

US Bond Index Plus Strategy

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This is neither an offer to sell or solicitation to invest. This presentation contains estimates and approximations with no assurance of accuracy or completeness and is presented by way of example only. Actual costs and performance will vary, and losses may exceed of the amounts illustrated in the example tables, charts and writings. Investors should perform their own independent analysis. Past performance is no guarantee of future results.

Seagate Global Advisors

Seagate Global Advisors, LLC specializes in global fixed income investment strategies and related services for investors and borrowers worldwide.

Experience

Seagate's principals have over 30 years of combined global fixed income experience at firms such as Swiss Bank, Trust Company of the West, First Interstate Bank and Nikko Capital.

Top Performance

Seagate's principals have an outstanding 10-year performance track record in this strategy.

Disciplined Process

Seagate's proprietary Lawton Bond Model™ is used as the basis for its fixed income strategies. *The Model* has a highly accurate 10-year history with major financial institutions.

Unique Investment Programs

- Short-term Strategies
- Long-term Strategies
- Structured Product Strategies

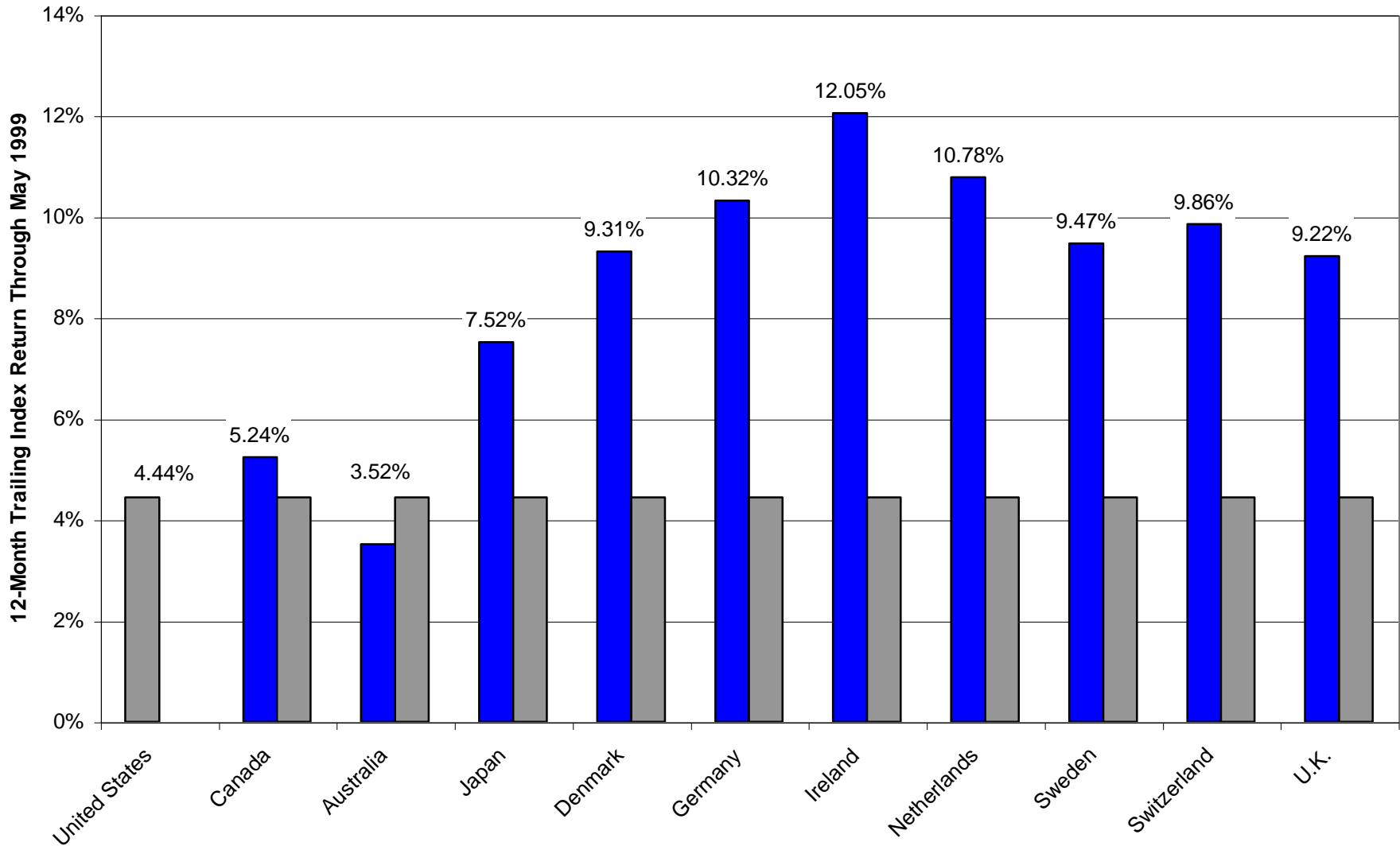
Style Comparison

Seagate vs. Traditional Bond Managers

	Traditional Bond Manager	Seagate Global Advisors	Comparative Advantage
Investment Objective	Track Index (+/-)	Outperform Index	Higher Return Potential
Asset Allocation Universe	US Domestic Allocation	Active Global Sovereign Allocation	Potential To Invest in Markets Negatively Correlated to the U.S.
