

U.S. Central Capital Markets, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended	
	January 31, 2002	January 31, 2001
Revenue		
Client revenue	\$ 63,258	\$ 88,342
Consulting service revenue	62,500	62,500
Net income from securities owned	6,788	28,457
Total Revenue	132,546	179,299
Expenses		
Salaries and benefits	65,070	50,351
Professional and outside services	57,576	57,684
Office occupancy and administration	520	601
Data processing	356	247
Travel	2,078	585
Marketing	-	-
Other	17,308	3,634
Total Expenses	142,908	113,102
Net Income (Loss) Before Income Taxes	(10,362)	66,197
Income Tax Expense (Benefit)		
Current	-	14,300
Deferred	(1,100)	(100)
Total Income Tax Expense (Benefit)	(1,100)	14,200
Net Income (Loss)	(9,262)	51,997
Retained Earnings - Beginning of the Period	420,045	443,642
Retained Earnings - End of the Period	\$ 410,783	\$ 495,639

U.S. Central Capital Markets, Inc.
Statements of Financial Condition (unaudited)

	<u>January 31,</u> 2002	<u>January 31,</u> 2001	<u>December 31,</u> 2001
Assets			
Cash	\$ 1,112,835	\$ 1,285,924	\$ 1,117,965
Receivables:			
Customers and broker/dealers	7,809	4,844	2,418
Accrued interest and other	93,473	110,202	88,710
Total receivables	101,282	115,046	91,128
Securities owned, at market value	3,351,302	3,369,375	3,354,313
Income taxes receivable	73,520	-	72,420
Other assets	11,529	7,680	2,729
Total Assets	\$ 4,650,468	\$ 4,778,025	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 54,160	\$ 54,341	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	118,614	59,234	114,598
Income taxes payable	-	101,902	-
Total Liabilities	172,774	215,477	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,911	4,066,909	4,066,909
Retained earnings	410,783	495,639	420,045
Total Stockholder's Equity	4,477,694	4,562,548	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,650,468	\$ 4,778,025	\$ 4,638,555

U.S. Central Capital Markets, Inc.
Net Capital Computation (unaudited)
January 31, 2002

Ownership Equity		\$ 4,477,694
Non-Allowable Assets		
Investments in affiliates	\$ 1,112,835	
Accounts receivable, Investment advisory fees	2,418	
Accounts receivable, other	62,500	
Prepaid expenses	11,168	
Furniture and equipment	362	
Current and deferred income taxes recoverable	73,520	
Accrued interest over 30 days	24,027	
Other	-	
Total Non-Allowable Assets		(1,286,830)
Deduction for Excess Insurance Deductible		(38,000)
Net Capital Before Haircuts on Securities		3,152,864
Haircuts on Securities		(235,583)
Net Regulatory Capital		2,917,281
Aggregate Indebtedness		
Total liabilities	\$ 172,774	
Liabilities excluded from aggregate indebtedness	-	
Total Aggregate Indebtedness	172,774	
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ 11,518	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		100,000
Excess Net Capital		\$ 2,817,281
Ratio of Aggregate Indebtedness to Net Capital		0.06 to 1

U.S. Central Capital Markets, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended		Two Months Ended	
	February 28,	February 28,	February 28,	February 28,
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 68,949	\$ 38,627	\$ 132,207	\$ 126,969
Consulting service revenue	62,500	62,500	125,000	125,000
Net income from securities owned	7,466	21,436	14,254	49,893
Total Revenue	138,915	122,563	271,461	301,862
Expenses				
Salaries and benefits	50,585	50,030	115,655	100,381
Professional and outside services	64,375	54,620	121,951	112,304
Office occupancy and administration	832	969	1,352	1,570
Data processing	548	247	904	494
Travel	2,052	2,592	4,130	3,177
Marketing	-	-	-	-
Other	19,353	835	36,661	4,469
Total Expenses	137,745	109,293	280,653	222,395
Net Income (Loss) Before Income Taxes	1,170	13,270	(9,192)	79,467
Income Tax Expense (Benefit)				
Current	(2,800)	4,400	(2,800)	18,700
Deferred	2,300	(400)	1,200	(500)
Total Income Tax Expense (Benefit)	(500)	4,000	(1,600)	18,200
Net Income (Loss)	1,670	9,270	(7,592)	61,267
Retained Earnings - Beginning of the Period	410,783	495,639	420,045	443,642
Retained Earnings - End of the Period	\$ 412,453	\$ 504,909	\$ 412,453	\$ 504,909

U.S. Central Capital Markets, Inc.

Statements of Financial Condition (unaudited)

	<u>February 28,</u> 2002	<u>February 28,</u> 2001
Assets		
Cash	\$ 1,234,793	\$ 1,448,786
Receivables:		
Customers and broker/dealers	3,824	7,360
Accrued interest and other	87,299	85,492
	<hr/>	<hr/>
Total receivables	91,123	92,852
Securities owned, at market value	3,190,501	3,211,063
Income taxes receivable	71,220	-
Other assets	10,021	8,054
	<hr/>	<hr/>
Total Assets	\$ 4,597,658	\$ 4,760,755
Liabilities and Stockholder's Equity		
Liabilities:		
Due to affiliate	\$ 52,874	\$ 52,693
Payable to customers and broker/dealers	-	-
Accounts payable and accrued expenses	65,422	29,942
Income taxes payable	-	106,302
	<hr/>	<hr/>
Total Liabilities	118,296	188,937
Stockholder's Equity		
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909
Retained earnings	412,453	504,909
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Total Stockholder's Equity	4,479,362	4,571,818
	<hr/>	<hr/>
Total Liabilities and Stockholder's Equity	\$ 4,597,658	\$ 4,760,755

**December 31,
2001**

\$ 1,117,965

2,418

88,710

91,128

3,354,313

72,420

2,729

\$ 4,638,555

\$ 37,003

-

114,598

-

151,601

4,066,909

420,045

4,486,954

\$ 4,638,555

U.S. Central Capital Markets, Inc.

