

Composite Disclosure Statement

The firm is defined as Pinnacle Investment Advisors, a registered investment advisor responsible for management of all accounts included in the composites, including the accounts of Native American Fund Advisors. A complete list of firm composites, performance results, and investment policies is available upon request. Returns are denominated in U.S. dollars and include domestic accounts only. Returns include reinvestment of dividends, interest, and other earnings, and include portfolio balances in cash and cash equivalents. Returns shown are gross of fees and after all trading expenses, calculated on a monthly basis using trade date reporting. Past performance is no guarantee of future results.

Returns have not been verified by a third party. Performance from June 30, 1995 to March 31, 1996 is the same client's portfolio from a prior firm continuously managed by the same management team. All other composites have been managed since inception by the same team at Pinnacle Investment Advisors. Composites include fully discretionary separate accounts only. Each composite includes accounts that use that particular asset class strategy either solely or as part of a balanced portfolio approach. The firm's stated minimum portfolio size is \$100,000. Accounts are added to the composites at the end of the first month under management. Terminated accounts are included in the composite. Returns are size weighted. Non-discretionary accounts are defined as accounts where client restrictions impede the full implementation of a particular asset class strategy. Non-discretionary accounts are not included in the following composites.

Short Term Bond Portfolio Composite

	Return	Merrill 3Mo T-Bill	Merrill 1-3Yr T/A	Accounts	Assets (millions)	% of Firm Assets	Dispersion
2007	5.30	5.00	7.23	3	181.261	42	5.22-5.46
2006	4.62	4.85	3.95	3	137.052	46	4.50-4.98
2005	2.79	3.07	1.70	3	135.426	58	2.85-2.98
2004	1.33	1.33	1.00	3	117.945	63	1.27-1.80
2003	1.81	1.15	1.88	3	97.274	65	1.63 - 1.99
2002	3.49	1.78	5.78	3	95.533	76	3.65 - 3.20
2001	6.04	4.42	8.31	1	55.434	67	NA
2000	7.03	6.18	8.01	1	7.660	26	NA

Intermediate Bond Portfolio Composite

Year	Return	Salomon 1-10Yr. Gov./Corp.	Accounts	Assets (millions)	% of Firm Assets	Dispersion
2007	4.98	7.47	37	7.88	1.85	3.19-6.09
2006	6.33	4.19	37	8.52	2.8	3.94-10.49
2005	0.16	1.65	37	7.45	3.2	(3.07)-2.55
2004	3.12	3.15	17	3.97	2.1	2.19-3.68
2003	5.10	4.55	10	2.96	2	2.82 - 9.78
2002	10.01	9.72	8	7.92	6.4	8.16 - 12.87
2001	8.40	9.03	8	7.65	9.3	8.57 -9.94
2000	8.52	10.12	6	7.38	25	9.08 - 10.56
1999	3.63	0.45	7	7.47	32	2.90 - 6.36
1998	7.30	8.44	3	7.37	42	7.07 - 7.28
1997	7.43	7.93	2	5.94	36	NA

Blue Chip Strategy Composite

Year	Return	S&P 500	Accounts	Assets (millions)	% of Firm Assets	Dispersion
2007	9.20	5.48	63	16.53	3.9	7.72-10.79
2006	18.83	15.80	43	9.20	3.0	16.80-22.46
2005	2.62	4.88	40	7.82	3.4	2.25-3.12
2004	5.24	10.92	20	4.30	2.3	4.87-5.86
2003	27.01	28.62	10	2.60	1.7	25.87 - 27.75
2002	-15.36	-22.15	7	1.36	1.1	(16.22) - (14.65)
2001	-3.83	-11.91	7	2.22	2.7	(5.53) - (2.25)
2000	-5.02	-9.15	4	1.57	5.4	(5.07) - (3.13)
1999	24.55	21.01	3	1.33	5.8	24.84 - 26.00
1998	17.87	28.57	3	0.83	4.7	15.76 - 18.10
1997	22.96	33.36	1	0.69	4.2	NA

