



Financial Economics Consulting Group, Inc.

*Investment
Management*

Financial Planning

Business Valuation

Litigation Support

2316 University Boulevard
Tuscaloosa, Alabama 35401
(205) 345-0934 Fax (205) 391-0927
Visit our website at www.fecg.com

This brochure provides information about the qualifications and business practices of FECG. If you have any questions about the contents of this brochure, please contact us at (205) 345-0934. The information in this brochure has not been approved or verified by the United States Securities Commission or by any state securities authority. Additional information about FECG is also available on the SEC's website at www.adviserinfo.sec.gov.

I. Financial Economics Consulting Group, Inc.

flexible solutions for *Your investment needs*

Founded in 1985, Financial Economics Consulting Group, Inc. is an independent, locally owned and operated firm providing personal investment and financial management. Our client base primarily includes individuals. No specific banks or brokerage companies affiliation allows the firm to offer flexible solutions to the targeted needs of clients. Members of the firm have the knowledge, education, and broad-based financial experience to stay abreast of emerging trends and to guide wise decision-making.

Benefits of A Relationship with FECG

- **Personal Service** – Our clients communicate directly with the principles of FECG who evaluate your financial needs and work with you to develop a financial strategy specifically tailored to the individual’s needs.
- **Direct Management** – A skilled portfolio manager invests your funds. Assets selected conform to individual client’s characteristics, goals, needs and risk tolerance level.
- **Clear Communication** – A complete, personalized financial analysis is the foundation for all decisions for a client’s account. The document is an initial evaluation and updated periodically to ensure that all investments are appropriate for and conform to the client’s financial goals and they evolve and change. Monthly statements, quarterly reports and annual reviews are all an ongoing communication strategy for the financial health of a client’s individual portfolio.

Hours of Operation

9 a.m. until 5 p.m.

Monday thru Friday

By Appointment Only

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Benefits of a FECG Relationship

- **Our commitment to:**
 - Client assets placed with a custodian upholding rigorous industry regulations.
 - Adherence to stringent business standards for long-term financial health and stability
 - Over 25 years experience combined with custody at Charles Schwab provides the common objective to protect and grow our client's assets
 - Dedication to providing responsive investment advice and operational support
 - Commitment to quality service delivered in a timely manner
 - Independent, locally owned and operated fee-based firm
 - Focus on service, not products
 - Priorities on investments and financial decisions representing best interest for client
 - Delivering quality execution

III. ADVISORY SERVICES

Investment Management

FECG is a fee-based, full-service asset management firm focusing on customer service. In the past, only institutional and high net worth investors were able to benefit from having the most competent consultation, investing products and services.

Today, we are able to meet these standards for the individual investor. Our highly qualified team has the skills and experience in techniques needed to maximize wealth, based on the level of risk an individual is willing to incur.

At FECG, our core competencies lie in the area of consulting services for the client. Among those are:

- in-house asset management
- strategic alliances with Charles Schwab the custodian
- individually structured and managed portfolios of securities based on defined client investment objectives
- managing each individual portfolio to maximize wealth rather than purely focusing on returns
- innovation and diligence to find the ideal financial setting for each client
- clients own 100% of the securities in their portfolio allowing a tailor made structure suited to specific needs.
- the client owned individual approach provides a variety of tax advantages and customization features can enhance and increase clients' overall satisfaction with their portfolios.

FECG believes that, by working with each client as a team and offering our advice to supplement the individual investment strategy, clients will achieve higher returns. Because we have no affiliation to the firms selected, clients have an unbiased expert team of managers working for you. FECG bases our success on performance relative to each client's goals, not commission.

While we believe it is in a client's best interest to allow FECG to manage their investments, we do understand that some people prefer just an advisory relationship. FECG offers advice and recommendations after review based upon the economic outlook, investment markets as a whole and the goals of the client. The client is then free to act as they see fit with respect to our input.



Financial Planning Services

FECG provides clients investment supervisory services by contract to provide discretionary management and non-discretionary advisory services for individuals and their designated assets. Our management style centers on asset analysis and portfolio structuring, with investment strategies. FECG focuses the implementation upon client objectives and characteristics.

