

Fixed Income Tax Exempt Composite

FIRM OVERVIEW

Ancora Advisors LLC is an investment advisor with approximately \$1.5 billion of assets under discretionary management and an additional \$1.9 billion of advisory assets. Ancora Advisors provides customized money management services for long-term investors in both equity and fixed income investments. Ancora Advisors also serves as the investment advisor to the Ancora Family of Mutual Funds. The mutual fund product offering includes four different funds, each of which has a unique investment focus. In addition Ancora is the advisor to two hedge funds, Merlin Partners and the Ancora Greater China Fund, which provide an alternative investment approach to select investors. This diverse product offering allows Ancora Advisors to tailor an investment program according to an individual client's needs.

Equity investments are made primarily in undervalued securities that our analysis indicates have attractive prospects for capital appreciation. Fixed income investments consist of high quality intermediate term securities. Our investment approach is to achieve high absolute returns to investors while limiting exposure to risk and possible loss of capital.

In addition to our value orientation the key to achieving superior long-term results is the collective experience of our professional portfolio managers who implement our methodologies for both personal and institutional portfolios.

FIXED INCOME TEAM

NAME	TITLE	EDUCATION
James M. Bernard, CFA	Director Fixed Income	Xavier; MBA Ball State University
<i>Mr. Bernard manages both taxable and municipal bond portfolios. He has extensive experience working with financial institutions including banks and insurance companies. Mr. Bernard recently managed the Fifth Third Ohio Municipal Bond Fund and the Fifth Third Kentucky Municipal Common Trust Fund.</i>		
James G. Raimondo	VP Portfolio Manager	BA, Marietta College
<i>Mr. Raimondo manages primarily taxable bond portfolios for various institutional clients. Mr. Raimondo has extensive experience working with commercial banks and health care organizations.</i>		
Jeremy J. Scacco	VP Fixed Trading	BA, Hiram College
<i>Mr. Scacco maintains the analytical systems used by the Fixed Income Group as well as manages numerous individual portfolios for high net worth individuals. Mr. Scacco also assists in the fixed income analysis process.</i>		

FIXED INCOME PHILOSOPHY

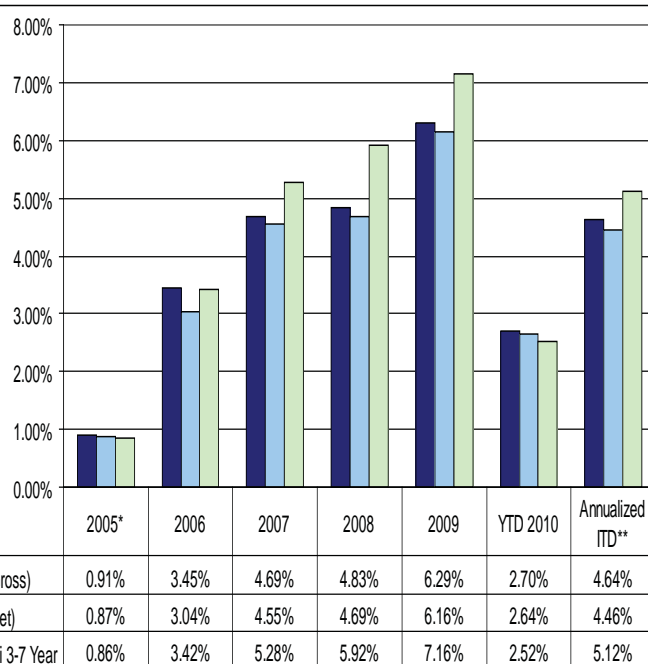
INVESTMENT OBJECTIVE

Created on July 31, 2005, the Fixed Income – Tax Exempt Composite seeks to provide a real return over a long period of time to commensurate with the risk profile of the portfolio for tax-exempt portfolios. The Fixed Income – Tax Exempt Composite pursues these objectives by investing primarily in income-producing municipal securities. The composite utilizes the Merrill Lynch Municipal 3-7 Year Index, a widely recognized unmanaged index of bond prices which is representative of a broader market and range of securities than is found in the Composite's portfolio. Accounts must meet \$500,000 minimum account size for inclusion in composite.

INVESTMENT STRATEGY

Our income strategy seeks to provide stable interest payments to our clients while taking advantage of market fluctuations to produce principal appreciation. Income securities consist of bonds, preferred shares, convertible securities, closed-end investment companies which invest in these securities, and, to a minor extent, common shares with superior dividends. Certain of the debt securities and preferred stocks in which Ancora invests may be convertible into common shares. Although not limited to specific credit restrictions, Ancora will develop income portfolios which carry an average "investment grade" rating. Our balanced strategies allow significant diversification across domestic stocks, and bonds. Investors can choose from two types of balanced approaches to investing in the market

PERFORMANCE SUMMARY



Performance Data through 06/30/10	Month To Date	Quarter To Date	Year To Date	Inception To Date**
Fixed Income (Gross)	0.33%	1.98%	2.70%	4.64%
Fixed Income (Net)	0.33%	1.95%	2.64%	4.46%
Merrill Lynch Muni 3-7 Yr	0.39%	1.81%	2.52%	5.12%

Top 5 Holdings

Securities	Market Value	Pct.
SAN ANTONION TEX ELEC & GAS 5.00%	6,894,680	1.55
OHIO STATE HIGHER ED 5.00%	6,009,191	1.35
TEXAS STATE 5.00%	5,808,250	1.30
MASSACHUSETTS ST (PR/08/12) 5.375%	5,603,529	1.26
MEMPHIS TENN ELEC SYS REV 5.00%	5,365,009	1.21
Total	29,680,660	6.67

Ancora Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®). Ancora has received a firm wide verification for the periods April 30, 2003 – March 31, 2010.

