

Firm Information:

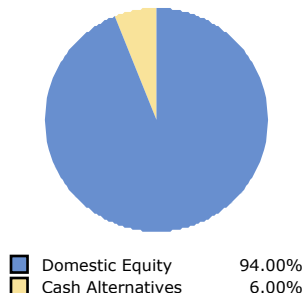
Location: New York, NY
Year Founded: 1928
Total Employees: 27

	Firm	Product
Assets (\$mil):	2,308	1,130
Accounts:	3,660	1,576

Key Personnel:

William C. McClean III
 Director
 George Baker
 Director, Balanced Portfolio Manager
 Bridget Best
 Socially Responsible Portfolio Manager
 Scott R. Snyder
 Director of Marketing
 Brad Cragin
 Director of Research

Asset Allocation



Overview

Estabrook Capital Management's (Estabrook) objective is to manage the clients' accounts to enhance the purchasing power of capital over stock market cycles, to preserve capital in negative markets and to increase capital in real terms in favorable markets. The firm as it exists today was founded by Charles T. Foley in 1970 and has solely been in the business of asset management since that time. With an average 25-years investment experience, Estabrook's nine investment managers have broad financial market experience. In addition to the director of marketing, each is a member of the firm's Investment Policy Committee (IPC).

Process

The Large-Cap Core strategy is derived from analyzing economic, political and social trends to evaluate the general outlook for investments. Members of the IPC meet weekly to discuss a worst-case analysis of the economy and then apply the forecast to the investment environment. IPC then develops and implements between five- and six-strategic themes to meet clients' needs and objectives. These themes usually identify favorable industry sectors for product focus. IPC members are responsible for idea generation as generalists, but each has sector specialties given their respective analytical backgrounds.

On-site company visits, and/or management interviews are mandatory prior to the IPC endorsing an investment. An investment candidate is analyzed on fundamentals and must be deemed technically sound before purchased. Estabrook tends to buy stocks at what it believes to be reasonable valuations with strong fundamentals and little price risk. The latter is defined as shares trading at the low end of its range. Themes and ideas are included on the "buy" list or model only after consensus. Once the model is assembled, the portfolio manager makes investment decisions for each account in line with the investment goals and objectives of each client. Estabrook sets a target price objective for each security. As the security

reaches that price, the IPC decides whether to continue holding that security or to sell the security if it has become "yesterday's story". A stock's typical entry-level weighting is anywhere between 2% and 4%. Estabrook revisits the stock as the weighting rises to between 6% and 7%. Estabrook employs a 20% decline from cost as a warning signal to review a stock for appropriate action. Estabrook attempts to quickly sell stocks that become inappropriate due to altered fundamental factors. This approach has resulted in annual turnover approximating between 15% and 20%.

Estabrook holds between 30 and 35 stocks. Portfolios will typically be sector concentrated and may have up to two to three times the weighting of the S&P 500. Note that as a policy Estabrook will not purchase alcohol, tobacco and gambling stocks, or defense-related issues.

Summary

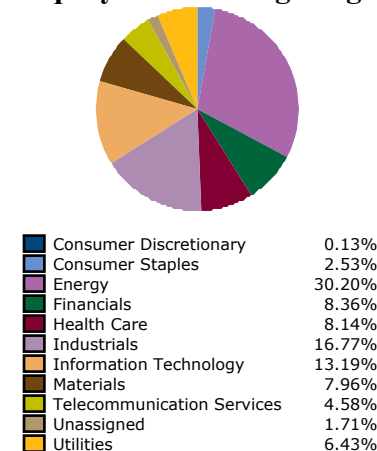
Estabrook's strengths include historically providing above-market returns with below-market risk for clients with a longer term time horizon. As a somewhat value-oriented, capital preservationist, Estabrook's weakness has been the inability to provide immediate gratification to a client with a shorter time horizon. Over time, the Large-Cap Core strategy has performed well in normal and down market cycles. This strategy tends to see underperformance in more unusually speculative markets. The portfolio may hold substantial cash alternatives positions should the market conditions look unfavorable. Estabrook's Large-Cap Core strategy may be utilized as a stand-alone large-cap investment, or as a foundation piece of a multiple manager allocation.

Top 10 Holdings*

Security Name	Pct of Portfolio
MICROSOFT CORP	3.90%
CONOCOPHILLIPS	3.30%
GENERAL ELECTRIC COMPANY	3.00%
EMERSON ELECTRIC CO	2.90%
RANGE RESOURCES CORP	2.80%
CONSOL ENERGY INC	2.80%
DU PONT E.I. DE NEMOURS	2.60%
NORFOLK SOUTHERN CORP	2.50%
PRAXAIR INC	2.50%
INTERNATIONAL BUSINESS	2.50%

*The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified were or will be profitable.

Equity Sector Weightings



Portfolio Characteristics

P/E Ratio: 9.37 P/B Ratio: -- Div Yield: 3.55 EPS: 20.91 Avg Mkt Cap: 51,702 Turnover: 35.00 # of Securities: 42