Investment purchases or recommendations include the following individual securities:

- Common and preferred stocks
- Fixed income investments
- Closed-end and open-end no load mutual funds
- All recommendations and purchases are made as deemed appropriate for each client

Services include:

- quarterly statements
- meetings as requested by the client

FECG's fee structure is according to:

- the services sought by the client
- the assets and asset mix managed to meet the goals
- objectives and risk characteristics of the each client
- on the last trading day of each quarter, quarterly fees are calculated based upon market value; one fourth of the fee is billed and paid in arrears after the end of the quarter
- fees may be negotiable
- a copy of the fee schedule is noted on page 8 of this brochure

The ability to manage your money in today's complex financial world requires knowledge of many diverse areas of expertise. Individuals need experts with skills to analyze their current financial position, set realistic goals for their family's future and implement effective plans to achieve the stated goals.

Financial Economics Consulting Group provides access to professional financial planning and offers a variety of services including:

- Detailed Analysis of current financial position
- Individual Goal Setting
- Income and Expenditure Projections
- Investment Analysis and Recommendation
- Insurance and Risk Analysis
- Retirement Planning
- Estate Planning
- Plan Implementation and Monitoring

We have designed our program to address the needs of clients seeking comprehensive financial planning as well as those seeking only advice in specific areas. The program is client driven and the client determines the actual services desired. These services and recommendations are provided on an advisory basis and not investment supervisory service.

The client is billed for services on an hourly rate based upon the time needed to complete the analysis and meetings with the individual. FECG does not require any management of the client's investment assets involved in these services. Any client interested in pursuing investment management services are directed to an investment advisor for more information.

A financial planning client may contract for an annual review of their plan and its structure that encompasses a review of the investments being employed and their goals and objectives to determine if changes are needed or the basis of the plan has changed.



IV. FEE SCHEDULE

FINANCIAL PLANNING AND ADVISORY SERVICES

Fees are based on the amount of time: extensive financial case analysis and follow-up meetings, necessary to adequately address the financial objectives of the client and are billed at a rate of \$100 an hour. The billing method, hourly or flat fee, will be established at the onset and detailed in the Financial Advisory Services Agreement along with the scope of services to be provided.

INVESTMENT MANAGEMENT

First \$1,000,000	1% of Market Value
\$1,000,001-\$2,999,999	.85% of Market Value
\$3,000,000-\$4,999,999	.60% of Market Value
\$5,000,000-\$7,499,999	.55% of Market Value
\$7,500,000-\$9,999,999	.50% of Market Value
\$10,000,000 +	.45% of Market Value

FECG retains the right to negotiate fees with clients based on the specifics of each account. Any changes to the stated compensation schedule will typically serve to reduce the assessed fees. Examples could include combining accounts or accounts with limited activity. Once determined the fee and billing method will be set forth in the Investment Management Agreement.

BUSINESS VALUATIONS

Fees for Business Valuations are negotiated, with the typical business taking 50 hours to value. All valuations are supported by documented written reports prepared in accordance with the client's defined assignment and supported by generally accepted financial valuation techniques.

LITIGATION SUPPORT

Expert witness fees are \$300 an hour plus expenses., for testifying experts. Associates are billed at other rates depending upon the services provided.

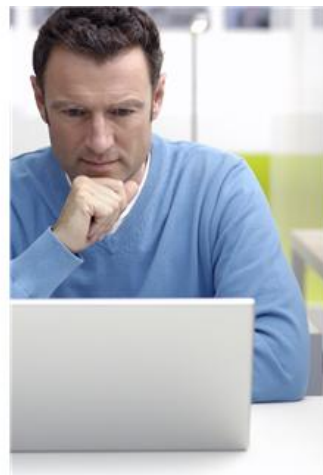


V. Management Profiles

Stephen W. Reinhart received a B.S. Degree in Finance and Master of Arts degree in Corporate Finance from the University of Alabama. Prior to founding the firm with Robert in 1985, Steve spent ten years with First National Bank of Tuscaloosa. During this time, he held the positions of Vice-President and Trust Investment Office and managed over 400 million in trust and bank investments. In addition to serving as President of FECG and overseeing the Investment Management division Steve occasionally serves as an instructor at the University of Alabama.