Portfolio Assets	Government & Agency Bonds, Futures, Corporate Debt, Mortgages & Asset Backed Securities	US Government & Agency Bonds, High-Grade Sovereign Bonds and Interest Rate Swaps	Highly Liquid, High Credit Quality Portfolio
Portfolio Duration	Index Maturity (+/-)	Aggressive Duration Allocation	Higher Return Potential
Portfolio Turnover	Lower	Higher	Higher Return Potential, May Reduce Volatility
Currency Risk	US Dollars	US Dollar Hedged (Residual Currency Risk)	Higher Return with Minimal Increase in Currency Risk
Market Forecast Method	?	Lawton Bond Model	More Accurate Forecast
Forecast Accuracy (direction of rates*)	Approximately 40% (US Market)	Well Over 50% (US Market)	More Accurate Forecast
Track Record	?	10 Years	Experience

*Seagate study of forecasts published by the Wall Street Journal.

Global Markets Bond Index Returns vs. U.S. Bond Market Index
 Salomon Brothers Indices, Trailing 12-Months, Hedged to U.S. Dollars



Salomon Smith Barney indices SBUSC, SBCDC, SBADC, SBJYC, SBDKC, SBDMC, SBIRC, SBDGC, SBSKC, SBSZC, SBUKC respectively trailing 12 months through May 1999, hedged to U.S. dollars

Seagate US Bond Index Plus

Objective: Outperform the U.S. Bond Market

- Active Lawton Bond Model allocation between U.S. and other high grade global markets that present the most attractive investment opportunity
- High grade sovereign bonds and interest rate swaps
- Highly liquid portfolio
- Investment at all maturities along the yield curve
- All credit exposure and cash held with U.S. counterparties
- Currency hedged to return U.S. dollars
- The strategy entails almost no currency risk
- Managed to Salomon U.S. Government Bond Index or other U.S. fixed income indices