Net Capital Computation (unaudited)

February 28, 2002

Ownership Equity		\$	4,479,362
Non-Allowable Assets			
Investments in affiliates	\$	1,234,793	
Accounts receivable, investment advisory fees		2,418	
Accounts receivable, other		62,500	
Prepaid expenses		9,686	
Furniture and equipment		336	
Current and deferred income taxes recoverable		71,220	
Accrued interest over 30 days		11,355	
Other		-	
Total Non-Allowable Assets			<u>(1,392,308)</u>
Deduction for Excess Insurance Deductible			<u>(38,000)</u>
Net Capital Before Haircuts on Securities			3,049,054
Haircuts on Securities			<u>(238,085)</u>
Net Regulatory Capital			2,810,969
Aggregate indebtedness			
Total liabilities	\$	118,296	
Liabilities excluded from aggregate indebtedness		-	
Total Aggregate Indebtedness			<u>118,296</u>
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$	7,886	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)			<u>100,000</u>
Excess Net Capital			<u>\$ 2,710,969</u>
Ratio of Aggregate Indebtedness to Net Capital			<u>0.04 to 1</u>

U.S. Central Capital Markets, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	<u>One Month Ended</u>		<u>Three Mont</u>
	<u>March 31,</u>	<u>March 31,</u>	<u>March 31,</u>
	<u>2002</u>	<u>2001</u>	<u>2002</u>
Revenue			
Client revenue	\$ 62,692	\$ 52,933	\$ 194,899
Consulting service revenue	62,500	62,500	187,500
Net income from securities owned	<u>(368)</u>	<u>24,510</u>	<u>13,886</u>
Total Revenue	124,824	139,943	396,285
Expenses			
Salaries and benefits	62,402	49,574	178,057
Shared service expense	55,713	52,862	162,159
Professional and outside services	12,435	11,948	27,940
Professional and outside services	68,148	64,810	190,099
Office occupancy and administration	679	1,225	2,031
Data processing	261	483	1,165
Travel	924	8,961	5,054
Marketing	-	-	-
Other	<u>20,614</u>	<u>996</u>	<u>57,275</u>
Total Expenses	<u>153,028</u>	<u>126,049</u>	<u>433,681</u>
Net Income (Loss) Before Income Taxes	(28,204)	13,894	(37,396)
Income Tax Expense (Benefit)			
Current	(5,800)	7,019	(8,600)
Deferred	<u>(700)</u>	<u>(200)</u>	<u>500</u>
Total Income Tax Expense (Benefit)	<u>(6,500)</u>	<u>6,819</u>	<u>(8,100)</u>
Net Income (Loss)	(21,704)	7,075	(29,296)
Retained Earnings - Beginning of the Period	<u>412,453</u>	<u>504,909</u>	<u>420,045</u>
Retained Earnings - End of the Period	<u>\$ 390,749</u>	<u>\$ 511,984</u>	<u>\$ 390,749</u>

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ths Ended
March 31,
2001

\$ 179,903
187,500
74,402

441,805

149,955
153,350
23,765
177,115
2,795
977
12,137
-
5,465

348,444

93,361

25,719
(700)

25,019

68,342

443,642

\$ 511,984

U.S. Central Capital Markets, Inc.

Statements of Financial Condition (unaudited)

	<u>March 31,</u> <u>2002</u>	<u>March 31,</u> <u>2001</u>
Assets		
Cash	\$ 1,127,336	\$ 1,384,623
Receivables:		
Customers and broker/dealers	3,981	5,686
Accrued interest and other	<u>88,126</u>	<u>76,884</u>
Total receivables	92,107	82,570
Securities owned, at market value	3,180,790	3,212,938
Income taxes receivable	22,120	-
Other assets	<u>180,968</u>	<u>8,229</u>
Total Assets	<u>\$ 4,603,321</u>	<u>\$ 4,688,360</u>
 Liabilities and Stockholder's Equity		
Liabilities:		
Due to affiliate	\$ 55,328	\$ 52,759
Payable to customers and broker/dealers	4,453	-
Accounts payable and accrued expenses	85,882	31,208
Income taxes payable	<u>-</u>	<u>25,500</u>
Total Liabilities	145,663	109,467
Stockholder's Equity		
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909
Retained earnings	<u>390,749</u>	<u>511,984</u>
Total Stockholder's Equity	<u>4,457,658</u>	<u>4,578,893</u>
Total Liabilities and Stockholder's Equity	<u>\$ 4,603,321</u>	<u>\$ 4,688,360</u>

**December 31,
2001**

\$ 1,117,965

2,418

88,710

91,128

3,354,313

72,420

2,729

\$ 4,638,555

\$ 37,003

-

114,598

-

151,601

4,066,909

420,045

4,486,954

\$ 4,638,555

U.S. Central Capital Markets, Inc.

