

LM CAPITAL GROUP, LLC

SHORT TERM FIXED INCOME

LM Capital is a registered investment advisor founded in 1989 by Luis Maizel and John Chalker to provide fixed income investment management for the institutional investor. The firm is a 65% employee owned minority business, employed by public agencies, corporations and foundations nationwide. Currently, LM Capital manages four types of fixed income investment portfolios: **Short Term, Intermediate, Active Core and Opportunistic Core (Core Plus)**.

LM Capital utilizes a long-term, macroeconomic, fundamental investment analysis incorporating **Global Scenario Planning** to assemble a concentrated fixed-income portfolio representing the most-attractive fixed income investment opportunities available.

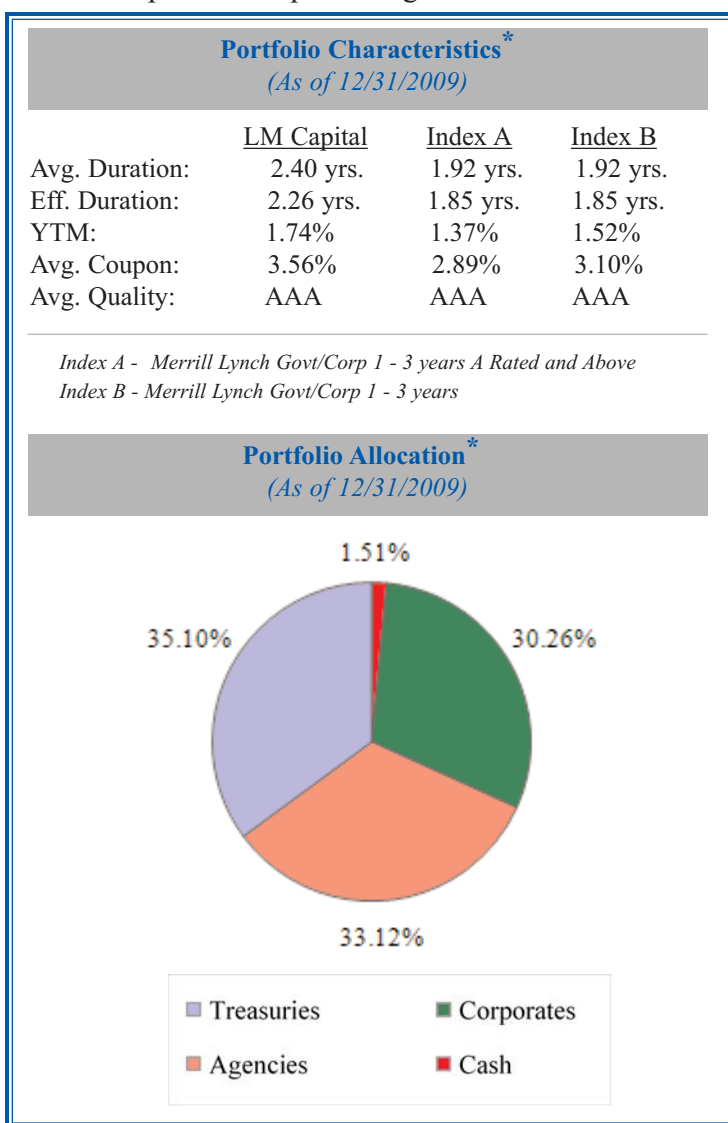
Our philosophy is centered on the belief that money is a commodity whose price, or interest rate, is governed by the laws of supply and demand, and that global economic, political, and social factors significantly influence this equation.

LM Capital's Short Term fixed income portfolios generally consist of securities with less than 5 years in maturity and are comprised of Treasuries, agencies, investment-grade (A/A2 min or better) corporate issues.

Since LM Capital only manages separate accounts, we determine the sector allocation weightings in accordance with the client's investment policy.

For more information on LM Capital Group's Short Term fixed income product, please contact:

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LM Capital Group, LLC's Short Term Composite contains a fully discretionary fixed income account and for comparison reasons is measured against the Merrill Lynch 1-3 GC A Rated & Above Index or the Merrill Lynch 1-3 GC Index. The Short Term fixed income portfolio generally consists of securities with less than 5 years in maturity and are comprised of Treasuries, agencies, investment-grade (A/A2 minimum or better) corporate issues. The minimum account size for this composite is \$10 million beginning in 2003.

LM Capital Group, LLC claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of LM Capital Group, LLC's composites and/or a presentation that adheres to the GIPS® standards, contact Mr. Jeffrey Frankel, Chief Compliance Officer, at (619) 814-1401; 401 B Street, Suite 950 San Diego, CA 92101; jfrankel@lmcapital.com.