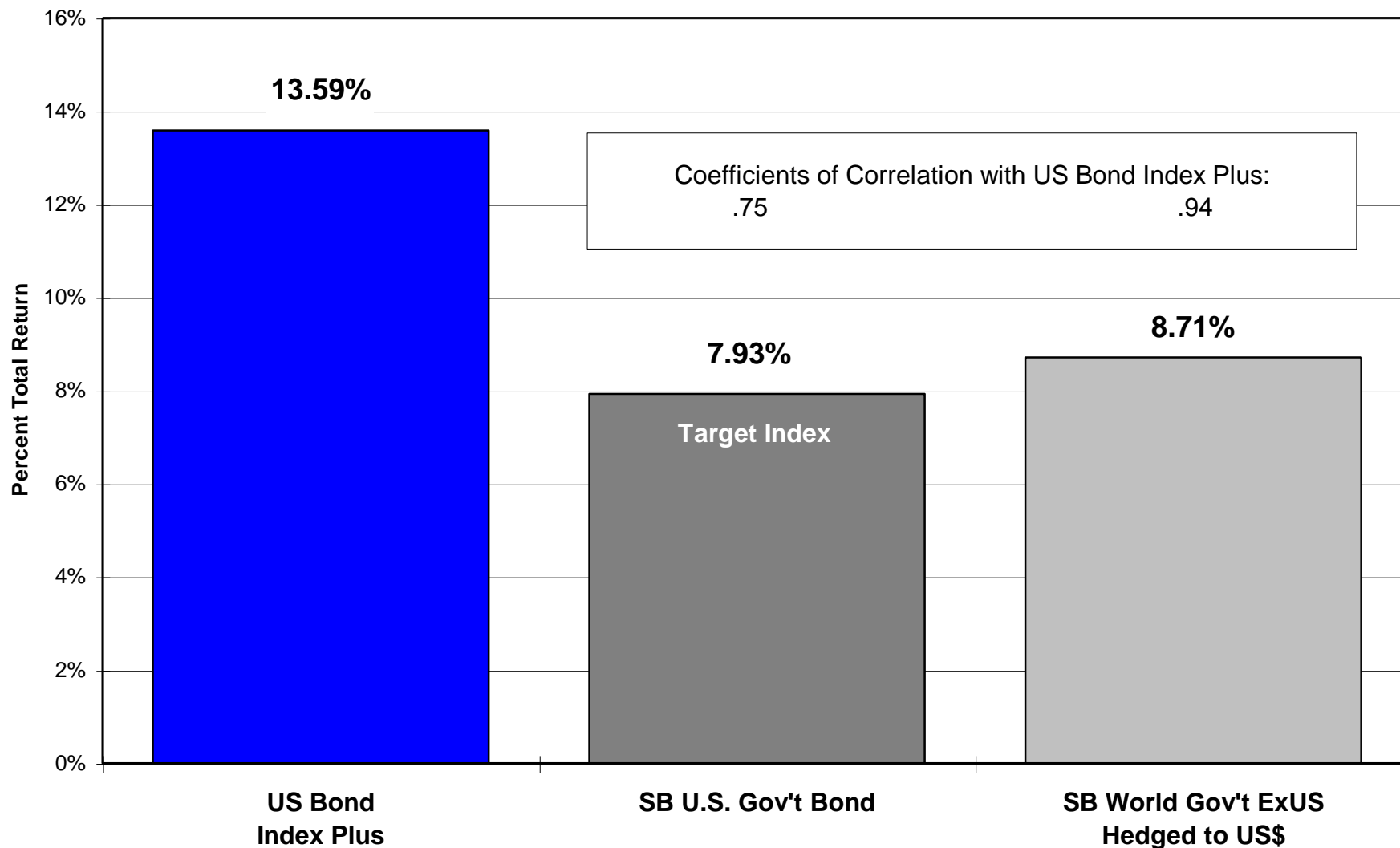
US Bond Index Plus

Gross performance, rolling periods through May 1999

	Last Qtr	1 Year	2 Years	3 Years	5 Years	10 Years
Annualized	9.85%	15.60%	16.33%	14.55%	14.83%	13.61%
Total Return	2.38%	15.60%	35.33%	50.29%	99.66%	258.31%