Net Capital Computation (unaudited)

March 31, 2002

Ownership Equity		\$ 4,457,658
Non-Allowable Assets		
Investments in affiliates	\$ 1,127,336	
Accounts receivable, investment advisory fees	2,418	
Accounts receivable, other	65,300	
Prepaid expenses	180,658	
Furniture and equipment	310	
Current and deferred income taxes recoverable	22,120	
Accrued interest over 30 days	16,489	
Other	-	
Total Non-Allowable Assets		<u>(1,414,631)</u>
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		3,005,027
Haircuts on Securities		<u>(237,458)</u>
Net Regulatory Capital		2,767,569
Aggregate Indebtedness		
Total liabilities	\$ 145,663	
Liabilities excluded from aggregate indebtedness	-	
Total Aggregate Indebtedness		<u>145,663</u>
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ 9,711	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,667,569</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.05 to 1</u>

U.S. Central Capital Markets, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended		Four Months Ended	
	April 30, 2002	April 30, 2001	April 30, 2002	April 30, 2001
Revenue				
Client revenue	\$ 55,081	\$ 122,372	\$ 249,980	\$ 302,275
Consulting service revenue	62,500	62,500	250,000	250,000
Net income from securities owned	15,745	14,582	29,631	88,984
Total Revenue	133,326	199,454	529,611	641,259
Expenses				
Salaries and benefits	59,539	47,025	237,596	196,980
Professional and outside services	58,662	54,886	248,761	232,001
Office occupancy and administration	656	784	2,687	3,579
Data processing	396	332	1,561	1,309
Travel	8,881	5,877	13,935	18,014
Marketing	-	-	-	-
Other	1,239	266	58,514	5,731
Total Expenses	129,373	109,170	563,054	457,614
Net Income (Loss) Before Income Taxes	3,953	90,284	(33,443)	183,645
Income Tax Expense (Benefit)				
Current	(2,200)	43,860	(10,800)	69,579
Deferred	5,900	3,100	6,400	2,400
Total Income Tax Expense (Benefit)	3,700	46,960	(4,400)	71,979
Net Income (Loss)	253	43,324	(29,043)	111,666
Retained Earnings - Beginning of the Period	390,749	511,984	420,045	443,642
Retained Earnings - End of the Period	\$ 391,002	\$ 555,308	\$ 391,002	\$ 555,308

U.S. Central Capital Markets, Inc.

Statements of Financial Condition (unaudited)

	April 30, 2002	April 30, 2001	December 31, 2001
Assets			
Cash	\$ 1,097,991	\$ 1,501,087	\$ 1,117,965
Receivables:			
Customers and broker/dealers	2,418	5,112	2,418
Accrued interest and other	92,758	81,288	88,710
Total receivables	95,176	86,400	91,128
Securities owned, at market value	3,187,352	3,205,563	3,354,313
Income taxes receivable	19,720	-	72,420
Other assets	138,833	5,103	2,729
Total Assets	\$ 4,539,072	\$ 4,798,153	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 55,007	\$ 115,315	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	24,854	27,221	114,598
Income taxes payable	1,300	33,400	-
Total Liabilities	81,161	175,936	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909	4,066,909
Retained earnings	391,002	555,308	420,045
Total Stockholder's Equity	4,457,911	4,622,217	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,539,072	\$ 4,798,153	\$ 4,638,555

U.S. Central Capital Markets, Inc.

Net Capital Computation (unaudited)

April 30, 2002

Ownership Equity		\$ 4,457,911
Non-Allowable Assets		
Investments in affiliates	\$ 1,097,991	
Accounts receivable, investment advisory fees	2,418	
Accounts receivable, other	65,300	
Prepaid expenses	138,549	
Furniture and equipment	284	
Current and deferred income taxes recoverable	19,720	
Accrued interest over 30 days	21,155	
Other	-	
		<u>(1,345,417)</u>
Total Non-Allowable Assets		(1,345,417)
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		3,074,494
Haircuts on Securities		<u>(195,704)</u>
Net Regulatory Capital		2,878,790
Aggregate Indebtedness		
Total liabilities	\$ 81,161	
Liabilities excluded from aggregate indebtedness	-	
		<u>81,161</u>
Total Aggregate Indebtedness		81,161
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ 5,411	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,778,790</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.03 to 1</u>

U.S. Central Capital Markets, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended		Five Months Ended	
	May 31,		May 31,	
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 42,677	\$ 55,018	\$ 292,657	\$ 357,293
Consulting service revenue	62,500	62,500	312,500	312,500
Net income from securities owned	9,028	20,980	38,659	109,964
Total Revenue	114,205	138,498	643,816	779,757
Expenses				
Salaries and benefits	65,573	44,379	303,169	241,359
Shared services	66,158	56,626	283,904	265,554
Conference and marketing	-	-	51,144	-
Professional and outside services	4,113	3,875	35,129	26,948
Travel	9,193	2,134	23,128	20,148
Office occupancy and administration	670	1,227	3,357	4,806
Data processing	411	293	1,972	1,602
Other	3,578	2,204	10,948	7,935
Total Expenses	149,696	110,738	712,751	568,352
Net Income (Loss) Before Income Taxes	(35,491)	27,760	(68,935)	211,405
Income Tax Expense (Benefit)				
Current	(4,890)	12,800	(15,690)	82,379
Deferred	(600)	(300)	5,800	2,100
Total Income Tax Expense (Benefit)	(5,490)	12,500	(9,890)	84,479
Net Income (Loss)	(30,001)	15,260	(59,045)	126,926

U.S. Central Capital Markets, Inc.

