

Performance Highlights—Annualized Return as of 12/31/09

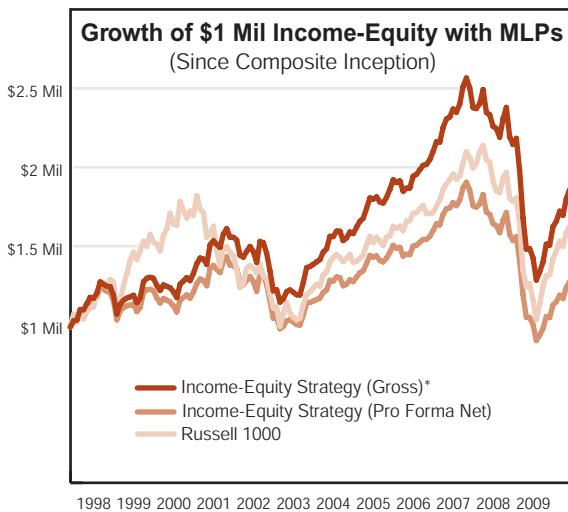
	Income-Equity Strategy (Gross)*	Income-Equity Strategy (Pro Forma Net)	Russell 1000	Russell 1000 Value
1 Year	25.1	21.4	28.4	19.7
3 Year	(7.0)	(9.8)	(5.4)	(9.0)
5 Year	0.6	(2.4)	0.8	(0.3)
10 Year	4.1	1.1	(0.5)	2.5

The Income-Equity Strategy is a diversified, broad market dividend-growth portfolio that invests in financially strong companies with high current income and a strong probability of increasing dividends. Investors seeking solid total returns comprised of both income and growth, high current income that increases every year and lower volatility than the broad market will find this strategy attractive. The portfolio’s high-income level supports prices during market declines while the growth of income mitigates the effects of inflation on future purchasing power.

INVESTMENT PHILOSOPHY

We have found that financially strong companies with rising dividends offer the most consistent performance as well as the highest added value. Over the long-term, dividend-paying stocks outperform non-dividend paying stocks and companies that increase their dividends perform the best. Academic studies have shown that the longer the time horizon, the greater the impact of dividends on total return.

Stock prices may fluctuate but dividends are always positive, and, over time, increases in



dividends induce increases in the prices of the equities generating those dividends. In addition, studies have shown that dividend increases are the best signal from corporate management regarding the future prospects of a company.

Unlike bonds, whose income stream remains static, equities with rising income help protect investors from the ravages of inflation. Even a “tame” inflation rate of 2.5% can destroy almost half of an investor’s purchasing power over 25 years which is why dividend growth is an extremely important component of this portfolio.

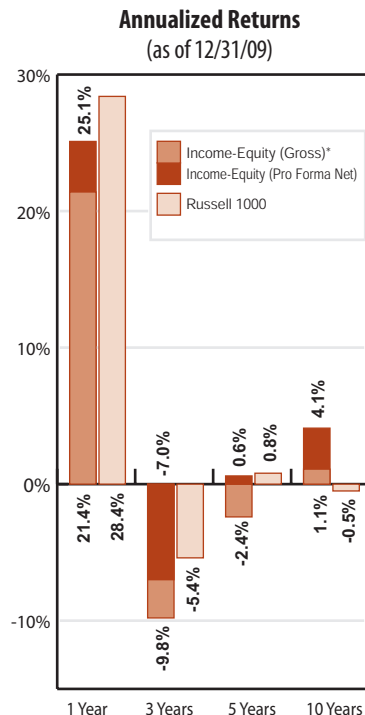
INVESTMENT OBJECTIVE

Our investment objective is to provide high current income, growth of income and growth of principal as conservatively as possible while investing in the equity markets. When combined with other managers and/or index products, we seek to add value by lowering volatility, raising the income level and enhancing risk-adjusted total return.

INVESTMENT STRATEGY

We invest in conservative stocks (including ADRs) with solid financial strength and moderate steady growth. Our holdings are consistent and reliable businesses with a long history of high and rising dividends that we project will continue to grow. We focus on low cost producers, niche companies, and companies with outstanding consistency in their earnings and dividends. This ensures that return expectations are realistic and achievable. We also employ positive and exclusionary social and environmental screens.

Stocks are sold when: companies fail to increase dividends with no excuse, there is a fundamental deterioration, a stock exhibits extended overvaluation, there is a negative impact from a regulatory decision, or we need to make room for a more attractive investment.



Sector Weights (as of 12/31/09)†

Cash	2.3
Consumer Discr	4.0
Real Estate	4.1
Business Services	5.5
Financials	6.9
Technology	7.4
Energy	7.7
Consumer Staples	7.9
Telecom Services	8.2
Utilities	10.8
Healthcare	16.0
Pipelines	19.2

The above data is shown as supplemental information and complements the full disclosure presentation located on back page.  
 \* Gross returns are supplemental information to the pro forma net returns which are not actual net returns but a simulation of the effects of a 3% total annual fee, deducted monthly. MHI’s highest annual fee as stated in our ADV is 1%.  
 †Sector weights are taken from a representative account and are subject to change.

## TOP TEN HOLDINGS AS OF 12/31/09

Enterprise Prods Partner	5.0%
Kinder Morgan Egy Partners	4.5%
Energy Transfer Partners	4.2%
Johnson & Johnson	3.5%
Eli Lilly & CO	3.2%
American Water Works Co	3.1%
Merck & Co	3.0%
Colgate Palmolive Co	3.0%
Enerplus Res Fd	3.0%
AT&T Inc	3.0%

## PORTFOLIO CHARACTERISTICS

Yield†	5.0%
Proj Dividend Growth††	7.4%
Payout Ratio	61.0%
Market Cap†	\$52.3 Bil
Price/Book	2.4
P/E Ratio†††	14.7
S&P Rating	BBB+
Beta†††	0.7
R-Squared†††	0.7
Standard Deviation†††	14.1%

The above data is shown as supplemental information and complements the full disclosure presentation below.