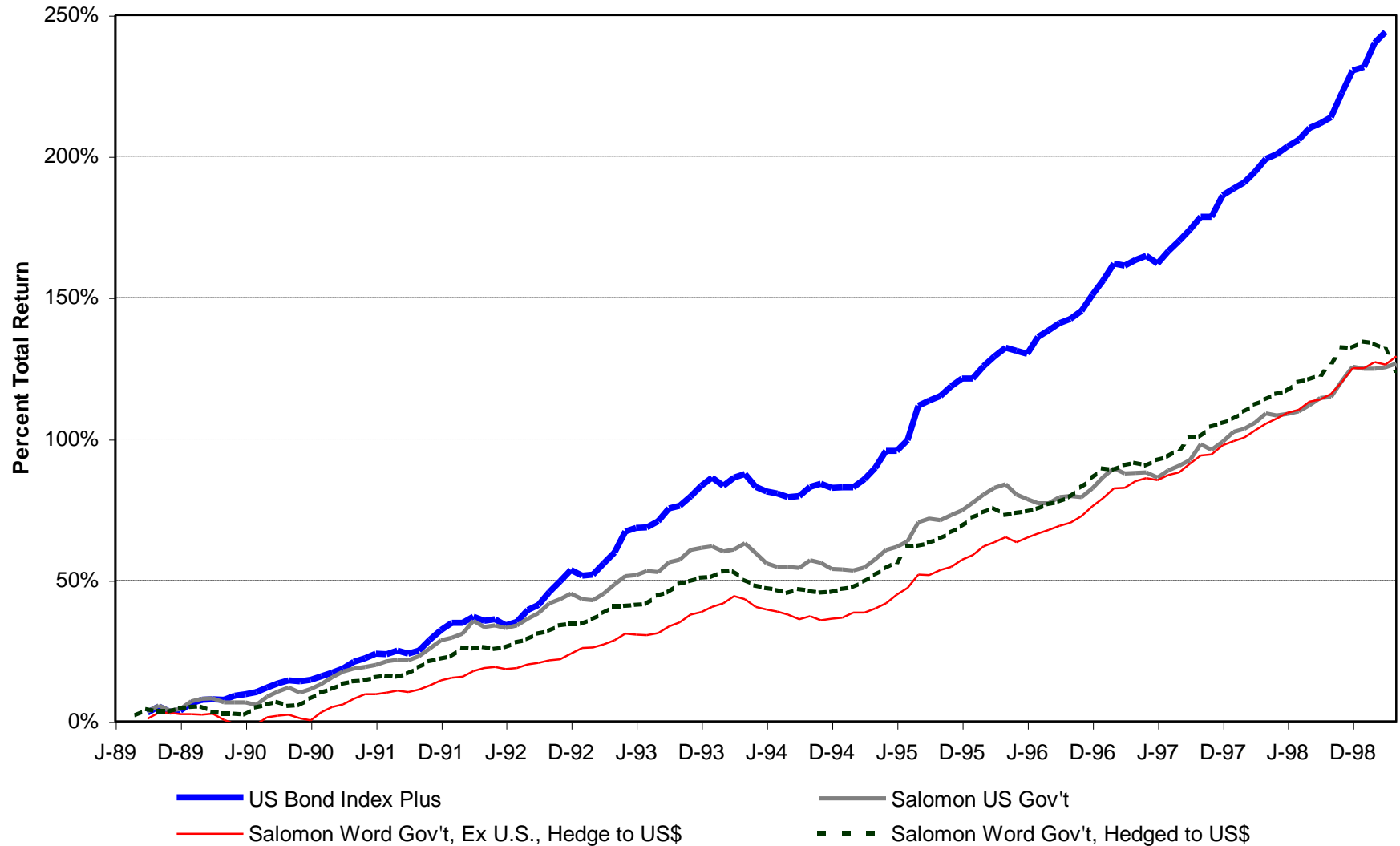
Supplemental performance numbers of Seagate Global Advisors for Mr. Lawton for portfolios he managed at prior employers through 12/95. Seagate 1/96 to 5/99 performance numbers from Seagate's portfolios.