Statements of Financial Condition (unaudited)

	May 31,		December 31,
	2002	2001	2001
Assets			
Cash	\$ 1,128,289	\$ 1,322,511	\$ 1,117,965
Receivables:			
Due from affiliates	62,500	62,500	62,897
Accrued interest	4,225	22,519	25,813
Customers	4,652	4,137	2,418
Total receivables	71,377	89,156	91,128
Securities owned, at fair value	3,187,041	3,355,703	3,354,313
Income taxes receivable	24,220	2,400	72,420
Other assets	125,380	2,831	2,729
Total Assets	\$ 4,536,307	\$ 4,772,601	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 66,506	53,335	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	41,092	35,589	114,598
Income taxes payable	800	46,200	-
Total Liabilities	108,398	135,124	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909	4,066,909
Retained earnings (accumulated deficit)	361,000	570,568	420,045
Total Stockholder's Equity	4,427,909	4,637,477	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,536,307	\$ 4,772,601	\$ 4,638,555

U.S. Central Capital Markets, Inc.

Net Capital Computation (unaudited)

May 31, 2002

Ownership Equity		\$ 4,427,909
Non-Allowable Assets		
Investments in affiliates	\$ 1,128,289	
Accounts receivable, investment advisory fees	2,418	
Accounts receivable, other	62,500	
Prepaid expenses	125,122	
Furniture and equipment	258	
Current and deferred income taxes recoverable	24,220	
Accrued interest over 30 days	-	
Other	-	
Total Non-Allowable Assets		<u>(1,342,807)</u>
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		3,047,102
Haircuts on Securities		<u>(195,800)</u>
Net Regulatory Capital		2,851,302
Aggregate Indebtedness		
Total liabilities	\$ 108,398	
Liabilities excluded from aggregate indebtedness	-	
Total Aggregate Indebtedness	<u>108,398</u>	
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ <u>7,227</u>	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,751,302</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.04 to 1</u>

CU Investment Solutions, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended June 30,		Six Months Ended June 30,	
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 33,048	\$ 32,986	\$ 325,705	\$ 390,279
Consulting service revenue	62,500	62,500	375,000	375,000
Net income from securities owned	11,361	18,497	50,020	128,461
Total Revenue	106,909	113,983	750,725	893,740
Expenses				
Salaries and benefits	60,991	61,089	364,160	302,448
Shared services	62,167	69,489	346,071	335,042
Conference and marketing	123,929	170,471	175,073	170,471
Professional and outside services	12,425	14,121	47,554	41,069
Travel	7,667	15,449	30,795	35,598
Office occupancy and administration	2,900	1,137	6,257	5,943
Data processing	259	248	2,231	1,850
Other	1,648	2,467	12,596	10,402
Total Expenses	271,986	334,471	984,737	902,823
Net Income (Loss) Before Income Taxes	(165,077)	(220,488)	(234,012)	(9,083)
Income Tax Expense (Benefit)				
Current	(24,500)	(67,840)	(40,190)	14,539
Deferred	(600)	(4,200)	5,200	(2,100)
Total Income Tax Expense (Benefit)	(25,100)	(72,040)	(34,990)	12,439
Net Income (Loss)	(139,977)	(148,448)	(199,022)	(21,522)
Retained Earnings - Beginning of the Period	361,000	570,568	420,045	443,642
Retained Earnings - End of the Period	\$ 221,023	\$ 422,120	\$ 221,023	\$ 422,120

CU Investment Solutions, Inc.

Statements of Financial Condition (unaudited)

	June 30,		December 31,
	2002	2001	2001
Assets			
Cash	\$ 1,082,610	\$ 1,099,918	\$ 1,117,965
Receivables:			
Due from affiliates	62,500	62,500	62,897
Accrued interest	8,776	27,185	25,813
Customers	2,687	2,418	2,418
Total receivables	73,963	92,103	91,128
Securities owned, at fair value	3,189,204	3,358,289	3,354,313
Income taxes receivable	48,820	61,800	72,420
Other assets	10,411	1,984	2,729
Total Assets	\$ 4,405,008	\$ 4,614,094	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 61,977	74,775	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	54,799	50,190	114,598
Income taxes payable	300	100	-
Total Liabilities	117,076	125,065	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909	4,066,909
Retained earnings (accumulated deficit)	221,023	422,120	420,045
Total Stockholder's Equity	4,287,932	4,489,029	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,405,008	\$ 4,614,094	\$ 4,638,555

CU Investment Solutions, Inc.

Net Capital Computation (unaudited)

June 30, 2002

Ownership Equity		4,287,932
Non-Allowable Assets		
Investments in affiliates	1,082,610	
Accounts receivable, investment advisory fees	2,418	
Accounts receivable, other	62,500	
Prepaid expenses	10,178	
Furniture and equipment	232	
Current and deferred income taxes recoverable	48,820	
Accrued interest over 30 days	2,489	
Other	-	
Total Non-Allowable Assets		<u>(1,209,247)</u>
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		3,040,685
Haircuts on Securities		<u>(195,913)</u>
Net Regulatory Capital		2,844,772
Aggregate Indebtedness		
Total liabilities	\$ 117,076	
Liabilities excluded from aggregate indebtedness	-	
Total Aggregate Indebtedness	<u>117,076</u>	
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ <u>7,805</u>	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,744,772</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.04 to 1</u>

