# International Value Advisers, LLC
# Diversified International Composite

**For the period from January 1, 2008 through December 31, 2010**

Vincent Performance Services LLC

Vincent Performance Services LLC

International Value Advisers, LLC
717 Fifth Avenue
10th Floor
New York, NY 10022

We have verified whether International Value Advisers, LLC (the Company) (1) complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the period from January 1, 2008 through December 31, 2010, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2010. We have also examined the Company's Diversified International Composite for the period from January 1, 2008 through December 31, 2010. The Company's management is responsible for compliance with the GIPS standards and the design of its policies and procedures and for the Diversified International Composite's compliant presentation. Our responsibility is to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the verification and performance examination procedures set forth in the GIPS standards and the Guidance Statements on Verification and Performance Examinations. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, International Value Advisers, LLC has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the period from January 1, 2008 through December 31, 2010, and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2010.

Also, in our opinion, the accompanying compliant presentation of the Company's Diversified International Composite for the period from January 1, 2008 through December 31, 2010 has been prepared and presented, in all material respects, in compliance with the GIPS standards.

This report does not relate to or provide assurance on any composite compliant presentation of the Company other than the Company's Diversified International Composite.

Karyn D. Vincent

Karyn D. Vincent, CFA, CIPM
Vincent Performance Services LLC
April 22, 2011

# International Value Advisers, LLC
# Diversified International Composite
# January 1, 2008 (Inception) through December 31, 2010

| | *Returns* | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | *Gross of Fee* | *Net of 0.9% Fee* | *Net of 1.5% Fee* | *AC World (Net) ex US* | *High* | *Low* | *Median* | *Standard Deviation* | *Portfolios* | *Total Assets in Composite (in millions)* | *Total Firm Assets (in millions)* | *Composite as a % of Total Assets* |
| **1QT 2008** | **3.72%** | **3.49%** | **3.33%** | **-9.15%** | **3.72%** | **3.72%** | **3.72%** | *N/A* | **1** | **$83.08** | **$232.38** | **35.75%** |
| **2QT 2008** | **-6.59%** | **-6.80%** | **-6.94%** | **-1.12%** | **-6.59%** | **-6.59%** | **-6.59%** | *N/A* | **1** | **$104.24** | **$286.04** | **36.44%** |
| **3QT 2008** | **-7.87%** | **-8.09%** | **-8.23%** | **-21.91%** | **-7.26%** | **-7.26%** | **-7.26%** | *N/A* | **3** | **$281.23** | **$522.77** | **53.80%** |
| **4QT 2008** | **-3.43%** | **-3.65%** | **-3.79%** | **-22.34%** | **-2.28%** | **-4.12%** | **-2.75%** | **0.78%** | **4** | **$376.49** | **$1,013.10** | **37.16%** |
| **2008** | **-13.80%** | **-14.58%** | **-15.10%** | **-45.53%** | **-13.85%** | **-13.85%** | **-13.85%** | ***N/A*** | **4** | **$376.49** | **$1,013.10** | **37.16%** |
| **1QT 2009** | **-6.63%** | **-6.84%** | **-6.99%** | **-10.71%** | **-6.30%** | **-6.98%** | **-6.62%** | **0.29%** | **5** | **$581.14** | **$1,692.87** | **34.33%** |
| **2QT 2009** | **16.66%** | **16.41%** | **16.25%** | **27.59%** | **20.52%** | **14.48%** | **17.09%** | **2.51%** | **5** | **$812.91** | **$2,971.78** | **27.35%** |
| **3QT 2009** | **13.53%** | **13.29%** | **13.12%** | **19.69%** | **14.85%** | **12.95%** | **13.76%** | **0.78%** | **5** | **$1,037.81** | **$4,321.07** | **24.02%** |
| **4QT 2009** | **0.72%** | **0.50%** | **0.35%** | **3.74%** | **0.86%** | **0.61%** | **0.67%** | **0.10%** | **6** | **$1,248.77** | **$5,455.69** | **22.89%** |
| **2009** | **24.56%** | **23.47%** | **22.74%** | **41.45%** | **30.43%** | **21.07%** | **26.43%** | **4.28%** | **6** | **$1,248.77** | **$5,455.69** | **22.89%** |
| **1QT 2010** | **4.64%** | **4.41%** | **4.25%** | **1.58%** | **5.05%** | **4.37%** | **4.97%** | **0.23%** | **6** | **$1,548.29** | **$7,077.79** | **21.88%** |
| **2QT 2010** | **-3.64%** | **-3.86%** | **-4.00%** | **-12.45%** | **-3.41%** | **-3.88%** | **-3.56%** | **0.15%** | **6** | **$1,661.44** | **$7,969.31** | **20.85%** |
| **3QT 2010** | **10.46%** | **10.22%** | **10.06%** | **16.58%** | **11.58%** | **10.07%** | **11.29%** | **0.52%** | **6** | **$2,049.93** | **$10,030.68** | **20.44%** |
| **4QT 2010** | **6.72%** | **6.48%** | **6.33%** | **7.20%** | **6.97%** | **6.66%** | **6.90%** | **0.12%** | **6** | **$2,536.37** | **$12,746.41** | **19.90%** |
| **2010** | **18.86%** | **17.81%** | **17.12%** | **11.15%** | **20.85%** | **18.08%** | **20.64%** | **1.05%** | **6** | **$2,536.37** | **$12,746.41** | **19.90%** |

