



Fourth Quarter 2009 - Small Cap Growth Update

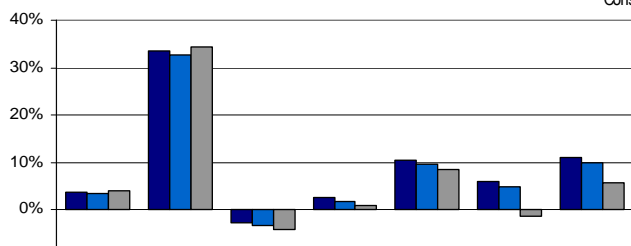
The Perimeter U.S. Small Cap Growth Equity composite posted a return of 3.74% (gross) for the Fourth Quarter of 2009 versus the Russell 2000 Growth Index's return of 4.14%. The fourth quarter ended a powerful year for the market. The small cap growth category performed well, with the Russell 2000 Growth index returning over 33%, beating the Russell 2000 Value, S&P 500 and the Dow Jones Industrial by at least ten percent each. As we have mentioned in previous updates, companies have continued to improve their cost structures and as a result, are seeing major increases in earnings estimates as the economy has stabilized. We believe one of the key factors driving stock market returns over the past year was the wide variance in valuation levels between stocks. Higher quality, more fairly valued stocks underperformed in 2009, while the lowest quality, cheapest and lowest valued stocks performed the best. Looking forward, now that valuation levels between stocks have narrowed, we believe that the market will focus on companies that can deliver growth in the coming year. Based on our experience, growth and strong fundamental performance will be paramount to stock selection in this environment, which should favor Perimeter's quality, growth-oriented process.

Those companies with higher return-on-equity (ROE) and higher growth metrics outperformed during the quarter, an event we believed was imminent and included in our previous update. This was the third consecutive quarter that all sectors posted a positive return in the Russell 2000 Growth Index and speaks to the broad-based momentum seen in the market. For Perimeter, sector allocation provided a positive tailwind with the majority of the benefit coming from our underweight in Healthcare, the worst performing sector. We also maintained our overweight positions in the Technology, Energy and Materials sectors which positively impacted performance as signs of improving global demand for commodities propelled the Materials and Energy groups higher.

Stock selection was disappointing during the quarter with biotechnology being the largest detractor and accounting for all of the underperformance. By virtue of our quality bias we are routinely underweight biotech companies due to the nature of their business models (e.g. chronic dilution of shareholder value). Perimeter's best selection came from the Industrial and Consumer Discretionary sectors, specifically in the commercial service and media industries respectively. While Technology selection was modestly negative, we had some success in the Communications Equipment industry where two of our companies, 3Com and Starent Networks, announced that they were to be acquired. In 2009, stock returns were more highly correlated, (meaning most stocks moved up) than in any other period during the last 20 years (Source: ISI Group), making stock selection challenging. This effect moderated during the year but remained elevated during the fourth quarter. We expect this phenomenon to continue to moderate, making 2010 a more friendly environment for active managers.