CU Investment Solutions, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended July 31,		Seven Months Ended July 31,	
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 81,659	\$ 63,544	\$ 407,364	\$ 453,823
Consulting service revenue	62,500	62,500	437,500	437,500
Net income from securities owned	12,696	16,256	62,716	144,717
Total Revenue	156,855	142,300	907,580	1,036,040
Expenses				
Salaries and benefits	61,883	47,925	426,043	350,373
Shared services	57,731	51,315	403,802	386,357
Conference and marketing	6,620	5,632	181,693	176,103
Professional and outside services	3,375	3,875	50,929	44,944
Travel	2,586	5,194	33,381	40,792
Office occupancy and administration	1,560	934	7,817	6,877
Data processing	103	253	2,334	2,103
Other	1,708	1,173	14,304	11,575
Total Expenses	135,566	116,301	1,120,303	1,019,124
Net Income (Loss) Before Income Taxes	21,289	25,999	(212,723)	16,916
Income Tax Expense (Benefit)				
Current	3,600	5,200	(36,590)	19,739
Deferred	(700)	(300)	4,500	(2,400)
Total Income Tax Expense (Benefit)	2,900	4,900	(32,090)	17,339
Net Income (Loss)	18,389	21,099	(180,633)	(423)
Retained Earnings - Beginning of the Period	221,023	422,120	420,045	443,642
Retained Earnings - End of the Period	\$ 239,412	\$ 443,219	\$ 239,412	\$ 443,219

CU Investment Solutions, Inc.

Statements of Financial Condition (unaudited)

	July 31,		December 31,
	2002	2001	2001
Assets			
Cash	\$ 1,077,161	\$ 1,098,541	\$ 1,117,965
Receivables:			
Due from affiliates	62,500	62,500	62,897
Accrued interest	13,557	32,844	25,813
Customers	10,852	3,399	2,418
Total receivables	86,909	98,743	91,128
Securities owned, at fair value	3,192,641	3,359,149	3,354,313
Income taxes receivable	45,620	58,000	72,420
Other assets	8,845	1,958	2,729
Total Assets	\$ 4,411,176	\$ 4,616,391	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 57,436	58,629	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	47,419	46,434	114,598
Income taxes payable	-	1,200	-
Total Liabilities	104,855	106,263	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909	4,066,909
Retained earnings (accumulated deficit)	239,412	443,219	420,045
Total Stockholder's Equity	4,306,321	4,510,128	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,411,176	\$ 4,616,391	\$ 4,638,555

CU Investment Solutions, Inc.

Net Capital Computation (unaudited)

July 31, 2002

Ownership Equity		4,306,321
Non-Allowable Assets		
Investments in affiliates	1,077,161	
Accounts receivable, investment advisory fees	4,918	
Accounts receivable, other	62,500	
Prepaid expenses	8,637	
Furniture and equipment	207	
Current and deferred income taxes recoverable	45,620	
Accrued interest over 30 days	7,155	
Other	-	
Total Non-Allowable Assets		<u>(1,206,198)</u>
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		3,062,123
Haircuts on Securities		<u>(195,981)</u>
Net Regulatory Capital		2,866,142
Aggregate Indebtedness		
Total liabilities	\$ 104,855	
Liabilities excluded from aggregate indebtedness	-	
Total Aggregate Indebtedness	<u>104,855</u>	
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ <u>6,990</u>	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,766,142</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.04 to 1</u>

CU Investment Solutions, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended August 31,		Eight Months Ended August 31,	
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 44,555	\$ 40,156	\$ 451,919	\$ 493,979
Consulting service revenue	62,500	62,500	500,000	500,000
Net income from securities owned	6,445	14,821	69,161	159,538
Total Revenue	113,500	117,477	1,021,080	1,153,517
Expenses				
Salaries and benefits	61,892	47,389	487,935	397,762
Shared services	57,549	54,682	461,351	441,039
Conference and marketing	(8,310)	13,572	173,383	189,675
Professional and outside services	4,225	3,875	55,154	48,819
Travel	2,532	3,429	35,913	44,221
Office occupancy and administration	875	1,028	8,692	7,905
Data processing	281	266	2,615	2,369
Other	926	1,324	15,230	12,899
Total Expenses	119,970	125,565	1,240,273	1,144,689
Net Income (Loss) Before Income Taxes	(6,470)	(8,088)	(219,193)	8,828
Income Tax Expense (Benefit)				
Current	(1,080)	(12,520)	(37,670)	7,219
Deferred	(600)	(300)	3,900	(2,700)
Total Income Tax Expense (Benefit)	(1,680)	(12,820)	(33,770)	4,519
Net Income (Loss)	(4,790)	4,732	(185,423)	4,309
Retained Earnings - Beginning of the Period	239,412	443,219	420,045	443,642
Retained Earnings - End of the Period	\$ 234,622	\$ 447,951	\$ 234,622	\$ 447,951

CU Investment Solutions, Inc.

Statements of Financial Condition (unaudited)

	August 31,		December 31,
	2002	2001	2001
Assets			
Cash	\$ 1,066,737	\$ 1,121,420	\$ 1,117,965
Receivables:			
Due from affiliates	62,500	62,500	62,897
Accrued interest	17,955	6,158	25,813
Customers	6,441	2,574	2,418
	<u>86,896</u>	<u>71,232</u>	<u>91,128</u>
Total receivables	86,896	71,232	91,128
Securities owned, at fair value	3,189,868	3,359,071	3,354,313
Income taxes receivable	35,700	69,620	72,420
Other assets	35,077	1,618	2,729
	<u>35,077</u>	<u>1,618</u>	<u>2,729</u>
Total Assets	\$ 4,414,278	\$ 4,622,961	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 57,029	53,815	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	55,718	54,286	114,598
Income taxes payable	-	-	-
	<u>112,747</u>	<u>108,101</u>	<u>151,601</u>
Total Liabilities	112,747	108,101	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909	4,066,909
Retained earnings (accumulated deficit)	234,622	447,951	420,045
	<u>4,301,531</u>	<u>4,514,860</u>	<u>4,486,954</u>
Total Stockholder's Equity	4,301,531	4,514,860	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,414,278	\$ 4,622,961	\$ 4,638,555

CU Investment Solutions, Inc.