Robert W. McLeod holds a B.S. Degree in Finance and a Master's Degree in Business Administration from the University of Southern Mississippi, and received a Doctor of Philosophy Degree in Finance from the University of Texas at Austin. Before coming to the University of Alabama Robert taught at the University of Central Florida and Louisiana State University. While lending his expertise to each area of the firm his specialties are Litigation Support and Business Valuations. Robert continues to serve as Professor of Finance at the University of Alabama and has contributed numerous articles to both academic and professional publications. He holds the professional designations of Chartered Financial Analyst, Certified Financial Planner, Chartered Life Underwriter and Accredited Valuation Analyst.

Deborah P. McLeod holds a B.S. Degree in Business Administration and a Master's Degree in Business Administration from the University of Alabama. Prior to joining FECG, she spent seventeen years as Director of Marketing with DCH Northport Medical Center and ten years as Marketing Officer with Regions Bank.



VI. CLIENTS

Financial Economics Consulting Group recognizes that our clients have unique investment goals and objectives. We are dedicated to assisting them attain their specific investment goals to meet their current situation or in the future. FECG serves individuals from all walks-of- life. Our clients vary in profession, age, and marital status with different financial needs, goals and objectives.

Whether an individual is interested in building retirement, increasing portfolio growth, creating an investment portfolio, saving for education, future income or wealth building, FECG has the knowledge and expertise for their specific needs. Our team of investment advisors, certified financial planners and analysts welcome the opportunity to provide services to high net worth individuals as well.

Among our number of strengths, one of the most valued is individual relationships with our clients. Our ability to know our clients and design customized investment portfolios and services to match each client's needs sets FECG apart in today's competitive world. The key to a successful relationship begins with understanding the client's current and future financial objectives and needs, then matching those needs with the most appropriate and efficient portfolio structure and services. Our clients include \$45,887,023 discretionary clients and \$4,100,695 non-discretionary clients.

VII. Investment Strategy

FECG develops an individualized strategy with based upon facts provided in the investment policy statement outlining risk tolerance, specific goals, account characteristics and needs of the account. The information regarding strategy is the general strategy employed by the firm.

Philosophical View - We have our foundation in monetarism – the belief that the control of the basic money supply and interest rates, in conjunction with fiscal policy, determines the direction and strength of economy. These shifts in accommodation effect consumer and corporate spending by squeezing out marginal demand and how and where capital is spent in the economy. By recognizing cyclical changes and trends, we can focus on those industries and companies that may benefit from future growth in these areas.

Risk Perspective - FECG would be classified as average or moderate risk managers. Since each asset group – stocks, fixed-income, cash, commodities, etc. – are in competition for investment dollars we apply a reasonable value approach in evaluating each investment. Does the differential between expected returns of an asset group justify the marginal risk that might be incurred? This reflects our strategy of creating a balanced structure between income and growth and is expressed in a total return approach to management. The overall return is a combination of income from interest and dividends in conjunction with appreciation or growth. To target a rate of return that is both appropriate for the account but less market sensitive and volatile over time. Which is more emphasized (income or growth) at any point in time depends on the economic and market conditions relative to each asset group. These factors influence which asset group is perceived to have the greater appreciation potential and thus the asset allocation that is most appropriate in managing market and security risk in the portfolio.

Fixed Income Sector— Within this sector, we control the type of security -- treasuries vs. corporate vs. preferred vs. cash – the maturity range and the weighting to limit the exposure to rising interest rates and inflation. Rising interest rates are normally synonymous with an expanding economy, rising profits and company values. Thus, reposition funds to growth from the income group.

Growth or Stock Sector— Within this sector, we screen companies within the selected industries to identify reasonable value relative to earnings growth. Some of the factors considered when valuing each security are – price-to-book (P/B), price-to-sales (P/S), expected sales and earnings growth rates, the price/earnings to growth ratio (PEG), historical valuation ranges and prices. In addition, the product mixes company position with the industry, management stability, and consistency in revenue, earnings and dividend growth.