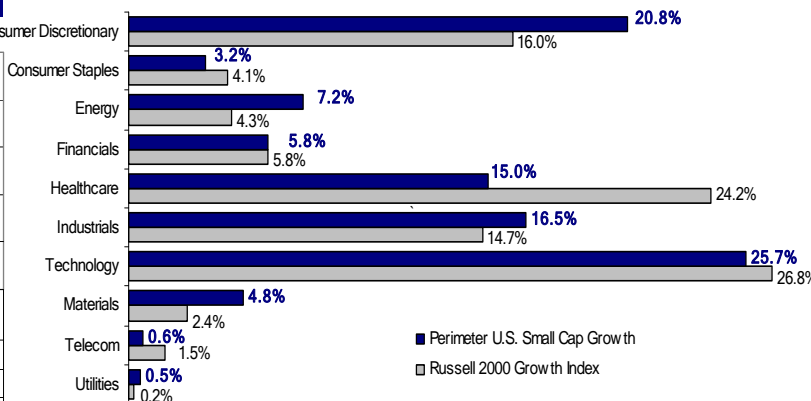
Performance Results*

For Periods Ending 12/31/2009



	Qtr	1 Year	3 Year	5 Year	7 Year	10 Year	Inception (10/8/98)
PCM Gross	3.74%	33.67%	-2.69%	2.57%	10.56%	6.03%	10.95%
PCM Net	3.54%	32.69%	-3.35%	1.75%	9.58%	5.01%	9.86%
R2Growth	4.14%	34.47%	-4.00%	0.87%	8.53%	-1.37%	5.83%

Sector Weightings*



Performance by Sector*

Economic Sector	Perimeter Portfolio	Russell 2000 Growth Index
Consumer Discretionary	6.10%	5.10%
Consumer Staples	0.79%	11.40%
Energy	2.99%	10.14%
Financials	2.75%	1.69%
Health Care	0.30%	1.49%
Industrials	5.56%	3.98%
Information Technology	2.48%	4.18%
Materials	10.64%	9.48%
Telco Services	-0.11%	5.58%
Utilities	7.85%	3.07%

Portfolio Characteristics*

	Perimeter SCG Portfolio	Russell 2000 Growth Index
Price/Earnings	21.9x	20.4x
Estimated EPS Growth	15.5%	15.7%
Return on Equity	6.9%	6.7%
LT Debt/Capital	7.0%	10.2%
Market Capitalization (in \$M)	\$1,088.4	\$1,089.0

MPT Statistics*

	Perimeter SCG Portfolio	Russell 2000 Growth Index
Alpha	1.62	0.00
Beta	0.94	1.00
Standard Deviation	21.20	22.39
Information Ratio	0.53	--
Sharpe Ratio	-0.01	-0.09
R ²	0.98	1.00

For the 5-Year Period Ending 12/31/2009

Source: eVestment Alliance

*Supplemental Information

See Important Disclosures provided on Page 3.

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*Contributors to Performance**

Company	Total Return (Quarter)
Stillwater Mining (SWC)	+41%

The only U.S. producer of palladium and platinum metals. In addition to jewelry, these rare metals are used in a number of industries including automotive, electronics, chemical, oil refining and medical. SWC continues to benefit from a recovery in prices for palladium and platinum as demand improves. Supply remains limited to certain locations in Russia, the U.S. and South Africa.

Starent Networks (STAR)	+36%
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A network equipment supplier to wireless carriers in the U.S. and abroad. Specifically, STAR products allow better access to the internet and data applications for the user while providing intelligence and seamless upgrade capability to the wireless company. In mid October, STAR announced a takeover by Cisco and we subsequently sold our position after a successful 18 month holding period.

Hhgregg (HGG)	+30%
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A specialty retailer of consumer electronics and home appliances. After Circuit City filed for bankruptcy earlier in 2009, HGG has gained significant market share. In addition, fourth quarter performance was driven by improving same-store-sales trends and evidence that sales of consumer electronics and appliances were better than expected during the holiday season. We maintain our position.

Dress Barn (DBRN)	+29%
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Dress Barn and Maurice's stores offer casual and career apparel for value-conscious shoppers. DBRN experienced acceleration in earnings during 2009. The recently completed acquisition of the "Justice" concept targets younger women and is on track to be accretive in 2010. We maintain our position as sales and earnings expectations continue to improve at all three concepts.

Blue Coat Systems (BCSI)	+26%
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Enterprise solutions provider with products that increase network application performance as well as increase network security against external threats. Blue Coat has been a top performer for most of the year on continued demand for its products despite the recession, and the future growth profile looks robust as enterprises view spending on security and performance a top priority. Maintain position.