Net Capital Computation (unaudited)

August 31, 2002

Ownership Equity		4,301,531
Non-Allowable Assets		
Investments in affiliates	1,066,737	
Accounts receivable, investment advisory fees	4,918	
Accounts receivable, other	62,500	
Prepaid expenses	34,896	
Furniture and equipment	181	
Current and deferred income taxes recoverable	35,700	
Accrued interest over 30 days	11,822	
Other	-	
		<u>(1,216,754)</u>
Total Non-Allowable Assets		
		<u>(1,216,754)</u>
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		3,046,777
Haircuts on Securities		<u>(195,867)</u>
Net Regulatory Capital		2,850,910
Aggregate Indebtedness		
Total liabilities	\$ 112,747	
Liabilities excluded from aggregate indebtedness	-	
		<u>112,747</u>
Total Aggregate Indebtedness		
		<u>112,747</u>
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ 7,517	
		<u>7,517</u>
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,750,910</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.04 to 1</u>

CU Investment Solutions, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended September 30,		Nine Months Ended September 30,	
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 40,719	\$ 34,561	\$ 492,638	\$ 528,540
Consulting service revenue	62,500	62,500	562,500	562,500
Net income from securities owned	11,958	14,458	81,119	173,996
Total Revenue	115,177	111,519	1,136,257	1,265,036
Expenses				
Salaries and benefits	63,104	50,820	551,039	448,582
Shared services	54,855	53,213	516,206	494,252
Conference and marketing	-	-	173,383	189,675
Professional and outside services	6,048	13,122	61,202	61,941
Travel	2,096	5,094	38,009	49,315
Office occupancy and administration	707	465	9,399	8,370
Data processing	302	258	2,917	2,627
Other	5,994	1,058	21,224	13,957
Total Expenses	133,106	124,030	1,373,379	1,268,719
Net Income (Loss) Before Income Taxes	(17,929)	(12,511)	(237,122)	(3,683)
Income Tax Expense (Benefit)				
Current	(2,400)	(2,200)	(40,070)	5,019
Deferred	(600)	(400)	3,300	(3,100)
Total Income Tax Expense (Benefit)	(3,000)	(2,600)	(36,770)	1,919
Net Income (Loss)	(14,929)	(9,911)	(200,352)	(5,602)
Retained Earnings - Beginning of the Period	234,622	447,951	420,045	443,642
Retained Earnings - End of the Period	\$ 219,693	\$ 438,040	\$ 219,693	\$ 438,040

CU Investment Solutions, Inc.

Statements of Financial Condition (unaudited)

	September 30,		December 31,
	2002	2001	2001
Assets			
Cash	\$ 1,059,169	\$ 1,108,494	\$ 1,117,965
Receivables:			
Due from affiliates	62,500	62,500	62,897
Accrued interest	22,759	11,235	25,813
Customers	4,678	2,799	2,418
Total receivables	89,937	76,534	91,128
Securities owned, at fair value	3,192,798	3,359,531	3,354,313
Income taxes receivable	38,700	72,220	72,420
Other assets	30,510	1,482	2,729
Total Assets	\$ 4,411,114	\$ 4,618,261	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 54,425	53,152	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	70,087	60,160	114,598
Income taxes payable	-	-	-
Total Liabilities	124,512	113,312	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909	4,066,909
Retained earnings (accumulated deficit)	219,693	438,040	420,045
Total Stockholder's Equity	4,286,602	4,504,949	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,411,114	\$ 4,618,261	\$ 4,638,555

CU Investment Solutions, Inc.

Net Capital Computation (unaudited)

September 30, 2002

Ownership Equity		4,286,602
Non-Allowable Assets		
Investments in affiliates	1,059,169	
Accounts receivable, investment advisory fees	2,418	
Accounts receivable, other	62,500	
Prepaid expenses	30,355	
Furniture and equipment	155	
Current and deferred income taxes recoverable	38,700	
Accrued interest over 30 days	16,489	
Other	-	
		<u>(1,209,786)</u>
Total Non-Allowable Assets		(1,209,786)
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		3,038,816
Haircuts on Securities		<u>(196,080)</u>
Net Regulatory Capital		2,842,736
Aggregate Indebtedness		
Total liabilities	\$ 124,512	
Liabilities excluded from aggregate indebtedness	-	
		<u>124,512</u>
Total Aggregate Indebtedness		124,512
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ 8,301	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,742,736</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.04 to 1</u>

CU Investment Solutions, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended October 31,		Ten Months Ended October 31,	
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 89,421	\$ 60,774	\$ 582,059	\$ 589,314
Consulting service revenue	62,500	62,500	625,000	625,000
Net income from securities owned	7,017	8,198	88,136	182,194
Total Revenue	158,938	131,472	1,295,195	1,396,508
Expenses				
Salaries and benefits	62,511	49,348	613,550	497,930
Shared services	57,176	53,343	573,382	547,595
Conference and marketing	294	-	173,677	189,675
Professional and outside services	11,952	3,875	73,154	65,816
Travel	9,597	5,234	47,606	54,549
Office occupancy and administration	616	691	10,015	9,061
Data processing	300	259	3,217	2,886
Other	2,250	1,902	23,474	15,859
Total Expenses	144,696	114,652	1,518,075	1,383,371
Net Income (Loss) Before Income Taxes	14,242	16,820	(222,880)	13,137
Income Tax Expense (Benefit)				
Current	2,600	3,300	(37,470)	8,319
Deferred	(600)	(300)	2,700	(3,400)
Total Income Tax Expense (Benefit)	2,000	3,000	(34,770)	4,919
Net Income (Loss)	12,242	13,820	(188,110)	8,218
Retained Earnings - Beginning of the Period	219,693	438,040	420,045	443,642
Retained Earnings - End of the Period	\$ 231,935	\$ 451,860	\$ 231,935	\$ 451,860

CU Investment Solutions, Inc.

