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This brochure provides information about the qualification and business practices of Markston International, LLC. If you have any questions about the contents of this brochure, please contact us at 914-761-4700 or by email at info@markston.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), or by any state securities authority.

Markston International, LLC is a registered investment adviser. Registration with the SEC does not imply a certain level of skill or training.

Additional information about Markston International, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

February 23, 2012

Annual Update

Markston International, LLC (which is referred to in this Brochure as “Markston International, LLC”, “Markston”, “we” or “our”) is providing this information as part of our annual updating amendment which contains material changes from our last annual update. This section discusses only material changes since the last annual update which most recently occurred on March 29, 2011.

Material Changes since the Last Update

Since our last annual update dating March 29, 2011, Mr. Michael Mullarkey retired and Mr. Christopher Mullarkey is now the Managing Member of Markston International, LLC. Roger M. Lob is the firm’s Chief Compliance Officer.

Full Brochure Availability

The Firm Brochure for Markston International, LLC is available by contacting Christopher Mullarkey, Managing Member, Markston International, LLC, 914-761-4700 or info@markston.com

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ITEM 4: ADVISORY BUSINESS

Markston International, LLC is a registered investment advisor established in 1999. Markston International, LLC is the successor to Markston Investment Management, which was established in 1981. Christopher Mullarkey is the principal owner of the firm and Roger M. Lob is a minority owner of the firm.

Markston International, LLC provides discretionary investment management services to institutional and high net worth clients. We provide our discretionary investment management services to separately managed accounts, a domestic mutual fund in a sub-advisory capacity and an offshore organized pooled investment vehicle. The firm primarily invests in U.S. equities, and may also opportunistically invest in ADRs, warrants, convertible or corporate bonds subject to client investment policy guidelines.

Each of our client accounts are managed according to one of the following strategies: 1) AllCap; 2) SMID Cap; or 3) S&P 500 Active. More detailed information about these strategies is found under “Methods of Analysis, Investment Strategies and Risk of Loss” on pages 7-9.

Our clients can impose restrictions or limitations on how we manage their accounts according to these strategies. These restrictions or limitations generally appear either in the client’s investment management agreement or in the investment guidelines adopted for the account.

Markston International, LLC currently does not participate in any wrap fee programs.

Markston International, LLC only manages assets on a discretionary basis. As of December 31, 2011, firm assets under management totaled \$1,316.1 million.

ITEM 5: FEES AND COMPENSATION

Clients pay Markston International, LLC for its advisory services based on a percentage of total assets under management. A fee schedule is found below. However, fees are negotiable.

Fee Schedule for All Cap**

SEPARATE ACCOUNTS

Separate Account Fee Information

Separate Account Availability	Open
Minimum Account Size (\$ million)	\$3.00
Minimum Annual Fee	\$28,500.00
Fee Includes Custody?	No
Performance-based Fees Available?	Yes
"Most Favored Nation" Arrangements Available?	No

Separate Account Fee Schedule

First	\$3.00 million	@	0.950%
Next	\$5.00 million	@	0.700%
Next	\$15.00 million	@	0.650%
Next	\$25.00 million	@	0.600%
Next	--- million	@	---
Next	--- million	@	---
Next	--- million	@	---
Balance		@	0.600%

Fee Schedule for S&P 500 Active**

SEPARATE ACCOUNTS

Separate Account Fee Information

Separate Account Availability	Open
Minimum Account Size (\$ million)	\$3.00
Minimum Annual Fee	\$30,000.00
Fee Includes Custody?	No
Performance-based Fees Available?	Yes
"Most Favored Nation" Arrangements Available?	No

Separate Account Fee Schedule

First	\$3.00 million	@	1.000%
Next	\$5.00 million	@	0.700%
Next	\$15.00 million	@	0.650%
Next	\$25.00 million	@	0.600%
Next	--- million	@	---
Next	--- million	@	---
Next	--- million	@	---
Balance		@	0.600%

Fee Schedule for SMID Cap**

SEPARATE ACCOUNTS

Separate Account Fee Information

Separate Account Availability	Open
Minimum Account Size (\$ million)	\$3.00
Minimum Annual Fee	\$33,000.00
Fee Includes Custody?	No
Performance-based Fees Available?	Yes
"Most Favored Nation" Arrangements Available?	No

Separate Account Fee Schedule

First	\$3.00 million	@	1.100%
Next	\$25.00 million	@	0.850%
Next	\$50.00 million	@	0.850%
Next	--- million	@	---
Next	--- million	@	---
Next	--- million	@	---
Next	--- million	@	---
Balance		@	0.850%

Markston International, LLC bills clients for investment management services rendered. For most accounts, custodial banks pay the fee to Markston International, LLC on behalf of its clients upon specific instructions from the clients. In certain situations, the client may pay the fee by check directly to Markston International, LLC. Some clients pay Markston directly out of a linked account that does not affect assets under management. Clients are generally billed on a quarterly basis.

