



3Q. 2004 summary

U.S. Treasury Bond Management Program

Investment Philosophy

The Lara Group, Ltd. is an investment management firm specializing in U.S. Treasury Bonds, Bills, and Notes. The firm's U.S. Treasury Bond Management Program ("Program") has average annual return objectives of 6 - 8% in a portfolio of solely U.S. Treasury Securities. The Program emphasizes preservation of capital and total return to enhance an investor's fixed income portfolio. The Program is managed through separate accounts for institutional and private investors. To best utilize the Program, the recommended minimum investment period is three to five years.

The firm's successful management record is attributed to a unique analytical system of identifying the trading range of U.S. Treasury bonds and capitalizing on this knowledge. Expertise of the behavior and types of U.S. Treasury instruments in which to invest, coupled with stringent and proven buy-sell disciplines, are significant strengths of the asset management approach.

Performance – Treasury Bond Composite

| Composite | 1 Year (ending 9/30/04) | 3 Years* (ending 9/30/04) | 5 Years (ending 9/30/04) | Since Inception** (ending 9/30/04) |
|--------------------------------|----------------------------|------------------------------|-----------------------------|---------------------------------------|
| Annualized Returns: | | | | |
| Net of fees | -0.13% | 2.39% | 6.87% | 9.48% |
| Gross of fees | -0.13% | 2.58% | 7.49% | 10.50% |
| Lehman Brothers U.S. Aggregate | 3.52% | 5.81% | 7.44% | 7.22% |

*These returns are presented as supplemental information to the returns required by the AIMR-PPS® Advertising Guidelines.

** Inception date of the U.S. Treasury Bond Management Program is 4/01/1994. For purposes of comparison, the same time period is calculated for the Lehman Brothers U.S. Aggregate Index. As with any investment, past performance is no guarantee of future results.

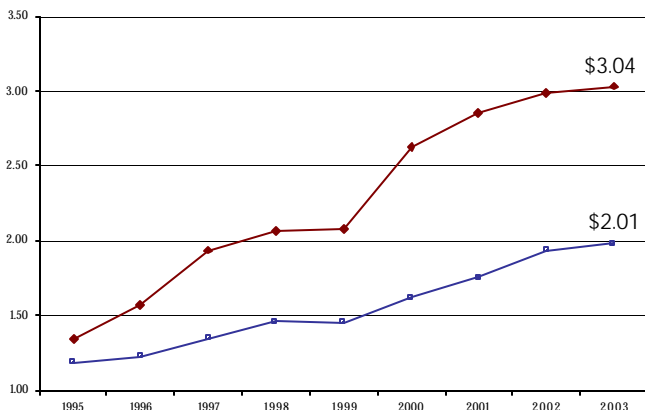
Portfolio Characteristics

All statistical information based on the Treasury Bond Composite as of September 30, 2004

- Benchmark Indices: LB U.S. Aggregate Index
- Total Assets Managed In Style: \$12.0 million
- Credit Quality: Govt./AAA
- 3rd Quarter Return, net of fees: 0.70%

Growth of \$1.00¹

Growth of \$1.00 Chart
Annual Return 1995 - 2003, gross of fees



The Lara Group U.S. Aggregate Index

Investment Strategy Cycle



- Mathematical model determines buy/sell points for long-bond.
- Bonds purchased are 20-22 Year Treasury STRIPS.
- Bonds are sold at designated 30 – 50 basis point drop.
- Short-term Treasuries are purchased until the long-bond's next buy point. Cycle repeats.

Note: Historically, 80% of the time the Program held Treasuries with maturities of less than three years.



Quarterly & Annual Performance (%)

| Year | QI | QII | QIII | QIV | Lara Group | LB U.S. Aggregate |
|----------------------------|-------|-------|-------|-------|------------|-------------------|
| 2004 (3 rd Qtr) | 0.71 | -0.83 | 0.70 | | | N/A |
| 2003 | 0.87 | 0.92 | 0.17 | -0.70 | 1.26 | 4.10 |
| 2002 | 0.16 | 2.29 | 1.41 | 0.73 | 4.66 | 10.26 |
| 2001 | 2.63 | 1.39 | 3.47 | 0.72 | 8.44 | 8.44 |
| 2000 | 18.30 | 1.05 | 2.15 | 2.47 | 25.13 | 11.63 |
| 1999 | 0.95 | 1.04 | 1.19 | -3.59 | -0.49 | -0.82 |
| 1998 | 0.94 | 1.72 | 2.71 | 1.03 | 6.54 | 8.69 |
| 1997 | 1.29 | 7.90 | 7.97 | 1.31 | 19.55 | 9.65 |
| 1996 | -0.61 | 3.93 | 0.59 | 9.44 | 13.71 | 3.63 |
| 1995 | 8.05 | 18.63 | -0.17 | 3.94 | 33.00 | 18.47 |
| 1994 | N/A | -7.63 | -5.12 | 6.49 | N/A | N/A |

The returns stated for the U.S. Treasury Bond Management Program are net of investment management fees. Returns stated for the Lehman Brothers U.S. Aggregate are gross of fees. *In 1994, the current Program was not active for the full calendar year; therefore an annual return is not available. The Lara Group, Ltd. claims compliance with the AIMR Performance Presentation Standards® (AIMR-PPS®), the U.S. and Canadian version of GIPS®. AIMR has not been involved with or reviewed The Lara Group, Ltd.'s compliance. A complete list and description of the Lara Group, Ltd.'s composites and a presentation that adheres to the AIMR-PPS standards are available for review on www.Lara-Group.com or call 703-761-3907.

What is AIMR?

AIMR Performance Presentation Standards (AIMR-PPS) are based on the same principles of fair representation and full disclosure as the GIPS standards; the AIMR-PPS standards provide the North American marketplace with consistency and comparability of investment managers' performance. These are ethical principles and guidelines that promote uniformity in reporting investment performance. The Investment Performance Council oversees all of AIMR's investment performance standards activities. For more information visit www.aimr.org.

1. The "Growth of \$1.00" chart should not in and of itself be used to determine which securities to buy or sell, or when to buy or sell them; or directly or indirectly infer future performance; or for the sole purpose of determining suitability. Returns stated are annual, ending 12/31/2003. Returns charted for The Lara Group are gross of investment management fees.