US Bond Index Plus Strategy Performance
Annual Average Returns — 10 Years June 1989 to May 1999



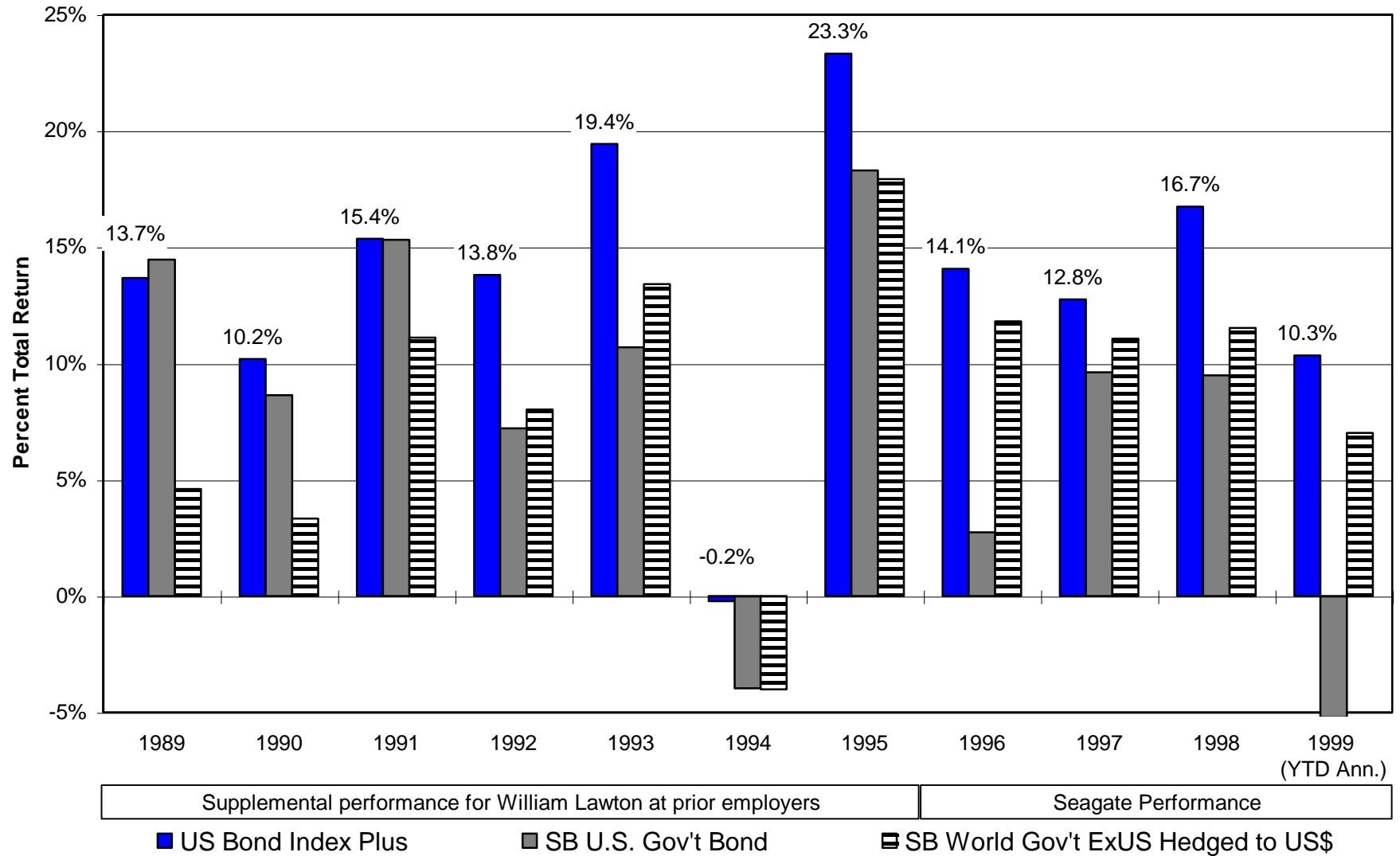
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US Bond Index Plus Performance Cumulative Returns — Ten Years Through May 1999