Clients may pay other fees in connection with services rendered by Markston International, LLC including, but not limited to, custodial fees, brokerage commissions and transaction costs. Markston does not receive any portion of these fees. For a further discussion of brokerage commissions, please see Item 12. Brokerage Practices.

Clients may pay their fees in advance but generally pay after they are billed. Currently no client pays fees in advance. If a client chooses to pay their fee in advance and then terminates the contract before the end of the billing period, Markston International, LLC would calculate the final fee amount based on final assets under management and the fee agreement with the client and would deduct this amount from the pre-paid amount made by the client. The difference would be refunded to the client.

Neither Markston International, LLC nor any of its staff accepts compensation for the sale of securities or other investment products.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Markston International, LLC and its supervised persons do not currently manage any performance-fee based accounts.

ITEM 7: TYPES OF CLIENTS

Markston International, LLC provides investment advice to a domestic mutual fund, an offshore fund, a religious account, an educational account, Taft-Hartley accounts, corporate pension plans, public funds and high net-worth individuals.

Markston International, LLC's minimum account size is \$3 million. However, Markston considers each potential client on a case-by-case basis.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Markston International LLC primarily employs one research process to support its three investment products. The process can be summarized as “value with a catalyst”. The catalyst is a collective catalyst that is generally comprised of at least three of six “alpha generators”, which Markston International LLC determines after researching financial newspapers, research materials prepared by research providers, annual reports filed with the SEC, other filings with the SEC, and company press releases. The six “alpha generators” are:

- 1) Insider buying (including option activity), particularly by officers
- 2) Stock repurchase by the company itself
- 3) Management changes that create cultural change and a move toward meritocracy
- 4) Sale of spin-off of a division
- 5) Consolidating industries
- 6) Tax loss carry forwards that assure turbo charged cash flows once profitability returns

The firm has been employing a “value with a catalyst” style since the firm’s inception in 1981. This methodology is flexible because it does not limit the firm to a rigid investment philosophy.

Markston International, LLC uses this methodology to support its three products: an AllCap product, a SMID Cap product and S&P 500 Active product. Each of these products is managed according to the “value with a catalyst” methodology but differ in the types of securities they purchase as described below.

ALLCAP PRODUCT

The AllCap product invests in equities of all capitalizations primarily from the Russell 3000 Index stock universe. Markston International, LLC measures performance of the AllCap product against the performance of the Russell 3000 Index.

SMID CAP PRODUCT

The SMID Cap product invests primarily in small and mid capitalization equities from the Russell 2500 Index stock universe. Markston International, LLC measures performance of the SMID Cap Product against the performance of the Russell 2500 Index.

S&P 500 ACTIVE PRODUCT

The S&P 500 Active product invests primarily in large capitalization equities from the S&P 500 Index stock universe. Markston International, LLC measures performance of the S&P500 Active Product against the performance of the S&P 500 Index

While Markston International, LLC will often look to see where a stock is valued against its peers by measuring price-to-earnings, price-to-book, and price-to-sales, we prefer to invest in undervalued stocks that have the potential to become industry leaders based upon superior technology, market share position, and / or other similar factors. Ultimately, we look for companies that can emerge as market leaders, and which, in the firm's estimation, can potentially develop premium valuations as compared to its peer companies based on Markston International, LLC's valuation analysis.

Markston International, LLC attempts to build well diversified portfolios. Typically portfolios will hold 60-100 individual stocks. Markston carefully monitors industry weighting on a nightly basis to understand risk exposure to particular industries. Cash may sometimes be increased opportunistically subject to client guidelines.

Markston's sell discipline also focuses on managing the risk of the portfolio. We may sell securities to reduce industry exposure, because it is no longer felt that the security risk return profile is attractive or because we erred in our investment analysis. Portfolio turnover generally runs between 20-40% per year.

