



**Mark A. Sellers III, Managing Partner**

January 15, 2013

Dear Partners:

Below are the results of the Sellers Capital Fund since its inception 9½ years ago on August 1, 2003. Also shown are the returns of the three major market indices:

**The Sellers Capital Fund**

Returns Since Inception (8/1/03)

	<b>Q4 2012</b>	<b>Full Year 2012</b>	<b>Total Return Since Inception</b>	<b>Annualized Return Since Inception</b>
Sellers Capital Fund - Gross	14.10%	9.61%	309.58%	16.15%
Sellers Capital Fund - Net	14.10%	9.61%	235.57%	13.72%
S&P 500	-0.51%	15.41%	72.36%	5.95%
Nasdaq	-3.10%	15.91%	77.01%	6.25%
Dow Jones Industrials	-1.48%	11.26%	77.98%	6.31%

Data through December 31, 2012. Returns are audited through December 31, 2010.  
All returns include dividends.

Here are the quarterly returns to partners (net of fees) since inception:

**Sellers Capital Fund**  
**Quarterly Net Returns**

	Sellers Capital Fund	S&P 500
Q3 03	0.97%	0.87%
Q4 03	10.04%	12.18%
Q1 04	17.98%	1.70%
Q2 04	15.92%	1.71%
Q3 04	-17.47%	-1.87%
Q4 04	7.46%	9.23%
Q1 05	5.42%	-2.15%
Q2 05	11.57%	1.36%
Q3 05	5.97%	3.61%
Q4 05	13.23%	2.09%
Q1 06	-2.23%	4.21%
Q2 06	-9.97%	-1.44%
Q3 06	10.67%	5.67%
Q4 06	21.00%	6.70%
Q1 07	-8.57%	0.65%
Q2 07	46.89%	6.12%
Q3 07	-13.40%	2.46%
Q4 07	30.05%	-3.37%
Q1 08	23.12%	-9.45%
Q2 08	34.04%	-2.73%
Q3 08	-54.42%	-8.37%
Q4 08	1.84%	-22.11%
Q1 09	-38.23%	-11.10%
Q2 09	-3.65%	15.78%
Q3 09	11.62%	15.55%
Q4 09	6.34%	6.05%
Q1 10	4.72%	5.43%
Q2 10	-13.30%	-11.30%
Q3 10	31.55%	11.22%
Q4 10	13.21%	10.71%
Q1 11	-3.42%	5.69%
Q2 11	-8.78%	-0.12%
Q3 11	7.17%	-13.73%
Q4 11	30.72%	11.75%
Q1 12	36.66%	12.60%
Q2 12	-23.73%	-3.04%
Q3 12	-12.22%	6.01%
Q4 12	14.10%	-0.51%

And here are the annual returns of the Fund since inception:

	<b>Sellers Capital Fund</b>			
	<b>Annual Gross and Net Returns</b>			
	SCF	SCF	S&P 500	+/- S&P 500
	(Gross)	(Net)	Index	Index
2003	11.37%	11.37%	13.15%	-1.78%
2004	21.29%	21.29%	10.87%	10.42%
2005	53.16%	41.13%	4.92%	36.21%
2006	21.80%	17.20%	15.90%	1.30%
2007	64.07%	51.25%	5.49%	45.76%
2008	-23.40%	-23.40%	-37.14%	13.74%
2009	-29.29%	-29.29%	25.70%	-54.99%
2010	35.95%	35.95%	14.78%	21.17%
2011	23.42%	23.42%	2.11%	21.31%
2012	9.61%	9.61%	15.41%	-5.79%
<b>Annualized</b>	<b>16.15%</b>	<b>13.72%</b>	<b>5.95%</b>	<b>7.77%</b>

\* 2003 results are partial year from August 1 to December 31

### **Premier Exhibitions**

As I wrote in my last update, we're currently in talks with potential buyers of the Titanic assets. As the Company has disclosed, we have a letter of intent to purchase the assets with a consortium that is in the process of putting together financing to close the deal. I'm working to create liquidity for us as quickly as possible without compromising our negotiating position and expect to have more to report within the next couple of months.

I have a lot of my own money in the Fund. I'm in the boat with you. I want to thank you all for your patience thus far. I know it has taken longer than expected to get this Titanic sale done. It's a complex transaction with many players involved, including the court, public shareholders, lawyers, public-private money, and others. In the meantime, Premier's operating business continues to do well, with revenues and profits up dramatically from previous years. We have cut costs and increased sales. We've merged with the second-largest company in the touring exhibition industry and now are the 800 lb. gorilla of the industry. The company's operating business now has real value.

I'll send out another update as soon as any material developments occur.

Sincerely,

*Mark Sellers III*