*Detractors from Performance**

Company	Total Return (Quarter)
GigaMedia (GIGM)	-37%

Provider of online gambling software and developer of large online role playing and casual games in Asian markets. While online game growth in the Asian markets remains strong, the strength has been muted by a more competitive

Novatel Wireless (NVTL)	-30%
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The recent launch of the MiFi™ at Sprint and Verizon from this connectivity device manufacturer has driven strong growth, yet the stock has under-performed on competitive fears and concerns that weak sell-through of products at the wireless carriers will result in an inventory build. We maintain our position as the growth profile remains strong and the valuation at a little over two times net cash is attractive.

TriQuint Semiconductor (TQNT)	-25%
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Semiconductor company with exposure to a variety of mobile handset and Wireless Local Area Network (WLAN) products. In particular, TQNT has design wins on the iPhone 3gs handset that had previously been driving strong sales and earnings growth. TQNT reported a disappointing fourth quarter guidance due to weakness at Samsung, which was more than offsetting Apple-related strength. We sold our position.

Isis Pharmaceuticals (ISIS)	-24%
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Developer of a new drug platform and delivery methodology involving RNAi antisense technology. A deferred timeline for potential patent approval resulted in a weak quarter. We've maintained our position as ISIS has a solid cash position to fund future programs, several other drug partnerships in development and we believe that the RNAi technology could present a large opportunity for new drug development.

ValueClick (VCLK)	-23%
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Advertising and marketing company serving the online and eCommerce market segments. VCLK suffered a setback in the most recent quarter as one of their larger ad click partners decided to pursue other options, prompting weak performance. We are maintaining our position as we view this setback as short term in nature and expect a recovery in online advertising and marketing spend to accelerate in 2010.

Current Top Holdings (as of 12/31/2009)*

Company	Ticker	Perimeter Portfolio	Company Description
American Medical Systems Holdings Inc.	AMMD	0.91%	Medical Devices
VIVUS Inc.	VVUS	0.89%	Biotech: Weight Loss Drug
Solera Holdings Inc.	SLH	0.87%	Telecommunications Software
CyberSource Corp.	CYBS	0.87%	eCommerce Payment Management
NICE-Systems Ltd. (ADS)	NICE	0.85%	Enterprise Software
Bruker Corp.	BRKR	0.83%	Life Science & Analytical Research Tools
Jarden Corp.	JAH	0.77%	Consumer Products
Kansas City Southern	KSU	0.76%	Regional Railroad
IMAX Corp.	IMAX	0.75%	Large Format Movie Screen Provider
Cash America International Inc.	CSH	0.74%	Owner/Operator of Pawnshops

Manager Outlook & Portfolio Positioning

Leading economic indicators, which bottomed in March 2009, continued their positive trend and drove the market upward in the fourth quarter. However, by the nature of any recovery, acceleration in such economic data cannot continue indefinitely. At some point in the next few months we will reach an inflection point, which may cause the market to rest. We are also carefully watching government action as it relates to the purchase of Mortgage Backed Securities (MBS). This TARP component will expire in March and the government may or may not decide to continue propping up the housing market by keeping mortgage rates low. Since housing prices are closely tied to consumer sentiment, this could be a watershed moment. There is also the potential for inflation and the possibility that the Federal Reserve raises interest rates toward the end of the year. As a result, there are many questions surrounding the sustainability of an upward market. Although 2010 may prove to be another positive year for stocks, we feel it is unlikely that we will see returns commensurate with 2009.

In Technology, we are finding ideas in the software and IT service industries while we have been decreasing our exposure to early winners in the semiconductor industry. Semiconductor stocks tend to discount their future prospects even earlier than the average market discounting mechanism and, as a result, we have taken profits. Our Technology exposure has gone from a overweight to a near-market weight. Our Consumer Discretionary weight actually increased during the quarter but our exposure to "consumer sensitive" stocks actually

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declined as our new positions are in the less cyclical consumer industries. For example, we purchased IMAX as earnings estimates were soaring due to the release of the blockbuster movie, Avatar. There are more 3D releases in the pipeline and the company expects to double the number of IMAX screens in 2010.

