97%	99.61%	99.61%	97.64%	97.73%	98.90%
KCM Aggressive Growth	99.96%	98.73%	98.73%	95.09%	97.26%	98.60%
Income Funds						
KCM Stable Value	99.96%	92.11%	92.11%	94.03%	78.64%	75.61%

BENCHMARKS⁴

Equity											
S & P 500	6.03%	5.39%	5.39%	49.77%	-4.17%	1.92%	\$1,053,536	5.35%		20.37%	16.31%
S & P 400 Mid-Cap	7.14%	9.09%	9.09%	64.07%	-0.83%	5.17%	\$1,719,786	71.98%	\$666,251	24.35%	19.88%
Russell 2000 Small Cap	8.14%	8.85%	8.85%	62.77%	-3.99%	3.36%	\$1,585,603	58.56%	\$532,067	25.84%	21.64%
NASDAQ	7.14%	5.68%	5.68%	56.87%	-0.33%	3.70%	\$971,047	-2.90%	-\$82,489	23.54%	19.67%
Dow Jones Industrials	5.32%	4.82%	4.82%	46.93%	-1.48%	3.34%	\$1,262,535	26.25%	\$208,999	18.84%	15.19%
MSCI EAFE ND	6.24%	0.87%	0.87%	54.44%	-7.02%	3.75%	\$1,320,400	32.04%	\$266,864	24.26%	19.78%
MSCI Emerg Mkts ID	7.95%	2.11%	2.11%	77.26%	2.84%	12.99%	\$3,031,720	203.17%	\$1,978,184	33.06%	27.79%
Income											
3 Month T-bill	0.01%	0.03%	0.03%	0.13%	1.69%	2.82%	\$1,250,149	25.01%	\$196,613	0.53%	0.58%
Barcap 1-3yr Government	-0.22%	0.72%	0.72%	1.81%	4.79%	4.38%	\$1,466,217	46.62%	\$412,681	1.86%	1.57%
Barcap US Govt/Credit	-0.35%	1.55%	1.55%	7.51%	5.84%	5.17%	\$1,679,250	67.92%	\$625,714	5.20%	4.50%

Past performance is historical in nature and is not a guarantee of future results. Actual performance will be different and may be less. Losses could occur in all funds. Time periods may reflect a trend in rising or falling stock prices which may not be sustained in the future.

¹ Kerns Capital Management, Inc. ("KCM") performance figures are after the deduction of KCM's management fee, include reinvestment of dividends and earnings, and represent a composite of all individual portfolios (excluding 401(k) accounts not managed via individual brokerage account) managed in accordance with the respective investment category. The composites contain accounts structured with mutual funds that are managed with a view toward capital appreciation. Standard deviation is calculated monthly and then annualized to be consistent with Morningstar®. See separate brochure for more detail.

² Standard Deviation is a measurement of risk. Smaller numbers indicate less volatility or risk.

³ KCM risk adjusted return figures are calculated using all mutual funds in the Morningstar® database with at least a 3 year history as of 03/31/2010 and represent the percentage of those funds, with a standard deviation equal to or less than the KCM account, that we out performed. KCM Equity accounts are compared to all Morningstar® rated funds in all equity categories. KCM Stable Value account is compared to all funds in all fixed income categories. Three and Five-Year figures are calculated using all funds with a performance history of 3 and 5 or more years, respectively. Periods of less than three years use Three-Year standard deviation.

⁴ Morningstar®, 03/31/2010.