Currently, we believe that the economy will continue to experience growth but at a slowing rate of change. While the consumer has powered past growth future growth will result from increased corporate expenditures on equipment, plants and modernization. This is developing within an environment of continued worldwide expansion, especially in Asia, parts of South America, Eastern Europe and Canada. Companies offering services, machinery and materials to these regions or from them should continue to realize revenue and earnings growth for the near future. It also implies that the demands on energy and raw materials will remain firm as developing countries like China, Brazil and others continue to raise the standard of living for their citizens. Within this country, increased expenditures on highways and infrastructure will add to the momentum from the corporate sector.

Our investment style, these factors and more are reflected in the sample portfolios that we developed, specifically the recommended asset mix and portfolio. The sample portfolios are samples and could change with a more detailed policy and/or economic and market conditions.

Choosing the appropriate investment

Most investors want their investments to reflect their goals and objectives as closely as possible. FECG uses a variety of investment instruments in determining the appropriate mix to meet each individuals needs. There a myriad to choose from in today is market and the selection process is very involved in a customized portfolio.

Depending upon the individual's objectives, the following are among the types of investments considered by FECG in designing a portfolio:

- Common stocks
- Preferred stocks
- Fixed Income Securities
- Mutual Funds
 - Open ended and closed ended no load funds



PHILOSOPHY AND METHODOLOGY

FECG maintains an investment philosophy emphasizing a combination top-down (the general economic environment) and bottom-up (individual companies within their industries) approach to determine the relative values, which exist among asset classes. Components of our investment approach include fundamental and technical analysis, asset allocation and relative valuation.

Generally, clients seek a balanced investment approach, with invested funds allocated between income-producing assets and growth-oriented assets. ***We assist the client in determining the realistic investment objectives, which will satisfy their long-term goals given their risk parameters.*** We see the role of our firm as integrating the current and projected economic and investment environments with the clients' objectives regarding risk and return.

When selecting securities for a client's portfolio, primary emphasis will be given to fundamental analysis. However, we also utilize technical analysis to assist in the investment timing process. Information may be taken from available databases, business periodicals, published research material; company published material, or other sources. The information will generally be utilized for two specific purposes:

- To construct a reasonable description of the current and projected economic environment
- To determine which securities are purchased or sold

Screening variables for fixed-income assets include:

- Nominal Yields
- Real Rates of Return
- Credit Quality
- Maturity Structure, etc.

Such variables for stocks would include the company's industry outlook, current and relative P/E ratios, price to sales ratio, market capitalization, and dividend yield and the anticipated earnings and dividend growth.

VIII. Business Standards

We understand that investors want to feel confident that their assets have been placed with a company that is financially healthy. To that end, we set aggressive business standards designed to position our company for long-term health and stability.

- **Strict business practices**—We strive to remain our investors' strongest financial resource through business practices that place an emphasis on: prudent expense management, diversified revenue mix – By focusing on fee-related and consulting services income, rather than commissions, we strive to increase the stability of our revenues during fluctuating market conditions.
- **Accurate company financial reports**—SEC Rule 17a-5 requires all registered investment advisors to routinely file periodic reports—regulatory and surveillance information providing accurate detail of their current financial and operational condition. FECG files these reports for full disclosure of the state of our company.
- **Commitment to privacy**—Our most important asset is our relationship with you. FECG does not share personal information with third parties except in limited circumstances as allowable by law. We also do not sell personal information to anyone. Details of our approach to privacy and how personal information is collected and used are explained in the FECG Privacy Policy outlined on page 12 of the brochure.
- **Code of Ethics/Conduct**—Section 204 of the Investment Advisers Act of 1940 and the rule amendments require all registered investment advisers to adopt code of ethics. A copy of the firm's code of ethics policy is available upon request.
- **Commitment to compliance**—Compliance with governmental agencies mandates as registered investment advisors, FECG is subject to the rules and regulations of the Securities and Exchange Commission. This regulatory entity has established financial responsibility rules designed to help safeguard client assets.
- **Dedicated support team**— Our team of professionals are dedicated to supporting every aspect of the Investment management services we provide to you. Client satisfaction and loyalty are of utmost importance. Each client is the responsibility of the entire firm, not just a single individual or group, providing you with multiple contacts.