Statements of Financial Condition (unaudited)

	October 31,		December 31,
	2002	2001	2001
Assets			
Cash	\$ 1,079,664	\$ 1,132,470	\$ 1,117,965
Receivables:			
Due from affiliates	62,500	62,897	62,897
Accrued interest	27,536	15,770	25,813
Customers	12,474	3,141	2,418
Total receivables	102,510	81,808	91,128
Securities owned, at fair value	3,190,612	3,355,008	3,354,313
Income taxes receivable	36,700	69,220	72,420
Other assets	34,404	1,346	2,729
Total Assets	\$ 4,443,890	\$ 4,639,852	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 56,881	53,503	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	88,165	67,580	114,598
Income taxes payable	-	-	-
Total Liabilities	145,046	121,083	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909	4,066,909
Retained earnings (accumulated deficit)	231,935	451,860	420,045
Total Stockholder's Equity	4,298,844	4,518,769	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,443,890	\$ 4,639,852	\$ 4,638,555

CU Investment Solutions, Inc.

Net Capital Computation (unaudited)

October 31, 2002

Ownership Equity		4,298,844
Non-Allowable Assets		
Investments in affiliates	1,079,664	
Accounts receivable, investment advisory fees	2,418	
Accounts receivable, other	62,500	
Prepaid expenses	34,275	
Furniture and equipment	129	
Current and deferred income taxes recoverable	36,700	
Accrued interest over 30 days	21,155	
Other	-	
	<hr/>	
Total Non-Allowable Assets		<u>(1,236,841)</u>
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		3,024,003
Haircuts on Securities		<u>(134,506)</u>
Net Regulatory Capital		2,889,497
Aggregate Indebtedness		
Total liabilities	\$ 145,046	
Liabilities excluded from aggregate indebtedness	-	
	<hr/>	
Total Aggregate Indebtedness		<u>145,046</u>
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ 9,670	
	<hr/>	
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,789,497</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.05 to 1</u>

CU Investment Solutions, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended November 30,		Eleven Months Ended November 30,	
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 67,507	\$ 45,865	\$ 649,566	\$ 635,179
Consulting service revenue	62,500	62,500	687,500	687,500
Net income from securities owned	4,376	13,208	92,512	195,402
Total Revenue	134,383	121,573	1,429,578	1,518,081
Expenses				
Salaries and benefits	61,692	80,199	675,242	578,129
Shared services	56,128	54,747	629,510	602,342
Conference and marketing	-	-	173,677	189,675
Professional and outside services	23,948	4,225	97,102	70,041
Travel	6,781	5,991	54,387	60,540
Office occupancy and administration	2,779	1,042	12,794	10,103
Data processing	308	266	3,525	3,152
Other	1,586	7,077	25,059	22,936
Total Expenses	153,222	153,547	1,671,296	1,536,918
Net Income (Loss) Before Income Taxes	(18,839)	(31,974)	(241,718)	(18,837)
Income Tax Expense (Benefit)				
Current	(56,416)	(5,500)	(93,886)	2,819
Deferred	(13,926)	(300)	(11,226)	(3,700)
Total Income Tax Expense (Benefit)	(70,342)	(5,800)	(105,112)	(881)
Net Income (Loss)	51,503	(26,174)	(136,606)	(17,956)
Retained Earnings - Beginning of the Period	231,936	451,860	420,045	443,642
Retained Earnings - End of the Period	\$ 283,439	\$ 425,686	\$ 283,439	\$ 425,686

CU Investment Solutions, Inc.

Statements of Financial Condition (unaudited)

	November 30,		December 31,
	2002	2001	2001
Assets			
Cash	\$ 1,095,691	\$ 1,120,363	\$ 1,117,965
Receivables:			
Due from affiliates	156,934	62,897	62,897
Accrued interest	3,637	20,302	25,813
Customers	23,257	7,325	2,418
Total receivables	183,828	90,524	91,128
Securities owned, at fair value	3,186,659	3,357,313	3,354,313
Income taxes receivable	15,026	75,020	72,420
Other assets	33,560	2,820	2,729
Total Assets	\$ 4,514,764	\$ 4,646,040	\$ 4,638,555
Liabilities and Stockholder's Equity			
Liabilities:			
Due to affiliate	\$ 55,526	54,608	\$ 37,003
Payable to customers and broker/dealers	-	-	-
Accounts payable and accrued expenses	108,890	98,837	114,598
Income taxes payable	-	-	-
Total Liabilities	164,416	153,445	151,601
Stockholder's Equity			
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909	4,066,909
Retained earnings (accumulated deficit)	283,439	425,686	420,045
Total Stockholder's Equity	4,350,348	4,492,595	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,514,764	\$ 4,646,040	\$ 4,638,555

CU Investment Solutions, Inc.