The one area that stands out from a portfolio construction perspective is our Healthcare underweight. For a variety of reasons, including the potential disruption from government reform and the unprecedented economic impact on the sector from the recession, we have been significantly underweight over the past year. After continued poor performance in the sector, we now believe that these negative factors are being appropriately discounted. Consensus estimates appear to be conservative and while we remain meticulous about our selection in this area, we are accelerating our efforts in the Healthcare sector. In other sectors we continued business as usual, identifying companies with strong, high quality earnings that are primed to outperform in the coming year.

- Mark D. Garfinkel, CFA, *Chief Investment Officer*

Important Disclosure

INVESTMENT PERFORMANCE

Past performance is not indicative of future results. Inherent in any investment is the possibility of loss of all or substantial amount of such investment. Performance data is presented for the Perimeter U.S. Small Cap Growth Equity Composite. Perimeter makes no assurance that investment objectives will be achieved. Performance results presented off calendar month end are not reconciled and are subject to revision. The historical track record presented was calculated by linking Perimeter's actual performance since inception to the STI Classic Small Cap Growth Fund (I Shares) performance returns net of investment management fees. Members of Perimeter Capital Management investment team managed the STI Classic Small Cap Growth Fund for the period shown through June 23, 2006, while previously employed at Trusco Capital Management, the Fund's adviser. This information should not be evaluated independent of or without reference to the investment advisory agreement that more specifically addresses applicable investment advisory fees. Advisory fees charged by Perimeter are described in Part II of Perimeter's Form ADV. For a free copy of Form ADV, please contact Perimeter Capital at (770) 350-8700.

Performance results include the reinvestment of dividends and other similar income. The Perimeter U.S. Small Cap Growth Equity Composite primarily invests in U.S. small cap stocks and is managed according to a growth objective. The returns of the Russell 2000 Growth Index are presented along side those of the U.S. Small Cap Growth Equity Composite for illustrative purposes only. The Russell 2000 Growth Index is a broad based index comprised of 2000 US based small capitalization stocks. Although the U.S. Small Cap Growth Equity Composite primarily invests in small capitalization stocks, its portfolio composition may be materially different than that of the Russell 2000 Growth Index.

The eVestment Small Cap Growth universe discussed encompasses advisers that report data to eVestment and are categorized as Small Cap Growth portfolios. eVestment does not independently verify the data, which forms the basis for rankings, provided by advisers.

This material is supplemental to GIPS compliance requirements and is provided for your information. This supplemental material complements the GIPS compliant composite presentation which is available upon request or provided with this brochure in one-on-one presentations.

Contributors & Detractors - These holdings were selected based on their performance being the five (5) best and five (5) worst in terms of percentage change during the period.

SECTOR WEIGHTINGS AND PORTFOLIO CHARACTERISTICS

The sector weightings and portfolio characteristics are presented as 12/31/2009, and may change without notice. A complete list of sector weightings and individual security positions for any specific period are available upon request. The top ten individual securities presented represent the ten largest positions in the Perimeter U.S. Small Cap Growth Equity Composite based on aggregate dollar value. The specific securities identified do not represent all of the securities purchased, sold or recommended and should not be assumed that the investments or the securities identified were or will be profitable. All information presented is for informational purposes only and should not be deemed as a recommendation to buy the securities mentioned. We believe that the material contains an objective, balanced presentation of the performance of the Perimeter U.S. Small Cap Growth Equity Composite, including a general summary of certain holdings that both over- and under-performed the expectations of our portfolio management team.

FORECASTING

Forecasting is based on current economic and market information, which may be revised at any time.

FINANCIAL TERMS

Total Return - All performance calculations are total returns. Total return is comprised of dividend and interest income, realized and unrealized gains and losses.

Estimated Annual Income - An estimate of the dividends and interest to be received over the next twelve months based on current asset allocation and information.

Russell 2000 Growth Index - Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2000 is comprised of the smallest 2000 companies of the Russell 3000.