Investments in securities involves risk of loss that clients should be prepared to bear. Investments in common stocks and other equity securities in particular are subject to the risk of changing economic, stock market, industry and company conditions. In addition, the three products are subject to manager risk including risks inherent in our ability to anticipate changes that can adversely affect the value of the strategy's holdings or the chance that focus on a particular sector or group of companies will cause the product to underperform relevant benchmarks. Since each product has its own investment universe with unique market capitalizations, there is the chance that the product returns may lag the large cap indices such as the S&P 500 or the Dow Jones Industrial Average. For example, smid-cap stocks are historically more volatile than large-cap stocks as they are more sensitive to changing economic conditions. Opportunity for greater gain often comes with greater risk of loss.

Additionally, Markston may generate returns that are higher or lower than its benchmark. Past performance is not indicative of future results. There is no guarantee that the performance in the future will be equal to or higher than the past performance presented to any client. While the investment objective of each product platform is to provide profits, there is a possibility for losses.

ITEM 9: DISCIPLINARY INFORMATION

Neither Markston International LLC nor its employees have been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of its advisory business or the integrity of its management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Markston International, LLC is a sub-advisor to the MainStay Map Fund. Markston does not market this product to its clients.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Markston International, LLC has adopted a code of ethics pursuant to SEC rule 204A-1. A copy of the firm's code of ethics will be provided to any current or prospective client upon request by contacting Markston International, LLC. Among other policies, the code of ethics:

- 1) sets standards of conduct consistent with Markston's fiduciary obligations to its clients;
- 2) requires initial, quarterly and annual reports of securities holdings and transaction reports by employees;
- 3) places restrictions on personal trading;
- 4) places restriction on employee outside directorships;
- 5) contains restrictions on insider trading; and
- 6) requires employee initial and annual code of ethics compliance certifications.

Neither Markston International, LLC nor any related person recommends to clients nor buys or sells for client accounts securities in which the firm or a related person has a material financial interest.

Personnel at Markston International, LLC may invest in the same securities that Markston International, LLC recommends to clients. This creates a conflict of interest because employees could trade ahead of client accounts. Markston International, LLC's Code of Ethics addresses this conflict by requiring preclearance of trading that could cause conflicts of interest with client trading and at least annual monitoring of personal trades by the chief compliance officer or his designee. When a preclearance request for a personal trade is made, the chief compliance officer or his designee will not permit the trade if it is determined that the trade would conflict with trades being made for client accounts.

ITEM 12: BROKERAGE PRACTICES

When executing trades for each account, the portfolio managers at Markston International, LLC generally choose the broker with whom to transact each trade. Executing brokers are chosen based on the portfolio manager's discretion after considering which broker will provide the greatest probability of completing the trade depending on each individual security. The portfolio manager also considers executing trades for all clients in a way that buys or sells the required amount of stock, minimizes information leakage of the portfolio manager's intent and gives each client a low commission expense. In addition to execution capabilities, brokers are chosen based on Markston International, LLC's perception of the quality and depth of investment research that a brokerage firm provides. Markston International, LLC attempts to ensure that trading commissions are minimized by utilizing electronic communication networks (ECNs). When given discretion to choose brokers, average commission rates are generally less than 2 cents per share, but not more than 5 cents per share. The firm uses negotiated rates for all trades.

Markston International, LLC will use client commissions ("soft dollars") to provide access to investment research reports analyzing the performance of a particular stock, company, or industry and to attend industry research conferences. Markston International, LLC typically attends conferences which relate to current stock holdings. All soft dollar benefits received by Markston, are research products that are eligible under Section 28(e) of the Securities Exchange Act of 1934 and related SEC interpretive releases. During the last fiscal year, we directed brokerage to the following brokers for soft dollar credits: Goldman Sachs, RBC Capital Markets,

Morgan Stanley, Deutsche Bank, Bank of America / Merrill Lynch, Barclays, CRT, Nomura and Kaufman Brothers.

By using soft dollars to receive investment research, Markston receives the benefit of this research without paying out of its own assets for such research. Thus, the firm may have an incentive to use certain brokers whose research is above average rather than obtaining the best execution for client trades. In addition, Markston International, LLC may pay a higher commission rate to obtain soft dollar benefits than it would have paid had it not obtained the soft dollar benefits. However, when given brokerage discretion, Markston International, LLC will never pay commission rates higher than 5 cents per share regardless of the quality and quantity of soft dollar benefits received from the broker. Soft dollar benefits are used for the advantage of all clients regardless of the specific amounts of commissions paid. Research paid for by one of Markston International, LLC's strategies may be used for the benefit of a different strategy and not for the strategy that generated the particular soft dollars that paid for such research. Markston has no contractual soft dollar commitments with any brokers.