| | | | | |
|---|---|---|---|---|
| **Cumulative since inception through 12/31/2010** | | | | |
| | 27.63% | 24.24% | 22.04% | -14.35% |
| **Annualized since inception through 12/31/2010** | | | | |
| | 8.47% | 7.50% | 6.86% | -5.03% |
| **3 Year (as of) Annualized Standard Deviation** | | | | |
| 2010 | 16.04% | | | 27.28% |

IVA claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. IVA has been independently verified for the period from January 1, 2008 through December 31, 2010.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Diversified International Composite has been examined for the period from January 1, 2008 through December 31, 2010. The verification and performance examination reports are available upon request.

1. International Value Advisers, LLC is an independent investment advisor registered under the Investment Advisers Act of 1940. A complete list of composites descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. All returns are expressed in U.S. dollars.

2. The Diversified International Composite includes all institutional accounts, mutual funds, and limited partnerships benchmarked to the MSCI AC World Ex US (Net) Index. The composite was created in March 2009. No attempt is made to construct a portfolio relative to this benchmark. Instead, the objective is to deliver annual returns in excess of risk-free yields and to outperform major benchmarks over a long investment cycle. To achieve its objective, IVA will seek investments in companies of any size that have one or more of the following: financial strength, temporarily depressed earnings or entrenched franchises. However, the overriding attribute of such companies is that their securities offer fundamental value.

3. Both gross and net returns reflect the deduction of transaction costs and the reinvestment of dividends and other earnings. Returns are net of non-reclaimable withholding taxes. Gross returns do not reflect the deduction of investment advisory fees or any other expenses that may be incurred in the management of the account. Net returns are net of model investment advisory fees in effect for the respective time period. Model net returns are calculated by subtracting the highest applicable fee on a monthly basis from the gross composite return. Actual advisory fees can vary among clients invested in this strategy. The Composite may include accounts with perofrmance-based fees. Effective December 2010, the current standard fee schedule for separately managed accounts is as follows: 0.85% on the first $250 million; 0.80% thereafter. Effective December 2010, the largest fee schedule for off shore accounts is as follows: 1.25% mgt fee, 10% performance fee (absolute high water mark).

4. The returns of the MSCI AC World Ex US (Net) Index are provided to represent the investment environment existing during the time periods shown and are not covered by the report of the independent verifiers. The MSCI All Country World Index Ex-U.S. (Net) is an unmanaged index consisting of 44 country indices, ex the US, comprised of 23 developed and 21 emerging market country indices and is calculated with dividends reinvested after deduction of withholding tax. The Index is a trademark of Morgan Stanley Capital International, Inc.

5. The dispersion of returns is measured by the equal weighted standard deviation of account returns included in the composite for the full period. For those periods where less than 2 accounts are included, "N/A" is presented.

6. The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark for the 36-month period ending as of the dates provided.

7. Accounts in the composite may invest in derivative instruments. These include forward contracts, options and future contracts. Accounts invest in derivatives primarily to seek to hedge exposure to certain markets and securities and/or for speculative (i.e. non-hedging) purposes. Accounts also seek to hedge exposure to foreign currencies, typically through the use of foreign currency derivatives, including currency forward contracts.

Past performance is not indicative of future results. As with any investment vehicle there is always the potential for gains as well as the possibility of losses.