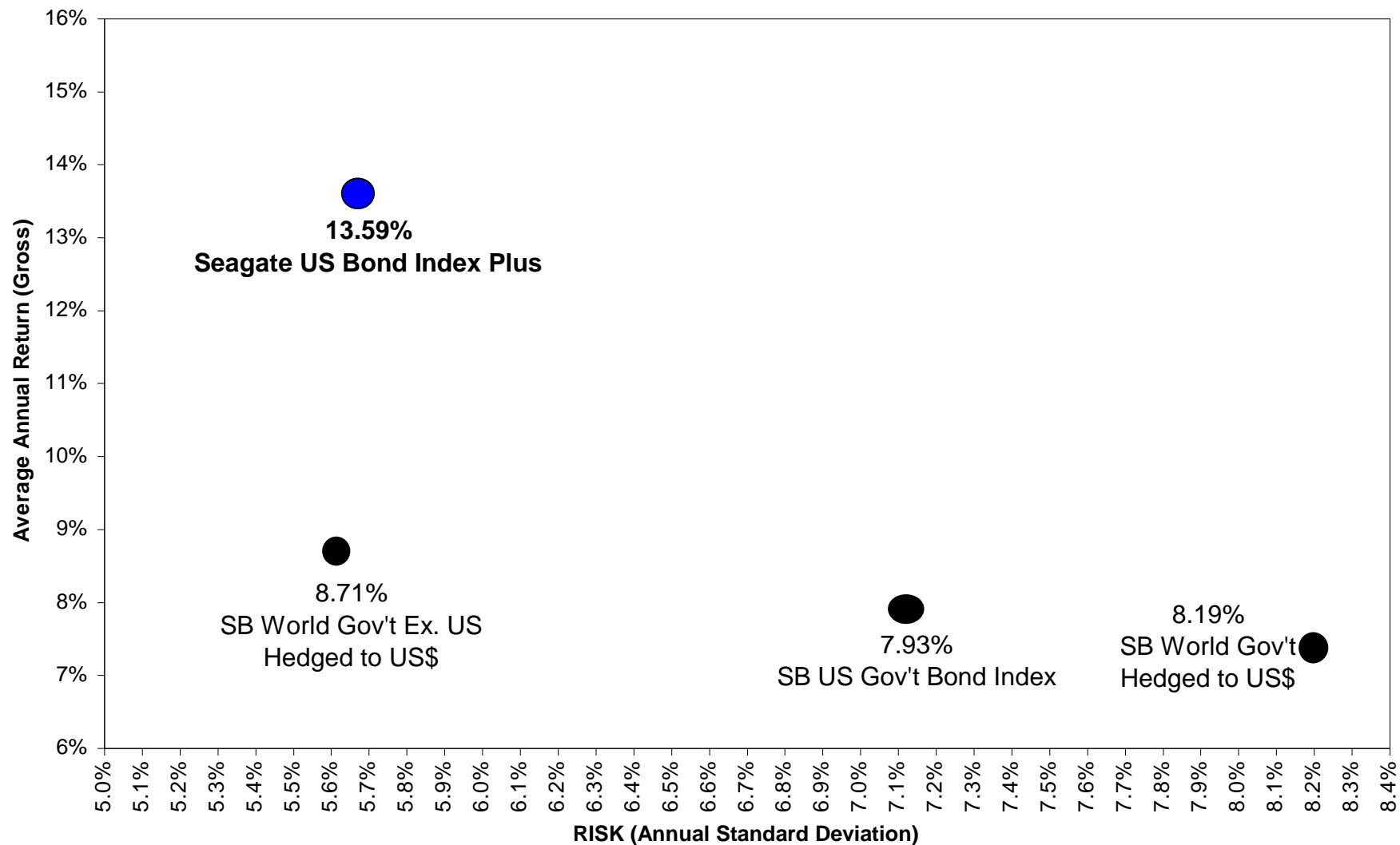
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US Bond Index Plus Strategy Performance vs. Salomon Brothers Indices



Supplemental performance numbers of Seagate Global Advisors for Mr. Lawton for portfolios he managed at prior employers through 12/95. Seagate 1/96 to 5/99 performance numbers from Seagate's portfolios.

US Bond Index Plus Performance
Average Annual Returns June 1989 to May 1999



Supplemental performance numbers of Seagate Global Advisors for Mr. Lawton for portfolios he managed at prior employers through 12/95. Seagate 1/96 to 5/99 performance numbers from Seagate's portfolios.