Net Capital Computation (unaudited)

November 30, 2002

Ownership Equity		4,350,348
Non-Allowable Assets		
Investments in affiliates	1,095,691	
Accounts receivable, investment advisory fees	2,418	
Accounts receivable, other	156,934	
Prepaid expenses	33,534	
Furniture and equipment	26	
Current and deferred income taxes recoverable	15,026	
Accrued interest over 30 days	-	
Other	-	
		<hr/>
Total Non-Allowable Assets		(1,303,629)
Deduction for Excess Insurance Deductible		<hr/> (38,000)
Net Capital Before Haircuts on Securities		3,008,719
Haircuts on Securities		<hr/> (120,347)
Net Regulatory Capital		2,888,372
Aggregate Indebtedness		
Total liabilities	\$ 164,416	
Liabilities excluded from aggregate indebtedness	-	
		<hr/>
Total Aggregate Indebtedness	164,416	
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ 10,961	
		<hr/>
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<hr/> 100,000
Excess Net Capital		<hr/> <hr/> \$ 2,788,372
Ratio of Aggregate Indebtedness to Net Capital		<hr/> <hr/> 0.06 to 1

CU Investment Solutions, Inc.

Statements of Income and Changes in Retained Earnings (unaudited)

	One Month Ended December 31,		Year Ended December 31,	
	2002	2001	2002	2001
Revenue				
Client revenue	\$ 67,311	\$ 32,562	\$ 716,876	\$ 667,741
Consulting service revenue	62,500	62,500	750,000	750,000
Net income from securities owned	7,105	7,148	99,617	202,550
Total Revenue	136,916	102,210	1,566,493	1,620,291
Expenses				
Salaries and benefits	56,624	50,776	731,866	628,905
Shared services	58,412	36,908	687,922	639,250
Conference and marketing	-	-	173,677	189,675
Professional and outside services	8,465	10,225	105,567	80,266
Travel	3,344	5,316	57,731	65,856
Office occupancy and administration	2,840	726	15,634	10,829
Data processing	300	160	3,825	3,312
Other	7,853	3,640	32,911	26,576
Total Expenses	137,838	107,751	1,809,133	1,644,669
Net Income (Loss) Before Income Taxes	(922)	(5,541)	(242,640)	(24,378)
Income Tax Expense (Benefit)				
Current	6,156	(2,600)	(87,730)	219
Deferred	(599)	2,700	(11,825)	(1,000)
Total Income Tax Expense (Benefit)	5,557	100	(99,555)	(781)
Net Income (Loss)	(6,479)	(5,641)	(143,085)	(23,597)
Retained Earnings - Beginning of the Period	283,439	425,686	420,045	443,642
Retained Earnings - End of the Period	\$ 276,960	\$ 420,045	\$ 276,960	\$ 420,045

CU Investment Solutions, Inc.

Statements of Financial Condition (unaudited)

	December 31,	
	2002	2001
Assets		
Cash	\$ 1,116,011	\$ 1,117,965
Receivables:		
Due from affiliates	148,360	62,897
Accrued interest	8,515	25,813
Customers	6,863	2,418
Total receivables	163,738	91,128
Securities owned, at fair value	3,185,792	3,354,313
Income taxes receivable	15,625	72,420
Other assets	32,363	2,729
Total Assets	\$ 4,513,529	\$ 4,638,555
Liabilities and Stockholder's Equity		
Liabilities:		
Due to affiliate	\$ 58,080	37,003
Payable to customers and broker/dealers	-	-
Accounts payable and accrued expenses	111,580	114,598
Income taxes payable	-	-
Total Liabilities	169,660	151,601
Stockholder's Equity		
Common stock, no par value, 2,000 shares authorized, 800 shares issued and outstanding	4,066,909	4,066,909
Retained earnings (accumulated deficit)	276,960	420,045
Total Stockholder's Equity	4,343,869	4,486,954
Total Liabilities and Stockholder's Equity	\$ 4,513,529	\$ 4,638,555

CU Investment Solutions, Inc.

Net Capital Computation (unaudited)

December 31, 2002

Ownership Equity		4,343,869
Non-Allowable Assets		
Investments in affiliates	1,116,011	
Accounts receivable, investment advisory fees	2,418	
Accounts receivable, other	148,360	
Prepaid expenses	32,363	
Furniture and equipment	-	
Current and deferred income taxes recoverable	15,625	
Accrued interest over 30 days	2,489	
Other	-	
		<u>(1,317,266)</u>
Total Non-Allowable Assets		
		<u>(1,317,266)</u>
Deduction for Excess Insurance Deductible		<u>(38,000)</u>
Net Capital Before Haircuts on Securities		2,988,603
Haircuts on Securities		<u>(120,388)</u>
Net Regulatory Capital		2,868,215
Aggregate Indebtedness		
Total liabilities	\$ 169,660	
Liabilities excluded from aggregate indebtedness	-	
		<u>169,660</u>
Total Aggregate Indebtedness		
		<u>169,660</u>
Minimum Net Capital Based on Aggregate Indebtedness (Total Aggregate Indebtedness x 6 2/3%)	\$ 11,311	
		<u>11,311</u>
Regulatory Minimum Net Capital (Greater of \$100,000 or 6 2/3% of Total Aggregate Indebtedness)		<u>100,000</u>
Excess Net Capital		<u>\$ 2,768,215</u>
Ratio of Aggregate Indebtedness to Net Capital		<u>0.06 to 1</u>