Markston International, LLC does not receive client referrals from a broker-dealer or third party nor would it direct commissions to a broker in order to gain client referrals.

Markston International, LLC does not recommend, request or require that a client direct the firm to execute transactions through a specified broker-dealer.

Clients may direct brokerage whereby they instruct Markston to execute the client's trades through specific broker dealers. However, Markston International, LLC does advise directed brokerage clients that they may be unable to achieve most favorable execution of client transactions. When clients direct brokerage such trades generally will be executed after block trades made for Markston International, LLC's other clients. As a result, trading through a directed broker may be detrimental to the client as it can potentially mean higher commissions, less favorable trade execution and higher prices. In addition, directed brokers often have less advanced trading tools than the normal brokers used by Markston which may also contribute to less favorable trades for directed brokerage trades.

All trades executed for each client account are aggregated. Allocations are reviewed nightly to ensure fair and appropriate allocation across the accounts. Rationales for allocations include, but are not limited to, the size of the account, cash flows in to or out of the account, investment

restrictions, and / or to facilitate even distribution of securities and industries across accounts with similar benchmarks.

ITEM 13: REVIEW OF ACCOUNTS

The Chief Compliance Officer and the Managing Member of the firm review each of the accounts Markston International, LLC manages on a daily basis. The nature of the review is to monitor each account complies with its investment guidelines.

Markston International, LLC's portfolio managers review each of its accounts on a periodic basis, no less than weekly, to monitor industry weightings, cash positions, and other risk factors. Any "event" that resulted in an equity market move of great than 5% in one day would trigger an immediate review of client portfolios; such an event (9/11 for instance) would likely be considered a "material" change in the economic, geo-political and financial environment, and may alter the firm's investment strategy.

Markston International, LLC reports to clients regarding their accounts on a quarterly basis. Quarterly reports include performance versus the benchmark for the quarter. These written reports also provide a discussion of particular securities in the account and factors that contributed to performance. From time to time, clients may request a similar report at their discretion. Clients may also request occasional conference calls or face-to-face meetings with the members of the firm.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Markston International, LLC does not receive any economic benefits from any person who is not a client, other than research and research conferences as described in Item 12 above.

Neither Markston International, LLC nor any related person directly or indirectly compensates any person who is not a supervised person for client referrals.

ITEM 15: CUSTODY

Markston International, LLC has never had nor currently has custody of client funds or securities. Markston International, LLC does not direct debit any fees.

ITEM 16: INVESTMENT DISCRETION

Markston International, LLC accepts discretionary authority to manage securities accounts on behalf of clients. Limitations clients may place on this authority include security and brokerage selection. The client delegates discretionary authority to Markston International, LLC via the signing of an Investment Management Agreement between the firm and the client. An Investment Policy Agreement which generally states any limitations set by the client usually accompanies the Investment Management Agreement.

ITEM 17: VOTING CLIENT SECURITIES

The client determines whether Markston International, LLC has the authority to vote client securities. When Markston International, LLC has such authority, its objective is to vote client securities to support proposals and director nominees that maximize the value of an account or fund's investments over the long term. Since 2007, Markston International LLC has delegated the responsibility to vote client securities to a subsidiary of MSCI, Inc., Institutional Shareholder Services (ISS) according to the ISS Benchmark Proxy Voting Policy & Procedures because it believes that in general voting according to such guidelines is best suited for maximizing shareholder value. However, Markston International, LLC retains the ability to override any vote if it believes that ISS' vote recommendation is not in the best interest of a client and always maintains the option to review and amend votes, except in the case of a conflict of interest. When Markston International, LLC determines that there is an apparent conflict of interest, or the appearance of a conflict of interest for a particular vote, Markston will follow the vote recommendation of ISS. The Chief Compliance Officer is notified of any conflicts of interest that might occur during proxy voting. Markston International, LLC believes that generally clients can at any time direct the firm's votes in a particular solicitation. Markston International, LLC retains documentation on all of its votes and is able to obtain a copy of past proxy votes for a specific account at any time and for any period. If a client requests this information for their account, the firm will contact Institutional Shareholder Services (ISS) and will then provide this

information to the client. Clients may request a copy of Markston's past proxy votes and obtain a copy of Markston's Proxy Voting Policy & Procedures by calling Markston International, LLC at (914) 761-4700.

In the case where Markston International, LLC does not have the authority to vote client securities, clients may receive their proxies or other solicitations from their custodian or transfer agent. Clients may contact Markston International, LLC with questions about a particular solicitation.

