

Better Investing

Thank you for participating in the 2003 Club Earnings Survey.

Winners were announced at the 2003 Better Investing National Convention in Norfolk, Virginia during November. Your participation is most appreciated. As you know, we use the results to form a number of features for *Better Investing*, including the Honor Roll of 50 Clubs. Your club may have been contacted about that during the last few months. We congratulate the winners and encourage all clubs to continue to do the best that you possibly can.

The enclosed certificate provides a performance summary for one year (12 months ended 4/30/03) and the lifetime of your club.

The 12 months ended on 4/30/03 were less than kind to the participating clubs. 50 percent of all clubs achieved a negative 10 percent rate of return, or less, for this 12-month period. An overweighting in larger companies may have contributed significantly to the short fall, providing a reminder that our portfolio shopping should always include a hunt for medium and smaller sized companies.

For the lifetime performance assessment, the rate of return relative to the matching investments in the S&P 500 are used to gauge performance.

The median participating club has a 0.9 percent advantage to the S&P 500. A club with a 0.9 percent advantage would outperform 50 percent of all participating clubs in the "Overall" Life of Club Earnings section.

The lifetime rate of return is also ranked versus participating clubs in your own home state. Some states turned in particularly solid performances including, but not limited to: Illinois, Michigan and Georgia.

The average rate of return for clubs with at least ten years of operation is 8.5 percent.

Thanks again for participating in this year's survey. If you have any questions, you may write to me at markr@better-investing.org.

Have a joyous holiday season!

Best wishes and Better Investing,

Mark Robertson
Senior Contributing Editor
NAIC Publications

ENCLOSURE

NAIC Investment Club Earnings Certificate

VALUE LINE CLUB PERFORMANCE CONTEST

Nothing But Net Investment Club

ONE YEAR EARNINGS

May 1, 2002 to April 30, 2003

RATE OF RETURN: 14.2%

This is the effective compounded rate of return achieved during the past year.

**STANDARD & POOR'S 500 INDEX
GROWTH RATE: 2.9%**

This is the effective compounded rate of return that would have been achieved during the past year if the club's funds had been invested in the S&P 500.

OVERALL: Your investment club outperformed 96 percent of all participating clubs for the twelve months ended 4/30/2003.

LIFE OF CLUB EARNINGS

Through to April 30, 2003

RATE OF RETURN: 19.3% per year

This is the effective compounded rate of return achieved since its inception.

**STANDARD & POOR'S 500 INDEX
GROWTH RATE: -10.9% per year**

This is the effective compounded rate of return that would have been achieved during its lifetime if the club's funds had been invested in the S&P 500.

OVERALL: Your investment club outperformed 100 percent of all participating clubs since inception.

BY STATE: Your club ranked #1 of 5 participating clubs in your state.

CLUB EARNINGS PERSPECTIVE:

The achievement of growth rates greater than the S&P 500 is considered excellent investment performance by NAIC. Growth rates slightly under the S&P 500 may still be a very satisfactory performance. NAIC suggests a goal of 8% per year as an excellent standard of performance to attain over a period of years.

BASIS OF EVALUATION:

- Performance was based on data as of 4/30/2003.
- Standard & Poor's 500 Index rates of return are as of April 30, 2003, by assuming investments in the S&P 500 at the end of each month for the appropriate time periods.
- All standings were based upon comparisons of this club's performance, as compared with the S&P 500 Index and with results achieved by other reporting clubs.
- NMF, not meaningful, represents insufficient data or history to perform a meaningful calculation or comparison.

Data File Number

2003

April 30, 2003



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Kenneth S. Janke, Sr.
Chairman, Board of Trustees

This Certification is based on the information supplied to NAIC by clubs participating the 2003 survey conducted by NAIC. Results shown above are your mathematical performance and ranking which reflect your club's rate of return over the time periods shown above.