Small Cap Value Strategy Composite

Year	Return	Russell 2000	Accounts	Assets (millions)	% of Firm Assets	Dispersion
2007	6.46	-1.57	95	10.01	2.3	(7.23)-17.23
2006	27.46	18.37	46	5.40	1.8	13.58-34.92
2005	6.82	4.45	43	3.29	1.5	2.96-12.17
2004	23.40	18.33	23	2.87	1.5	17.66-36.85
2003	27.88	47.25	15	2.10	1.4	18.93 - 34.09
2002	-12.14	-20.48	16	1.27	1.0	(20.01) - (5.62)
2001	50.91	2.49	14	1.37	1.6	45.67 - 69.99
2000	-16.23	-3.02	13	0.96	3.3	(20.33) - (6.30)
1999	5.03	21.26	19	2.02	8.9	(9.35) - 12.71
1998	-5.18	-2.55	15	1.96	11.2	(13.59) - 1.64
1997	-0.24	22.36	10	1.56	9.5	(10.30) - 4.45

Convertible Securities/High Yield Strategy Composite

Year	Return	Merrill Convertibles	Merrill High Yield	Accounts	Assets (millions)	% of Firm Assets	Dispersion
2007	2.10	4.12	2.17	99	33.11	7.74	(5.21)-11.83
2006	24.63	12.75	11.64	67	17.93	6.0	7.61-40.80
2005	4.48	-0.34	2.83	60	11.00	4.7	3.13-11.57
2004	19.24	8.49	10.76	29	6.54	3.5	7.72-37.16
2003	27.38	25.80	27.23	27	5.12	3.3	11.98 - 55.83
2002	0.12	-4.95	-1.14	17	3.70	3.0	(13.32) - 8.18
2001	25.94	-3.95	6.20	10	2.89	3.5	16.01 - 37.23
2000	2.59	-11.70	-3.79	8	2.42	8.3	(16.39) - 12.51
1999	0.21	44.32	1.57	10	2.46	10.8	(7.86) - 3.37
1998	4.21	8.21	3.66	4	2.00	11.4	2.52 - 2.96

Returns shown above are gross of management fees. The effect of management fees on the client's return would reduce the total return by the amount of the management fee according to the following schedule. Management Fee Schedule (The firm reserves the right to negotiate management fees.):

Short Term Bond Portfolio and Intermediate Bond Portfolio

<u>Market Value of Assets in Account</u>		<u>Annualized Fee Rate</u>
Less Than	\$ 1,000,000	0.50%
\$ 1,000,000	to \$ 2,000,000	0.45%
\$ 2,000,000	to \$ 5,000,000	0.40%
\$ 5,000,000	to \$ 10,000,000	0.35%
\$ 10,000,000	to \$ 20,000,000	0.30%
Over	\$ 20,000,000	0.25%

Blue Chip Strategy

<u>Market Value of Assets in Account</u>		<u>Annualized Fee Rate</u>
Less Than	\$ 1,000,000	0.50%
\$ 1,000,000	to \$ 2,000,000	0.45%
\$ 2,000,000	to \$ 5,000,000	0.35%
\$ 5,000,000	to \$ 10,000,000	0.25%
Over	\$ 10,000,000	0.20%

Small Cap Value Strategy

<u>Market Value of Assets in Account</u>		<u>Annualized Fee Rate</u>
Less Than	\$ 1,000,000	1.00%
\$ 1,000,000	to \$ 2,000,000	0.75%
\$ 2,000,000	to \$ 5,000,000	0.625%
\$ 5,000,000	to \$ 10,000,000	0.50%
Over	\$ 10,000,000	0.50%

Convertible Securities/High Yield Strategy

<u>Market Value of Assets in Account</u>		<u>Annualized Fee Rate</u>
Less Than	\$ 1,000,000	0.75%
\$ 1,000,000	to \$ 2,000,000	0.625%
\$ 2,000,000	to \$ 5,000,000	0.55%
\$ 5,000,000	to \$ 10,000,000	0.50%
Over	\$ 10,000,000	0.45%