IX. Interest in Client Transaction and Personal Trading; Code of Ethics

Our primary concern is our client's best interest and is in the forefront of our business transactions. FECG executes trades through the broker/custodian for each account unless specified differently by the client. The firm recommends the use of a low cost brokerage in order to minimize the transaction cost on each transaction. Our clients can use either a discount broker or a full service firm.

Upon opening an account, we explain that a full service broker may cost more and allow the client to make the choice based upon the amount of contact that they will want with the custodian, their comfort with the format for information and statements supplied and the type of information the client requires from the custodian. FECG has compared the basic and per share commission with similar custodians offering similar services in the industry to insure that, clients are receiving appropriate commission charges.

FECG has only limited authority in all accounts to purchase and sell securities and select the type of money market account that is employed in the account. FECG has no authority to transfer assets or withdraw assets or cash from a client account and transaction of this nature require client authorization.

The firm has no soft dollar arrangements with any firm or company for research, recommendations, newsletters, etc. The primary factor in the decision to own a security is the cost, efficiency and effectiveness in the execution of orders as they are placed for our clients. Other important factors include the quality of the

Custodial and record keeping services provided to the client. Whether the client selects a full service or non-discount broker, FECG will work to negotiate a discount on the commissions paid by our client. The firm has established an investment advisors master account with Charles Schwab as the designated discount broker when the client agrees.

Clients receive a monthly statement, low transaction costs, access to various no-load mutual funds, various money market options and other reports and services with an account through this master at Schwab.

Availability of research is not the primary reason in selecting a broker. Other factors we consider include but are not limited to:

- General market information
- Detailed security information
- Analysis reports & recommendations
- Basic fundamental analysis

All of these services are available to our clients. We do not make recommendations to use a specific brokerage for the sole purpose of obtaining information or research data and none of our accounts have been directed for that purpose. Any information obtained from a brokerage firm is for the benefit of all our clients. Any information not provided as part of their association is purchased by FECG with hard dollars to avoid all possibilities for conflict of interest.

In discretionary accounts FECG makes the decision as to the specific security and the amount of that asset that each account will own and directs the custodian to execute trades. The decision for each account is based on its size, risk characteristics, goals,

Diversification requirements, income needs and other specific factors associated with each account. Each account is structured to maximize the client goals while minimizing the associated security and market risk from the investments employed.

FECG may purchase or sell for its own account or accounts of its principals, securities purchased or sold for client accounts. Neither the company nor its employees may purchase or sell any security during a period when trading for client's accounts, involving the same security is conducted. For the purposes of this policy, the period is defined as the settlement period. There are specific authorizations and situations, which are described in the firm's policy regarding personal trading.

FECG nor its employees shall not purchase or sell any securities for their own account(s) until the trade has been disclosed to the employer and cleared by the Compliance Officer and the employer. All employees of FECG must complete a monthly trade report itemizing all investment activity that was executed on behalf of the employee. Additionally, copies of confirmation of all trades must be supplied to the employer.



FECG may recommend that clients establish brokerage accounts with Schwab Institutional, a division of Charles Schwab & Company, a registered broker-dealer, member SIPC to maintain custody of clients' assets and to effect trades for their accounts. FECG is independently owned, operated, and not affiliated with Schwab. Schwab provides FECG with access to its institutional trading and custody services, that are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge with a minimum of at least \$10 million of the advisors assets under management maintained in accounts at Schwab Institutional. These services include brokerage, custody, research, access to mutual funds and other investments usually available to only institutional investors or require a significantly higher minimum initial investment.

FECG utilizes Schwab Institutional to maintain custody of clients' assets in their accounts. There is no charge for custody. Account holders compensate Schwab by commissions or by other transaction related fees for securities trades executed through Schwab or that settle into Schwab accounts. Information regarding Schwab's fee for services is available to clients upon request. Basic fees such as commission for trades, wire transfer fees, etc. are disclosed during the initial account opening.

In addition, Schwab makes other products and services available to FECG that benefit the firm in decision making processes that also benefit its clients' accounts.

