

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.

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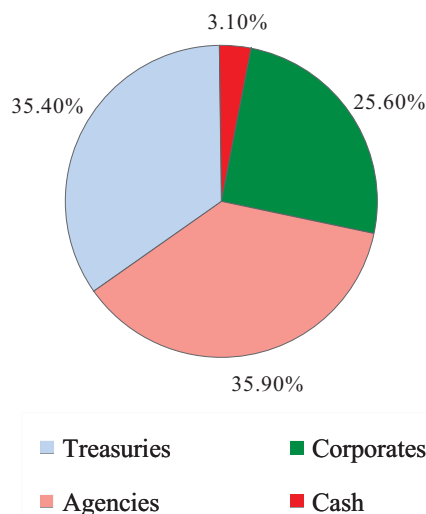
Portfolio Characteristics*

(As of 06/30/2008)

	LM Capital	Benchmark
Average Maturity:	1.69 years	1.86 years
Effective Duration:	1.95 years	1.73 years
Yield to Maturity:	3.49%	3.36%
Average Coupon:	4.34%	4.55%
Average Quality:	AAA	AAA

Portfolio Allocation

(As of 06/30/2008)



*Information presented above is based on a representative portfolio, and shown as supplemental information to the composite disclosure presentation on the following page.

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SHORT TERM COMPOSITE DISCLOSURES

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 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 (LM Capital Group) has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

LM Capital Group is an independent registered investment advisor. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Additional information regarding the treatment of significant cash flows is available upon request.

Past performance is not indicative of future results.

The US Dollar is the currency used to express performance. Performance results are presented before the deduction of management fees. Actual performance returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. Returns are presented gross of management fees and include the reinvestment of all income. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of the investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 25 bps.; annual investment advisory fee would be \$2,672.41 in the first year, and cumulative effects of \$17,191.04 over five years and \$51,529.21 over ten years. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for calculating and reporting returns is available upon request.

The investment management fee schedule for the composite is 25 bps up to \$25 million, 20 bps from \$25 to \$50 million, and 18 bps up to \$100 million and negotiable thereafter. Actual investment advisory fees incurred by clients may vary.

The Short Term composite was created March 1, 1990. LM Capital Group compliance with the GIPS standards have been verified for the period beginning January 1, 1997 through March 31, 2008 by Ashland Partners & Company LLP. In addition, a performance examination was conducted on the LM Capital Group composite beginning January 1, 1997.

A copy of the verification report is available upon request.

Year End SHORT TERM COMPOSITE	Total Firm Assets (millions)	Composite Asset (USD millions)	Number of Accounts	Annual Performance (Gross)	Benchmark (ML 1-3 yr)	Composite Dispersion
1997	145.1	47.5	2	6.82	6.69	N/A
1998	216.6	48.1	1	7.35	7.00	N/A
1999	222.8	49.2	1	2.22	3.25	N/A
2000	410.0	109.5	2	8.27	8.07	N/A
2001	485.6	125.5	2	8.59	8.71	0.24%
2002	679.2	120.1	2	6.31	6.09	0.02%
2003	1,330.6	145.1	3	1.68	2.74	0.41%
2004	1,742.9	120.1	3	1.33	1.21	0.23%
2005	2,159.6	104.7	2	2.17	1.75	0.07%
2006	2,200.7	73.1	1	4.63	4.25	N/A
2007	3,363.6	78.2	1	6.70	6.87	N/A

N/A – Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.