To receive a complete list and description of Ancora Advisors composites and/or a presentation that adheres to the GIPS standards, contact Renie Walters at 216-593-5015, or write Ancora Advisors LLC, at the address listed below or renie@ancora.ws.

*Represents Performance 07/31/05 to 12/31/05. **Inception date 07/31/05. Results are shown in US \$. Past performance does not guarantee future results.

Ancora Advisors LLC
Fixed Income Tax Exempt Composite
07/31/05 – 03/31/10

Year	Total Return Gross of Fees %	Total Return Net of Fees %	Merrill Lynch Municipal 3-7 Year Return %	Number of Portfolios	Dispersion %	Total Composite Assets End of Period (\$ millions)	% of Composite Assets that are carved	Total Firm Assets End of Period (\$ millions)
2005*	0.91	0.86	0.86	11	N/A	152.06	17.33	465.89
2006	3.53	3.14	3.42	14	0.30	510.93	4.69	932.80
2007	4.69	4.56	5.28	15	0.30	421.85	6.49	931.40
2008	4.72	4.58	5.92	14	0.18	453.10	5.34	857.76
2009	6.26	6.14	7.16	18	0.36	423.84	6.95	1,456.88
2010**	0.71	0.68	0.69	20	N/A	424.46	N/A***	1,449.83

* Represents Performance 7/31/05-12/31/05

** Represents Performance 12/31/09 – 3/31/10

*** Due to the changes in the treatment of carve-outs effective 1/1/2010, this disclosure is no longer applicable.

Ancora Advisors LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

Firm Information: Ancora Advisors LLC is an independent investment adviser registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Ancora Advisors LLC was established in 2003 to manage a variety of equity, fixed income, and balanced assets. The firm manages accounts for U.S. based clients. Those accounts include individual, pension, profit sharing plans, charitable endowments and businesses on a discretionary basis. Ancora Advisors also serves as the investment advisor to the Ancora Family of Mutual Funds.

Ancora Advisors LLC is also affiliated with Ancora Securities Inc., a Financial Industry Regulatory Authority (FINRA) registered broker dealer offering a broad suite of financial products and services to its customers. Ancora Securities Inc. and Ancora Advisors LLC operate as separate autonomous firms; however both companies are under common control.

Composite Characteristics: Created on July 31, 2005, the Fixed Income – Tax Exempt Composite seeks to provide a real return over a long period of time to commensurate with the risk profile of the portfolio for tax-exempt portfolios. The Fixed Income – Tax Exempt Composite pursues these objectives by investing primarily in income-producing municipal securities. Accounts in the Fixed Income – Tax Exempt Composite may contain small portions of equity (less than 10%). In the event that the equity portion crosses the 10% threshold, the account will be removed from the composite until the equity portion decreases below 10%. The composite utilizes the Merrill Lynch Municipal 3-7 Year Index, a widely recognized unmanaged index of bond prices which is representative of a broader market and range of securities than is found in the Composite’s portfolio. Accounts must meet \$500,000 minimum account size for inclusion in composite. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias.

Calculation Methodology: Valuations and returns are computed and stated in U.S. dollars, and individual portfolios are revalued monthly. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Net of fees returns are calculated net of management fees and transaction costs and gross of custodian fees. Both returns are calculated gross of all withholding taxes on foreign dividends. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Accruals for fixed income and equity securities are included in calculations. The dispersion measure is the asset-weighted standard deviation of accounts in the composite for the entire year.

Other Disclosures: Ancora Advisors LLC has been verified for the periods January 1, 2003 – March 31, 2010 by Beacon Verification Services. Fixed Income Tax Exempt Composite has received a performance exam for the period July 31, 2005 – March 31, 2010. A copy of the verification report is available upon request. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value. Additional information regarding policies for calculating and reporting returns as well as a complete list and description of all the firm’s composites is available upon request. The firm’s fee schedule is as follows: 0.35% for first ten million, 0.25% for next twenty-nine million. Fees may be subject to negotiation where special circumstances warrant. All total returns calculations are adjusted for daily weighted external cash flows. Cash and cash equivalents are included in the total return calculation. Cash flow activity is reconciled at the close of trading. Accounts that experience cash flows in excess of 10% of the account's market value are removed from the composite for one full calendar month and not included for composite performance reporting purposes. Additional information regarding the treatment of significant cash flows is available upon request. This composite contains accounts that have been carved out of a larger account. These sub-accounts are maintained as their own accounts with their own cash balance, similar to other accounts in the composite.