Why we recommend Charles Schwab

Financial Economics Consulting Group is a locally owned, operated fee-based investment management firm that has no affiliation with Charles Schwab and Company. Through the association with Charles Schwab, other products and services are made available to assist FECG in managing and administering clients' accounts. Among the products and services available are:

- Software and other technology providing access to client account data (trade confirmations, account statements, tax reporting information)
- Facilitation of trade execution (allocation of aggregated trade orders for multiple client accounts)
- Research
- Pricing Information and other market data
- Facilitation of payment for FECG fees from clients' accounts
- Assistance with back office functions
- Recordkeeping and client reporting
- Investment advisor education and consulting
 - Publications
 - Seminars
 - Practice management
 - Regulatory Compliance
 - Marketing

FECG recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to FECG and their clients of the availability of some of the foregoing products and services provided by Schwab, which may create a potential conflict of interest. Clients retain the right to make their final account decision.



X. Account Reviews

For managed accounts specific assets, asset mix and activity are monitored regularly. The same accounts are reviewed in detail on an account-by-account basis at least quarterly. The quarterly analysis considers prevailing investments owned with current economic, market and client conditions and objectives. Reports are provided to the clients outlining the present environment, expectations, and past quarter upon request. Our flexibility allows the client to request a meeting whenever there is a need for more information or when client objectives change. The investment advisors review all client accounts to insure that all assets comply with authorized investment goals, the risk characteristics of the client and all activity is accurate.

Each account receives a monthly statement from the custodian that lists the assets owned with market values, all activity that took place during the month – purchases, sales, income, deposits, or withdrawals, available cash and estimates of annual income. The applicant receives a copy of the same statement that is reviewed to verify that the activity was authorized, is correct and applied to the proper account. This information is stored in our internal computer records as it is provided, hard copy or on electronic media in the clients file.

Reports are available to clients as requested to provide specific information on what the client owns and what has taken place in the account. If the client chooses, FECG may provide managed accounts with reports that list the asset mix, cost and market value of each asset along with the total portfolio and estimated annual income quarterly, annually or for a given period, as requested. Addition reports available are income, purchases and sales and realized gains/losses for the period and the year. We review the account structure and results relative to the clients stated goals, risk parameters, income requirements and stated needs. The nature of our management is on a client-by-client basis.

Financial planning clients direct the frequency of their reviews and the information and material that they wish covered by the objectives that they have established and when they determine a review is needed. They pay an hourly rate as listed in the fee schedule provided on a previous page of this brochure and billed in arrears for the services provided. The reviews are completed by the firm's Certified Financial Planner.

XI. PRIVACY POLICY

Financial Economics Consulting Group, Inc. (FECG), an independent fee-only financial services firm, is committed to safeguarding the confidential information of our clients. We hold all personal information provided to our firm in the strictest confidence. These records include all personal information that we collect from you in connection with any of the services provided by FECG. Our policy with respect to personal information about you is listed below:

- We **do not** sell your personal information to anyone.
- We collect personal information (public and nonpublic) from clients based on the scope of the client engagement. This information may also include details about your health to the extent that it is needed for the planning process in addition to information about transactions between you and third parties.
- We **limit** employee access to information only to those who have a business or professional reason for knowing, and only to nonaffiliated parties as permitted by law. (For example, federal regulations permit us to share a limited amount of information about you with a brokerage firm in order to execute securities transactions on your behalf, or so that our firm can discuss your financial situation with your accountant or attorney).
- For unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors, we also require strict confidentiality in our agreements with them and expect to keep this information private. Federal and state regulators also may review firm records as permitted under law.
- We **do not** provide your personally identifiable information to mailing list vendors or solicitors for any purpose.
- Personally identifiable information about you will be maintained during the time you are a client, and for the required time thereafter that such records are required to be maintained by federal and state securities laws, and consistent with the SEC rules and the Board of Ethics and Professional Responsibility of CFP, CFA, CLU, and AVA. After this required period of record retention, all such information will be destroyed.
- We continue to evaluate our efforts to protect personal and financial information and make every effort to keep your personal and financial information accurate and up to date.
- We will provide notice of changes in our information-sharing practices.