ITEM 18: FINANCIAL INFORMATION

Markston International, LLC does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

Markston International, LLC has never been the subject of a bankruptcy petition.

Roger M. Lob
Markston International, LLC
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Suite 285
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914-761-4700
February 23, 2012

This brochure supplement provides information about Roger M. Lob that supplements the Markston International, LLC ("Markston") brochure. You should have received a copy of that brochure. Please contact Mr. Roger Lob, Chief Compliance Officer, at the number above or at info@markston.com if you did not receive Markston's brochure or if you have any questions about the contents of this supplement.

Education & Business Experience

Roger M. Lob ("Mr. Roger Lob" or "Roger"), born in 1960, is a Member of Markston. Roger started his career as a quantitative analyst at Kidder, Peabody & Company in 1983. In 1985, he joined Markston as a quantitative analyst and portfolio manager. Roger has over 26 years experience in the research and portfolio management end of the investment management industry. Roger is Markston's Chief Compliance Officer, administrative systems leader as well as a portfolio manager. Roger holds an M.B.A. from Columbia University (1984) and a B.A. from the University of Pennsylvania (1982).

Disciplinary Information

Roger has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Other Business Activities

Roger is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Markston.

Additional Compensation

Roger does not receive any economic benefits from any person other than Markston in connection with the provision of investment advice to clients.

Supervision – Roger Lob

Messrs. Roger Lob and Chris Mullarkey review each of the accounts that Markston manages on a daily basis. The nature of the review is to monitor each account for compliance with investment guidelines. Markston's portfolio managers review each of its accounts on a periodic basis, no less than weekly, to monitor industry weightings, cash positions, and other risk factors. Any "event" that resulted in an equity market move of greater than 5% in one day would trigger an immediate review of client portfolios; such an event (9/11 for instance) would likely be considered a "material" change in the economic, geo-political and financial environment, and may alter a client's investment strategy.

Markston's portfolio managers maintain a constant dialogue with each other regarding the appropriateness of the investments in client portfolios, the consistency of their respective investment strategies and compliance with investment guidelines.

The firm has established a compliance program designed and implemented to prevent violations of the federal securities laws, to which all employees (including Roger) are subject. Mr. Christopher Mullarkey is responsible for supervising Roger's investment advisory activities. Any comments or complaints on the activities of Roger should be reported to Mr. Christopher Mullarkey at 914-761-4700.

Christopher Mullarkey
Markston International, LLC

50 Main Street
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914-761-4700

February 23, 2012

This brochure supplement provides information about Christopher Mullarkey that supplements the Markston International, LLC ("Markston") brochure. You should have received a copy of that brochure. Please contact Mr. Roger Lob, Chief Compliance Officer, at the number above or at info@markston.com if you did not receive Markston's brochure or if you have any questions about the contents of this supplement.

Education & Business Experience

Christopher Mullarkey ("Mr. Chris Mullarkey" or "Chris"), born in 1970, is the Managing Member of Markston. Chris has over 19 years of experience in the investment management, sales and/or trading industries. Prior to joining Markston in 2001, he worked for Instinet from 1992 to 2001 in sales and trading. Chris started as a portfolio manager at Markston in 2001 and is currently a portfolio manager on all three strategies employed by the firm. Chris holds an M.B.A. from New York University (2002) and a B.A. from Grinnell College (1992).

Disciplinary Information

Chris has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Other Business Activities

Chris is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Markston.

Additional Compensation

Chris does not receive any economic benefits from any person other than Markston in connection with the provision of investment advice to clients.

Supervision – Christopher Mullarkey

Messrs. Roger Lob and Chris Mullarkey review each of the accounts that Markston manages on a daily basis. The nature of the review is to monitor each account for compliance with investment guidelines. Markston's portfolio managers review each of its accounts on a periodic basis, no less than weekly, to monitor industry weightings, cash positions, and other risk factors. Any "event" that resulted in an equity market move of greater than 5% in one day would trigger an immediate review of client portfolios; such an event (9/11 for instance) would likely be considered a "material" change in the economic, geo-political and financial environment, and may alter a client's investment strategy.

Markston's portfolio managers maintain a constant dialogue with each other regarding the appropriateness of the investments in client portfolios, the consistency of their respective investment strategies and compliance with investment guidelines.

The firm has established a compliance program designed and implemented to prevent violations of the federal securities laws, to which all employees (including Chris) are subject. Mr. Roger Lob is responsible for supervising Chris' investment advisory activities. Any comments or complaints on the activities of Chris should be reported to Mr. Roger Lob at 914-761-4700.