The Dividend Growth Portfolio

Table of Contents

At Sitka Pacific, the goal of all our investment portfolios is to give you exposure to the markets with less volatility and less risk. The Dividend Growth portfolio embodies these values and provides you with a stock investment strategy geared both for growth and capital preservation.

The Dividend Growth portfolio is a diversified stock portfolio designed to provide growth with the ability to reduce market exposure when appropriate.

When the market is healthy, we remain fully invested in a combination of large dividend-paying stocks and growth stocks. When the market is unhealthy, we reduce market exposure by exiting our growth stock holdings and keeping 50% of the portfolio in cash.

This flexible approach enables us to adjust to changing market conditions and focus alternately on growth or capital preservation, depending on our outlook for the market and the economy.

The portfolio is composed of two stock groups:

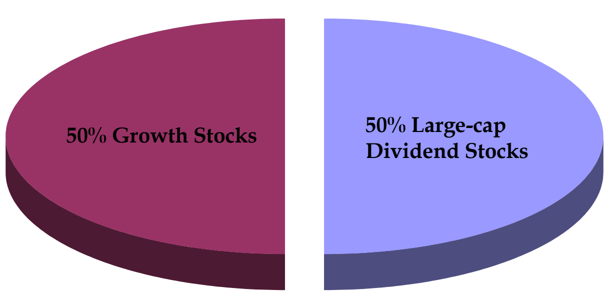
Large-Cap Dividend Stocks: One half of the portfolio is devoted to large capitalization stocks that pay dividends. These stocks tend to be far less volatile than the general market while over time offering a total return in excess of the market.

Growth Stocks: These stocks are more volatile than the general market, and provide growth during periods when the market is healthy and rising. This portion of the portfolio is held in cash during negative market conditions.

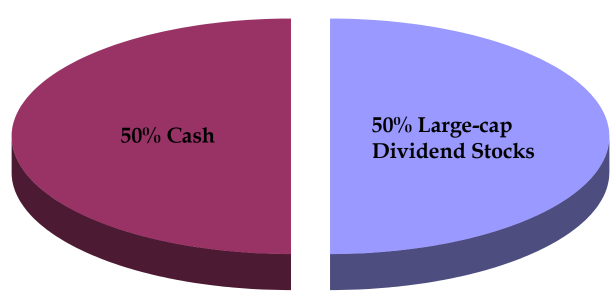
By keeping you fully invested when the market is healthy and rising and partially invested when the market is unhealthy, the Dividend Growth portfolio provides the potential for long-term growth with less volatility and less risk.

The Dividend Growth portfolio is ideal for Individual Retirement Accounts (IRAs) with an investment time horizon of 5 years or longer. The minimum investment is $50,000.