PROXY VOTING POLICY SUMMARY

Purpose

It is our intent to represent the best interest of FECG investment clients in voting their proxies based upon the financial and economic research, company data and sound investment practices and principles. To that end, procedures are followed to ensure voting is in the best interest of shareholders free of potential conflicts of interests, personal preferences and opinions or influences from corporate management decisions or recommendations.

Policy

To insure that our clients' best interests as shareholders are represented in a fair, equitable and timely manner we will cast their votes as they have entrusted and authorized the firm to do as their investment manager. We will maintain information and accurate records available to clients upon request, as well as provide information as to the rationale for the votes cast on their behalf.

Voting Client Proxies

Proxies are received on behalf of stockholders, reviewed according to investment goals and objectives of the clients and votes are cast appropriately to insure maximum shareholder value. The process includes research provided by the corporation and other financial research data provided by other financial and economic sources, providing the Investment Manager with accurate data to assist in the decision making process. The proxies are given priority upon receipt and votes are cast only by the designated portfolio investment manager. For the past 25 years, FECG has made a concerted effort to serve our clients best interests and vote on issues appropriately. The firm has adopted a practice that should eliminate any potential influences of corporate management or individuals personal interest in the corporation or issues presented in the proxy voting process. Each individual issue presented is considered cautiously and in favor of the client. It is the norm and customary policy of the firm to vote against issues such as supermajority provisions, stock option plans and management compensation issues. Other issues such as change in capital structure and issuance of preferred stock are considered with acceptable reasons for the proposed changes.

Conflicts of Interest

The firm maintains a strong philosophy and standards against an environment with any potential conflicts of interest. FECG has refrained from any personal or business relationships that would compromise our ability to first act on behalf of and in the best interest of our clients. Every effort is made to resolve any conflict of interest immediately. However, the firm reserves the right to return the responsibility of proxy voting to the client at any time there is a perceived conflict of interest.

Obtaining a Copy of Voting Records and A Copy of the Policy

Proxy voting records are maintained by FECG for five years effective April 2003. As a stockholder, a client may request a copy of any voted proxy via the following methods:

Telephone: 205-345-0934
Mail: 2316 University Boulevard Tuscaloosa, Alabama 35401
Email: dmcleod@fecg.com

A copy of the complete Policy and Procedures document is also available to you upon request. The cornerstones of our business are meeting the goals and objectives of our clients and client communication. We are committed to providing quality service to you our customer. Contact us at 345-0934 if we may be of additional assistance or should you have questions about the information provided.

XII. Business Valuation and Support

Financial Economics Consulting Group provides Business Valuation services to clients seeking an independent appraisal of their business' worth. Our firm's approach is to integrate the theoretical structure of business valuation with today's business environment and practices. As assets managers, our firm provides a unique perspective regarding business valuation and builds upon such with strong qualifications and experience.

The worth of a company will be determined by assessing the intrinsic value of its assets and the value of the company's earnings and cash flow. Thus, the essence of valuation analysis is to determine the worth of a company's equity in the marketplace.

Assignments in which we have been involved range from valuations required for estate tax purposes to those assessing the sale or purchase of a business. Examples of the need for business valuation services include the following:

- Buy/Sell Agreements
- Litigation Appraisals
- Estate Tax Appraisals
- Sale of Closely-Held Business
- Valuation for Loan Purposes
- Valuation for Stock Options
- ESOP and PAYSOP

All business valuation assignments are supported by well-documented written reports. Each report is prepared in accordance with the client's defined assignment and supported by generally accepted financial valuation techniques. References and additional information are available upon request.

FECG also provides litigation support including expert witness testimony and consultation for a wide array of cases requiring economic and financial analysis and expertise.

DISCLOSURE INFORMATION

DISCIPLINARY

FINANCIAL ECONOMICS CONSULTING GROUP HAS NO PAST, PRESENT OR PENDING DISCIPLINARY ACTIONS.

INDUSTRY ACTIVITIES AND AFFILIATIONS

FECG HAS NO OTHER INDUSTRY ACTIVITIES OR AFFILIATIONS.