

**SKBA CAPITAL MANAGEMENT, LLC**  
**VALUE OPPORTUNITY COMPOSITE**  
**ANNUAL DISCLOSURE PRESENTATION**

Year End	Total Firm Assets (millions)	Composite Assets		Annual Performance Results					
		USD (millions)	Number of Accounts	Composite Gross	Composite Net	Russell 1000 Value	S&P 500	Composite Dispersion	Percentage Carve-Out
2009	546	52	Five or fewer	30.1%	29.7%	19.7%	26.5%	N.A.	-
2008	395	33	7	(35.5%)	(35.7%)	(36.9%)	(37.0%)	1.4%	3.3%
2007	622	204	8	(2.5%)	(2.9%)	(0.2%)	5.5%	0.5%	0.8%
2006	707	82	Five or fewer	15.7%	15.3%	22.2%	15.8%	N.A.	2.2%
2005	557	75	Five or fewer	11.6%	11.2%	7.1%	4.9%	N.A.	-
2004	517	69	Five or fewer	17.3%	16.8%	16.5%	10.9%	N.A.	-
2003	356	22	Five or fewer	33.2%	32.3%	30.0%	28.7%	N.A.	-
2002	257	16	Five or fewer	(20.4%)	(20.9%)	(15.5%)	(22.1%)	N.A.	-
2001	311	19	Five or fewer	9.0%	8.3%	(5.6%)	(11.9%)	N.A.	-
2000	389	18	Five or fewer	10.7%	10.0%	7.0%	(9.1%)	N.A.	-

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.  
2Q10 data is currently undergoing examination and as such may be subject to change.

***Value Opportunity Composite** contains all fee-paying equity-only institutional and tax-exempt discretionary accounts that employ SKBA's Value Opportunity strategy. Value Opportunity is a large-capitalization value-oriented investment philosophy that seeks to achieve long-term capital appreciation by investing in undervalued equity securities as identified by the firm's Relative Market Cap to Revenues (RMCR) valuation discipline. For comparison purposes the composite is measured against the Russell 1000 Value Index. For general market comparison purposes, the composite is also measured against the S&P 500 Index. The composite includes institutional or tax-exempt accounts with a minimum market value of \$500,000. Prior to January 1, 2004, the minimum size for inclusion was \$100,000.*

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

SKBA, an investment advisory firm registered with the Securities & Exchange Commission, was founded in 1989 as an independent investment advisory firm. In 1999, SKBA became an affiliate of Convergent Capital Management LLC ("CCM"). In 2003 CCM was acquired by City National Corporation. SKBA manages a variety of equity, fixed-income & balanced assets for U.S. institutional and high net worth clients. Firm assets under management are defined as all institutional & private client accounts managed by SKBA. 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. Non-fee-paying accounts were included in the composite prior to January 1, 2004, and those portfolios made up less than 1% of the composite. Composite performance is presented net of foreign withholding taxes. Capital gains, dividends and interest received on ADR's may be subject to withholding tax imposed by the country of origin and such taxes may not be recoverable. Past performance is not indicative of future results.

Effective January 1, 2010, accounts experiencing a significant flow equal to or greater than 35% of an account's beginning month value are removed for the month. Accounts excluded on significant flow grounds are re-included the first of the month after the 80% re-allocation of an inflow is completed, or for an outflow, the first of the month after which 30 days elapse past the significant flow date. Under the prior policy established on July 1, 2009, accounts experiencing a significant flow were excluded and re-included on a quarterly basis. Additional information regarding the treatment of significant flows is available upon request.

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. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding policies for calculating and reporting returns is available upon request.

Standard Fee Schedule: For accounts up to \$25 million: 1.00% on the first \$2 million, 0.85% on the next \$3 million, 0.50% on the next \$20 million. For accounts over \$25 million: 0.50% on the first \$25 million, 0.35% on the next \$25 million, 0.30% on the next \$25 million, and 0.25% on the next \$25 million. For accounts over \$100 million: 0.33% on the first \$100 million, 0.25% on the next \$50 million, 0.20% on the next \$100 million, and 0.15% on the next \$100 million. Actual investment advisory fees incurred by clients may vary.

Beginning July 1, 2006 and ending December 31, 2008, carve-outs were included in this composite. During that period, cash reserve returns were allocated to equity returns relative to (in proportion to) the size of the equity weight within the total weight of stocks and bonds.

The Value Opportunity Composite was created July 1, 1996. Compliance with GIPS has been verified firm-wide by Ashland Partners & Company LLP from January 1, 1996 through March 31, 2010. In addition, a performance examination was conducted on the Value Opportunity Composite beginning January 1, 2000. Performance results shown prior to January 1, 2000 were examined by a previous verifier.