A Typical Dividend Growth Portfolio Allocation



A Defensive Dividend Growth Portfolio

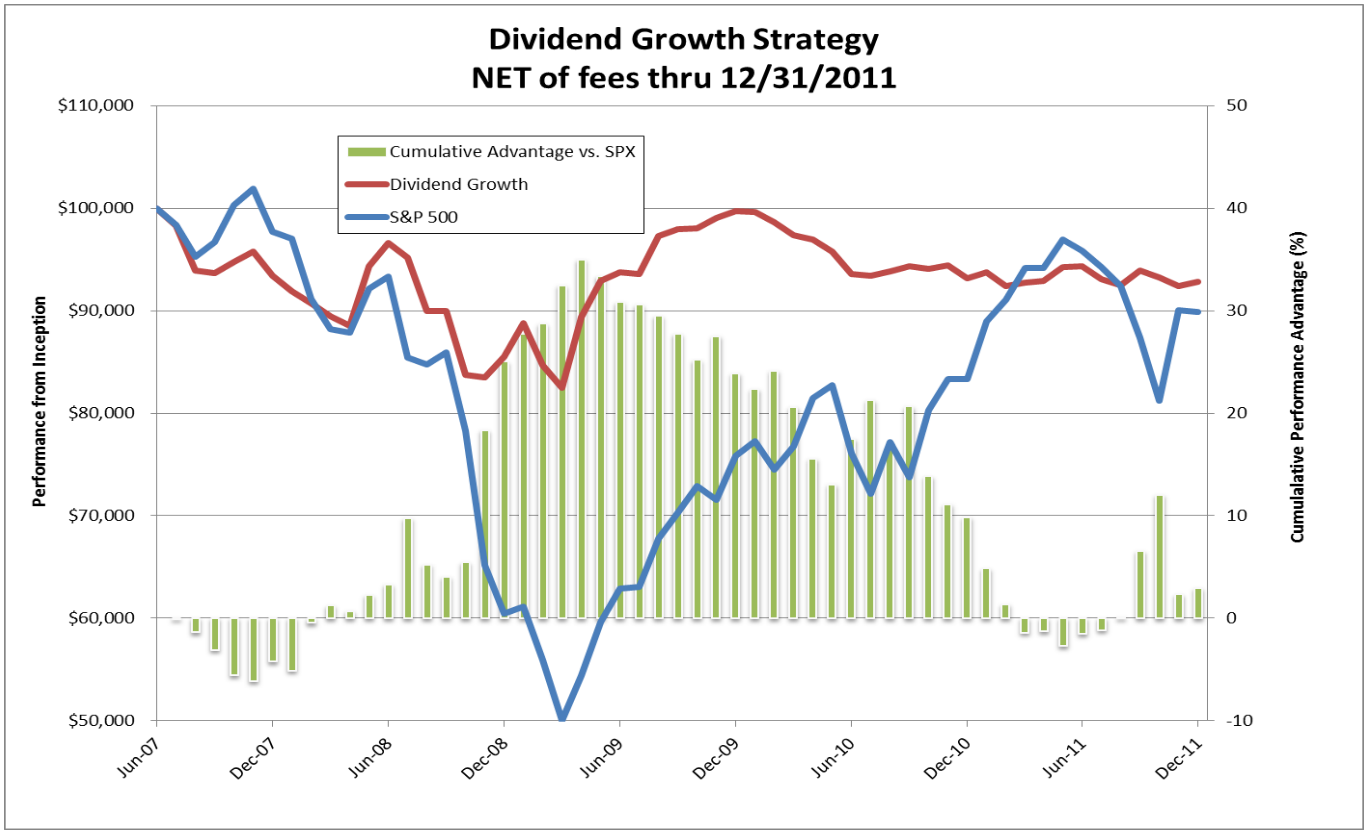


Performance Summary

(Net of all fees)

Comparative Returns: Inception (6/1/07) through 12/31/11

	1 year	2 years	3 years	Since Inception
Sitka Dividend Growth	-2.3%	-8.1%	+3.1%	-8.4%
S&P 500	+2.1%	+17.5%	+48.6%	-9.2%



Year	Sitka Dividend Growth	S&P 500
2011	-2.3%	2.1%
2010	-5.9%	15.1%
2009	12.2%	26.5%
2008	-3.3%	-37.0%
2007*	-8.1%	5.5%

Since Inception		
Annualized Return	-1.9%	-2.1%
Annualized Standard Deviation	8.8%	19.5%
Downside Deviation (below 0%)	5.8%	13.7%
Monthly Correlation to S&P 500	0.49	1.0

Getting Started

Sitka Pacific Capital Management is a SEC-registered Investment Advisor (RIA) based in Sonoma, California. Investment management services are available to Accredited and Non-Accredited investors seeking more consistent returns with lower volatility and risk.

Sitka Pacific Capital Management is a fee-based investment advisor, which allows us to offer completely objective advice to our clients.

If you are interested in learning more about investing with Sitka Pacific, please contact us.

Sitka Pacific
Capital Management LLC

538 Broadway
Sonoma, CA 95476

Phone: (707) 933-0322
Fax: (888) 877-1314
Email: investing@sitkapacific.com

On the web at:
www.sitkapacific.com

DIVIDEND GROWTH COMPOSITE ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets (USD) (thousands)	Number of Accounts	% Non-fee Paying Accounts	S&P 500	Annual Composite Performance		Composite Dispersion
						Gross	Net	
2011	75.0	1,229	22	7%	2.1%	-0.6%	-2.3%	0.6%
2010	69.3	1,381	25	0%	15.1%	-4.2%	-5.9%	1.2%
2009	59.3	1,312	22	6%	26.5%	13.9%	12.2%	0.3%
2008	18.2	248	5	28%	-37.0%	-3.0%	-3.3%	N.A.
2007*	4.9	30	1	100%	-1.4%	-8.1%	-8.1%	N.A.

Total firm assets are defined to include all supervised assets over which management and/or trading discretion is held. These accounts may or may not be fee-paying.

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year. * Performance reflects the period June 1, 2007 to December 31, 2007.** For periods with less than 36 months of composite performance, no 3-year ex-post standard deviation measurement is available.

Year End	*Annualized 3-Year Standard Deviation***	
	S&P 500	*Composite*
2011	18.7%	7.3%
2010	21.9%	10.1%

Dividend Growth Composite *contains fully discretionary accounts which invest in dividend paying securities. For comparison purposes the composite is measured against the S&P 500 Index.*

Sitka Pacific Capital Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sitka has not been independently verified. Portfolio and composite returns have been calculated by a third party.

Sitka Pacific Capital Management, LLC is an independently registered investment adviser. The firm maintains a complete list of composite descriptions, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance may not be indicative of future results. Regular internal audits will, from time-to-time, result in changes in composite construction and thus changes in composite characteristics for various historical periods. Please contact us for the most up to date version of this document.

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 presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. The Annualized 3-Year Standard Deviation represents the annualized standard deviation of actual composite and benchmark returns, using the rolling 36-months ended each year-end. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule for the composite is 1.75% of assets under management. Actual investment advisory fees incurred by clients may vary. The Dividend Growth Composite was created on September 30, 2009.