

# The Lion Fund

Update

LAE Annual Meeting

October 2006

# Update

- Portfolio Value \$75,846 as of 9/30/06
  - Up 6.44% YTD
- Recent Activity Includes
  - Cash position invested
    - Recent yield on cash was 4.65%
  - Core fixed income position lifted
    - PIMCO Total Return Fund purchased
  - International exposure enhanced
    - Artisan International Value added

# Asset Allocation\*

STOCKS	73%	BONDS	27%
Growth	23%	Govt	14%
Value	35%	Corp	6%
Blend	16%	TIPS	6%
Large Cap	28%	CASH	0%
Mid Cap	30%	Domestic	93%
Small Cap	16%	International	7%

\* As of 9/30/2006

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# Portfolio\*

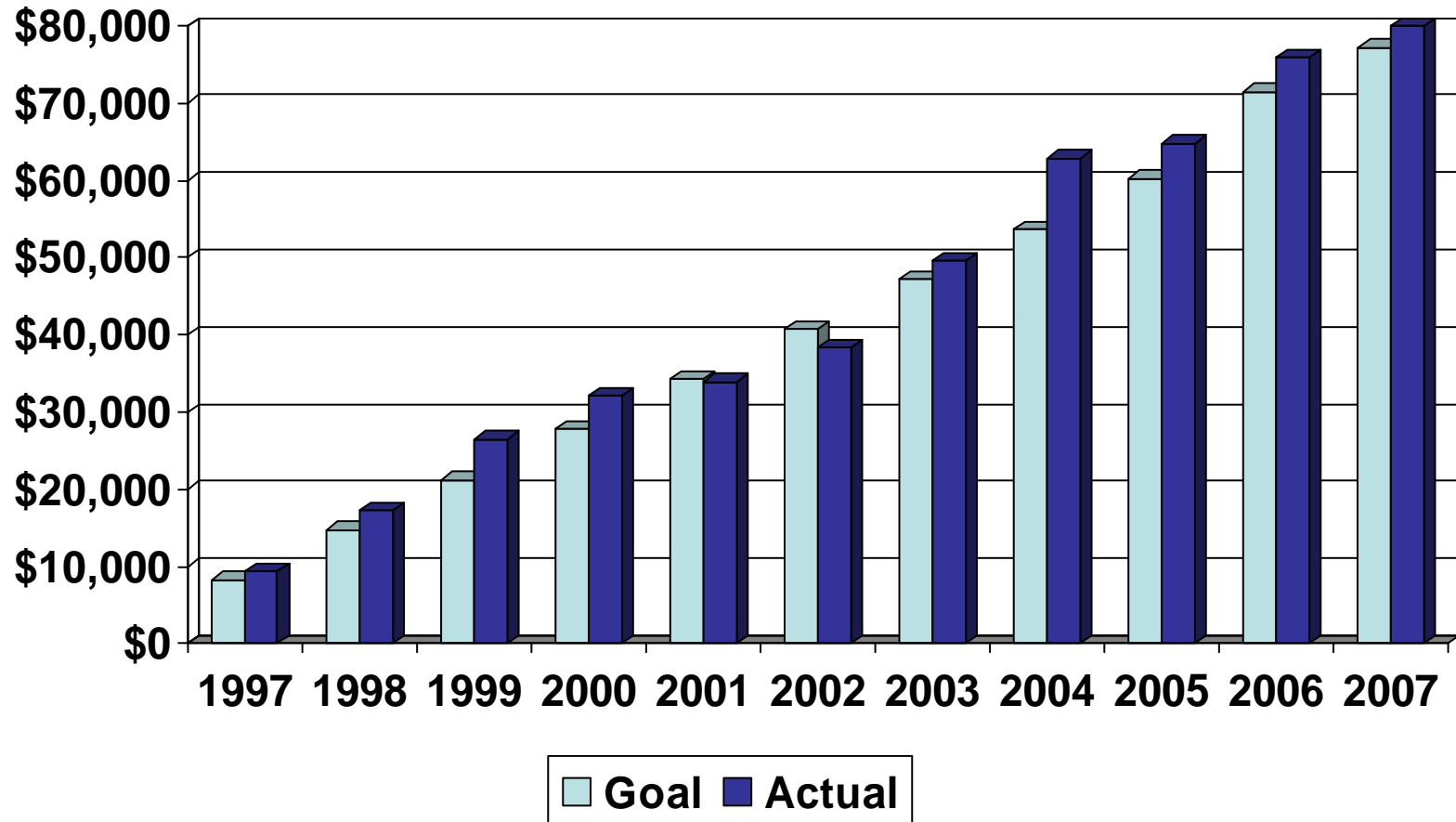
FUND	CATEGORY	RATING	POSITION	YTD RETURN	2005 Return
American Century Ultra	LC Growth	3	\$4516	-7.1%	2.1%
Schwab S&P 500	LC Blend	3	\$6622	8.3%	4.7%
UMB Scout Worldwide	LC Blend	4	\$5174	9.9%	19.6%
Barron Asset	MC Growth	5	\$8305	6.7%	12.5%
Weitz Partners Value	MC Value	3	\$8153	11.3%	-2.4%
Third Avenue Value	SC Value	4	\$7420	5.4%	11.1%
Dodge & Cox Stock	LC Value	5	\$4939	11.3%	9.4%
Hennessy Cornerstone Fund	SC Growth	NA	\$4400	-0.7%	16.8%
Artisan International Value	MC Value	4	\$6000	21.1%	10.1%
PIMCO Total Return	Interm Bond	4	\$6425	2.8%	2.6%
Wells Fargo Corp Bond	LT Bond	2	\$4646	2.5%	1.2%
Wells Fargo Bond	Interm Bond	4	\$4408	2.5%	2.2%
PIMCO Real Return	Interm Bond	4	\$4838	1.5%	2.2%

\* As of 9/30/06

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# Actual vs. Goal

Actual = Account value at end of year (2005 = 8/31 value)  
Goal = Actual saving (\$6000) plus potential portfolio growth of 8%



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# Objective

- To invest contributions from LAE in a proactive manner in order to maximize capital
- To provide LAE with a capital base with which to accomplish major projects

# Important Milestones

- 1995 '92 Campaign Proposal
- 1996 By-Law Amendment 241 passes
- 1997 Fund forms, first investment made
- 2000 Fund reaches \$30,000
- 2004 Fund reaches \$60,000