



1913 Stuart Avenue
Richmond, VA 23220
(804) 677-4343
www.alphaverification.com

Alpha Performance Verification Services

Independent Verifier's Report

Focused Growth Investor Newsletter
PDM Investment Services, LLC
5131 Standish Drive
Troy, Michigan 48085

We have examined the accompanying Schedule of Investment Performance Returns and the Notes to the Schedule of Investment Performance Returns for the ***Focused Growth Investor Diversified Mutual Fund & Sector Portfolio and Focused Sector Stock & Mutual Fund Portfolio – Moderate*** for the period January 1, 2003 through December 31, 2011. The Schedule of Investment Performance Returns and Notes to the Schedule of Investment Performance Returns are the responsibility of management. Our responsibility is to express an opinion on this performance presentation based on our examination.

Our examination included examining evidence supporting the Schedule of Investment Performance Returns and Notes to the Schedule of Investment Performance Returns for the ***Focused Growth Investor Diversified Mutual Fund & Sector Portfolio and Focused Sector Stock & Mutual Fund Portfolio – Moderate*** and performing other procedures, as we considered necessary in the circumstances. Our examination included procedures to obtain assurance that performance results reflected in the Schedule of Investment Performance Returns were calculated using consistent methodologies as outlined in the Notes to the Schedule of Investment Performance Returns. We believe our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present, in all material respects, the performance record of the ***Focused Growth Investor Diversified Mutual Fund & Sector Portfolio and Focused Sector Stock & Mutual Fund Portfolio – Moderate*** based on the calculation methodologies set forth in the Notes to the Investment Performance Schedule of Returns. The Schedule of Investment Performance Returns and Notes to the Investment Performance Schedule of Returns are an integral part of this opinion.

A handwritten signature in black ink that reads "Alpha Performance Verification". The signature is written in a cursive, flowing style.

Alpha Performance Verification Services
January 11, 2012

**Focused Growth Investor Diversified Mutual Fund & Sector Portfolio
and Focused Sector Stock & Mutual Fund Portfolio – Moderate**

Schedule of Investment Returns

	2011 Annual Return	2010 Annual Return	3 Year Annual Return	5 Year Annual Return	9 Year Annual Return
Diversified Mutual Fund & Sector Portfolio	-3.0%	16.2%	15.3%	4.5%	9.8%
Focused Sector Stock & Mutual Fund Portfolio	-2.4%	N/A	N/A	N/A	N/A
T. Rowe Price Equity Index S&P 500 Fund	1.9%	14.7%	13.9%	-0.5%	5.9%

Annual Return	2003	2004	2005	2006	2007	2008	2009	2010
Diversified Mutual Fund & Sector Portfolio	33.00%	13.40%	8.80%	13.60%	15.40%	-29.60%	36.10%	16.20%
T. Rowe Price Equity Index S&P 500 Fund	28.30%	10.50%	4.60%	15.40%	5.20%	-37.10%	26.30%	14.70%

Please see attached notes to Schedule of Investment Returns.

***Focused Growth Investor Diversified Mutual Fund Portfolio & Sector Portfolio and
Focused Sector Stock & Mutual Fund Portfolio - Moderate***

Notes to Schedule of Investment Performance Returns

As of December 31, 2011

1. ORGANIZATION

PDM Investment Services, LLC is a Registered Investment Advisor located in Troy, Michigan. The services offered are the Focused Growth Investor Newsletter, Portfolio Management and Portfolio Analysis & Design. The Focused Growth Investor is a subscription based monthly investment newsletter. The ***Diversified Mutual Fund & Sector Portfolio and Focused Sector Stock & Mutual Fund Portfolio – Moderate*** are their most commonly recommended portfolio.

2. FOCUSED GROWTH INVESTOR DIVERSIFIED MUTUAL FUND & SECTOR PORTFOLIO - MODERATE

Our examination of the ***Focused Growth Investor Diversified Mutual Fund & Sector Portfolio - Moderate*** began on January 1, 2003. The portfolio is comprised of no-load mutual funds, money market funds and Certificates of Deposit.

3. FOCUSED GROWTH INVESTOR FOCUSED SECTOR STOCK & MUTUAL FUND PORTFOLIO - MODERATE

Our examination of the ***Focused Growth Investor Focused Sector Stock & Mutual Fund Portfolio - Moderate*** began on January 1, 2003. The portfolio is comprised of stocks, no-load mutual funds, money market funds and Certificates of Deposit.

4. CALCULATION OF THE TIME-WEIGHTED RATES OF RETURN

The performance of the portfolio returns has been prepared using consistent methodologies. The returns are calculated using account monthly brokerage statements taking into account any cash received or distributed. The returns include dividends, transaction costs and other custodial or brokerage expenses, but have not been reduced by portfolio management fees. Historical rates of return may not be indicative of future rates of return. The rate of return parameters used by management is as follows:

- The Diversified Mutual Fund & Sector Portfolio inception date is January 1, 2011 for the actual account and January 1, 2003 for the investment newsletter.
- The Focused Sector Stock & Mutual Fund Portfolio inception date is January 1, 2011 for the actual account and January 1, 2003 for the investment newsletter.
- Returns are presented including transactions fees. Actual returns for an investor may be reduced by portfolio management fees.
- The portfolios are rebalanced as often as monthly and at least annually depending on investment recommendations of the Focused Growth Investor Newsletter.
- The Diversified Mutual Fund & Sector Portfolio does not receive or distribute cash. All realized and unrealized profits and losses remain in the portfolio.
- The Focused Sector Stock & Mutual Fund Portfolio may receive or distribute cash, which will be accounted for in calculating returns.

4. CALCULATION OF THE TIME-WEIGHTED RATES OF RETURN - continued

- Dividends received by the portfolios are reinvested in same security that issued the dividend or cash into the portfolio.
- The portfolio is valued as of the last trading day of each month.

5. OTHER NOTES

- Performance returns of the T. Rowe Price Equity Index 500 Fund are shown for general industry-wide comparative purposes. It should not be assumed that the benchmark represents a similar investment strategy or asset class as the *Focused Growth Investor Portfolios*.
- It should not be assumed that all clients follow the *Focused Growth Investor Portfolios*. Client investments are made with their investment objective, risk tolerance and income needs in mind.
- A complete list of past recommendations and changes to the *Focused Growth Investor Portfolios* is available upon request.
- Past performance is not indicative of future performance.
- The Independent Verifier's Report and the Schedule of Investment Performance Returns are an integral part of this presentation.