Alpha - A measure of a mutual fund's risk relative to the market.

Beta - A measure of a security's or portfolio's volatility, or systematic risk, in comparison to the market as a whole.

Standard Deviation - A measure of the average deviations of a return series from its mean; often used as a risk measure.

Information Ratio - A measure of portfolio management's performance against risk and return relative to a benchmark or alternative measure.

Tracking Error - A divergence between the price behavior of a position or portfolio and the price behavior of a benchmark.

R square (R²) - A measure of a manager's movement in relation to the market; otherwise known as the coefficient of determination.

U.S. Small Cap Growth Equity Composite Disclosure

Year End	Total Firm	Composite Assets		Annual Performance Results			
	Assets (millions)	USD (millions)	Number of Accounts	Composite Gross	Composite Net	Russell 2000 Growth	Composite Dispersion
YTD 2009**	1,207	1,048	21	33.67%	32.69%	34.47%	0.35%
2008	746	714	20	(37.18%)	(37.61%)	(38.54%)	0.26%
2007	670	670	14	9.72%	9.06%	7.05%	0.04%
2006	337	290	Five or fewer	12.84%	11.86%	13.35%	N.A.
2005	-	1,502	Five or fewer	9.19%	8.00%	4.15%	N.A.
2004	-	973	Five or fewer	20.66%	19.30%	14.31%	N.A.
2003	-	824	Five or fewer	47.40%	45.77%	48.54%	N.A.
2002	-	506	Five or fewer	(21.73%)	(22.64%)	(30.26%)	N.A.
2001	-	618	Five or fewer	0.46%	(0.69%)	(9.23%)	N.A.
2000	-	536	Five or fewer	13.13%	11.85%	(22.43%)	N.A.
1999	-	376	Five or fewer	22.00%	20.62%	43.09%	N.A.
1998†	-	31	Five or fewer	46.65%	46.28%	51.65%	N.A.

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.
†Results shown for the year 1998 represent partial period performance from October 8, 1998 through December 31, 1998.

U.S. Small Cap Growth Equity Composite contains all discretionary, fee-paying, equity only accounts that invest primarily in small cap domestic companies that display above average growth characteristics. For comparison purposes the composite is measured against the Russell 2000 Growth Index. The minimum account size for this composite is \$250 thousand.

Perimeter Capital Management has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

Perimeter Capital Management is an independent registered investment adviser. 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. For the period June 26, 2006 through July 31, 2006, non-fee-paying accounts represent 100% of composite assets. Beginning August 1, 2006, non-fee-paying accounts represent less than 1% of composite assets. As of October 1, 2006, there were no non-fee paying accounts in the composite. 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 reinvestment of all income. Net of fee performance was calculated using actual management fees for fee paying accounts or by using the maximum applicable management fee for non-fee paying accounts. Additional information regarding policies for calculating and reporting returns is available upon request.

The management fee schedule is as follows: First \$25MM, 100bps; next \$75MM, 90bps; over \$100MM, 80bps. Actual investment advisory fees incurred by clients may vary.

Accounts in this composite may invest in ADRs. Many foreign countries impose a withholding tax on ADR dividends which results in a net dividend payment below 100% of the dividend amount that is declared by the company. This net dividend is reinvested in the composite accounts without further deduction of taxes.

The U.S. Small Cap Growth Equity Composite was created June 26, 2006. Performance presented prior to June 26, 2006 occurred while the Portfolio Management Team was affiliated with a prior firm and the Portfolio Management Team members were the only individuals responsible for selecting the securities to buy and sell. Perimeter Capital Management's compliance with the GIPS standards has been verified for the period June 26, 2006 through March 31, 2009 by Ashland Partners & Company LLP. In addition, a performance examination was conducted on the U.S. Small Cap Growth Equity Composite beginning June 26, 2006. A copy of the verification report is available upon request.

Composite dispersion represents asset weighted standard deviation of the accounts held in the portfolio for the entire year.