† Weighted average.

†† Proj Dividend Growth is MHI Portfolio Team's projection based on data from various sources adjusted to reflect our view of future economic and market conditions. There is no assurance projections will be realized.

††† 10 years annualized vs. S&P500.

†††† REITs use P/FFO Ratio rather than P/E Ratio.

## WHAT TO EXPECT

One of the many benefits of investing in high dividend paying stocks is the lower volatility of returns offered by the higher positive income stream. Returns from this portfolio can be influenced by movements in the general equity and bond markets; however, our expectations are not based on market movements but on the logic of "current yield plus growth of yield."

Taxable investors can expect high tax efficiency due to the lower tax rates on qualified dividends, low turnover, and our ability to selectively harvest losses. This strategy is particularly beneficial to trusts when compared to taxable fixed-income. Because of the IRS's 70% dividend exclusion, it is also tax efficient for "C" corporations with surplus cash.

## STOCK TYPES

Portfolio holdings are in financially strong stocks with the ability and proven willingness to pay increasing dividends. These stocks can be in any sector of the market including utilities, natural resources, financials, industrial companies, REITs, exchange-traded partnerships, foreign securities (ADRs), and occasionally convertible bonds and preferreds. Reliability of dividends and dividend growth is always paramount. In addition, portfolios are socially screened. (See our policy at [www.mhinvest.com](http://www.mhinvest.com))

**Risk versus Reward**  
(12/31/99- 12/31/09)†††



## Annual Performance

	Income-Equity (Gross)*	Income-Equity (Pro Forma Net)	R1000	R1000 Value
1998	0.21	(2.76)	27.02	15.63
1999	4.86	1.76	20.91	7.35
2000	21.69	18.16	(7.79)	7.01
2001	(0.68)	(3.63)	(12.45)	(5.59)
2002	(18.19)	(20.64)	(21.65)	(15.52)
2003	27.40	23.73	29.89	30.03
2004	15.39	12.02	11.40	16.49
2005	3.45	0.41	6.27	7.07
2006	23.90	20.29	15.46	22.25
2007	0.64	(2.35)	5.71	(0.20)
2008	(36.12)	(38.04)	(37.60)	(36.85)
2009	25.06	21.42	28.43	19.69

\* Gross returns are supplemental information to the pro forma net returns which are not actual net returns but a simulation of the effects of a 3% total annual fee, deducted monthly. MHI's highest annual fee as stated in our ADV is 1%.

## GIPS Performance Disclosure

Results are shown in US dollars. Included in the results are all unrestricted portfolios that have been managed for at least one full quarter, including those accounts no longer with the firm. Past performance is not indicative of future results. All composites contain fully discretionary accounts.

Gross and pro forma net of fees results include the reinvestment of all income. Wrap accounts are included in this composite. Gross returns for wrap accounts are stated gross of all fees and transaction costs. Gross returns for non-wrap accounts have been reduced by transaction costs. Pro forma net returns are a simulation assuming a 3% annual total fee, deducted monthly. The 3% fee includes other program fees which may or may not be charged as assumed. The upper range for Miller/Howard Investments' annual fee is 1%. Fees are generally based on quarterly market values determined by the custodian and may include any combination of management, transaction, custody and other administrative fees. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Actual investment advisory fees incurred by clients may vary. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account.

Miller/Howard Investments Inc. is an employee owned, registered investment advisor specializing in multi-cap, core equity management and dividend strategies.

The Income-Equity Strategy Composite contains fully discretionary accounts focusing on multi-cap, high-quality, high-yield dividend-growth investments across the broad market, including American Depository Receipts. For comparison purposes this strategy is measured against the Russell 1000 Index which represents the extensive large-cap segment of the US equity universe of approximately 92% of the US market. The composite received performance examination for the period of January 1, 2000 through December 31, 2007.

Miller/Howard Investments Inc. claims compliance with the Global Investment Performance Standards (GIPS®). Compliance with the GIPS standards has been verified for the period of January 1, 2000 through December 31, 2007 by Ashland Partners & Company LLP. To receive a complete list and description of Miller/Howard Investments' composites and/or a presentation that adheres to the GIPS standards, contact Marilyn Marecek at 845-679-9166, or write Miller/Howard Investments, P O Box 549, Woodstock, NY 12498, or [marilyn@mhinvest.com](mailto:marilyn@mhinvest.com).

Performance for 4th Quarter 2009 is preliminary.

## Income-Equity Strategy Composite Performance—GIPS composite disclosure shown in US dollars

Preliminary	Income-Equity Strategy Composite Includes MLPs		Russell 1000
	Gross*	Pro Forma Net	
Period to Date (3 mo's to 12/31/09)	8.0%	7.2%	6.1%
1 Year (ending 12/31/09)	25.1%	21.4%	28.4%
3 Years per annum (ending 12/31/09)	(7.0)%	(9.8)%	(5.4)%
5 Years per annum (ending 12/31/09)	0.6%	(2.4)%	0.8%
7 Years per annum (ending 12/31/09)	6.1%	3.0%	6.0%
10 Years per annum (ending 12/31/09)	4.1%	1.1%	(0.5)%