Performance Footnote

Seagate's US Index Plus performance numbers prior to January 1996 are supplemental per AIMR standards, as they are for portfolios managed by Mr. Lawton in a strategy very similar to Seagate's US Index Plus, but at prior employers. For legal liability and marketing reasons, one of those employers has requested that their name not be used in conjunction with the strategy, and further requested that Seagate not represent that they audited such performance numbers. Seagate hereby honors that request.

The return numbers prior to 1996 are calculated using AIMR performance calculation guidelines as follows: total rate of return used to calculate performance; accrual accounting ; time weighted rated of return on a monthly basis with geometric linking of period returns; inclusion of all fee paying, discretionary portfolios; no linkage of simulated or model portfolios; asset weighted; addition of new portfolios after the start of the next performance measurement period; exclusion of terminated portfolios for all periods after the last full period; no restatement after a firm's reorganization; deduction of all trading costs; presentation from inception of the strategy; presentation of annual returns; presentation of sub-sector, or carve out, returns as stand-alone basis as allowed for in international portfolios.

AIMR Mandatory Disclosures:

1. Complete list of the firm's composites: Seagate has available supplemental information on its Global Bond Strategy in addition to the information given here;
2. Number of portfolios in the performance record was between 1 and 16, and included assets up to approximately \$800,000,000.
3. Balanced portfolio segments are not included in the performance history, and cash remained in the performance results until a change in asset allocation was made between the U.S. portion of the portfolio and the non-U.S. portion;
4. The performance results are gross of investment management fees;
5. No minimum asset size below which a portfolio was excluded;
6. Leverage was not used in the performance numbers.
7. There were no non-fee paying accounts (either soft or hard dollars)
8. Results are net of any withholding taxes;
9. The results include sub-sectors of larger portfolios, and ranged below 3% and above 50% of the larger portfolios, depending on the period and account, or up to 100% of the portfolio;
10. For composites measured against benchmarks, the percent invested in countries not included in the benchmark -- 100%;
11. The returns are all stated in terms of U.S. Dollars and fully incorporate any effect of currency on the portfolio.

AIMR Standards on Portability of Performance Results Between Firms (AIMR Presentation Standard V-9)

"...Performance results of a past affiliation must not be used to represent the historical record of a new affiliation or newly formed entity. Using performance data from a prior firm as supplemental information is permitted as long as the past performance record is not linked to the new affiliation."

Under this guideline, Mr. Lawton's performance is presented as supplemental performance for Seagate Global Advisors.

Performance numbers after 1/96 are for Seagate's non-discretionary US Bond Index Plus portfolio provided to advisory clients. The portfolio uses the output from Seagate's Lawton Bond Model to select countries for investment on a currency hedged basis. Investment returns are calculated for selected countries using the Salomon Smith Barney's currency hedged index for that country for the month that funds are allocated to that country. If there are no countries in the investment universe with a positive Model score, monthly returns are calculated using Libor. In the event that there is more than one country in the universe with positive Model scores, the portfolio is divided evenly among those countries. The portfolio is balanced monthly, and returns do not include transaction costs or investment management fees.

Investment Decision Process

- Investment decisions are based on an actively managed process:

The Lawton Bond Model™

The Lawton Bond Model quantifies factors affecting individual bond markets, and provides a forecast on the direction of the market (intra-market).

Model scores for individual countries are then ranked and compared for investment merit (intermarket).

Reveley Bond Tracker™

Bond Tracker analysis forecasts hedged bond market returns, estimates volatility factors, calculates correlation among markets and analyzes specific instruments.

Currency Hedge Analysis

Currency hedge analysis seeks to identify efficient hedges. Positions are usually hedged to U.S. Dollars, but in establishing the hedge, the manager balances the cost with the currency risk; thus holdings may not be effectively 100% hedged.

Currency exposure is actively managed to minimize hedge costs and to respond to changing market conditions.

Investment Decision Process

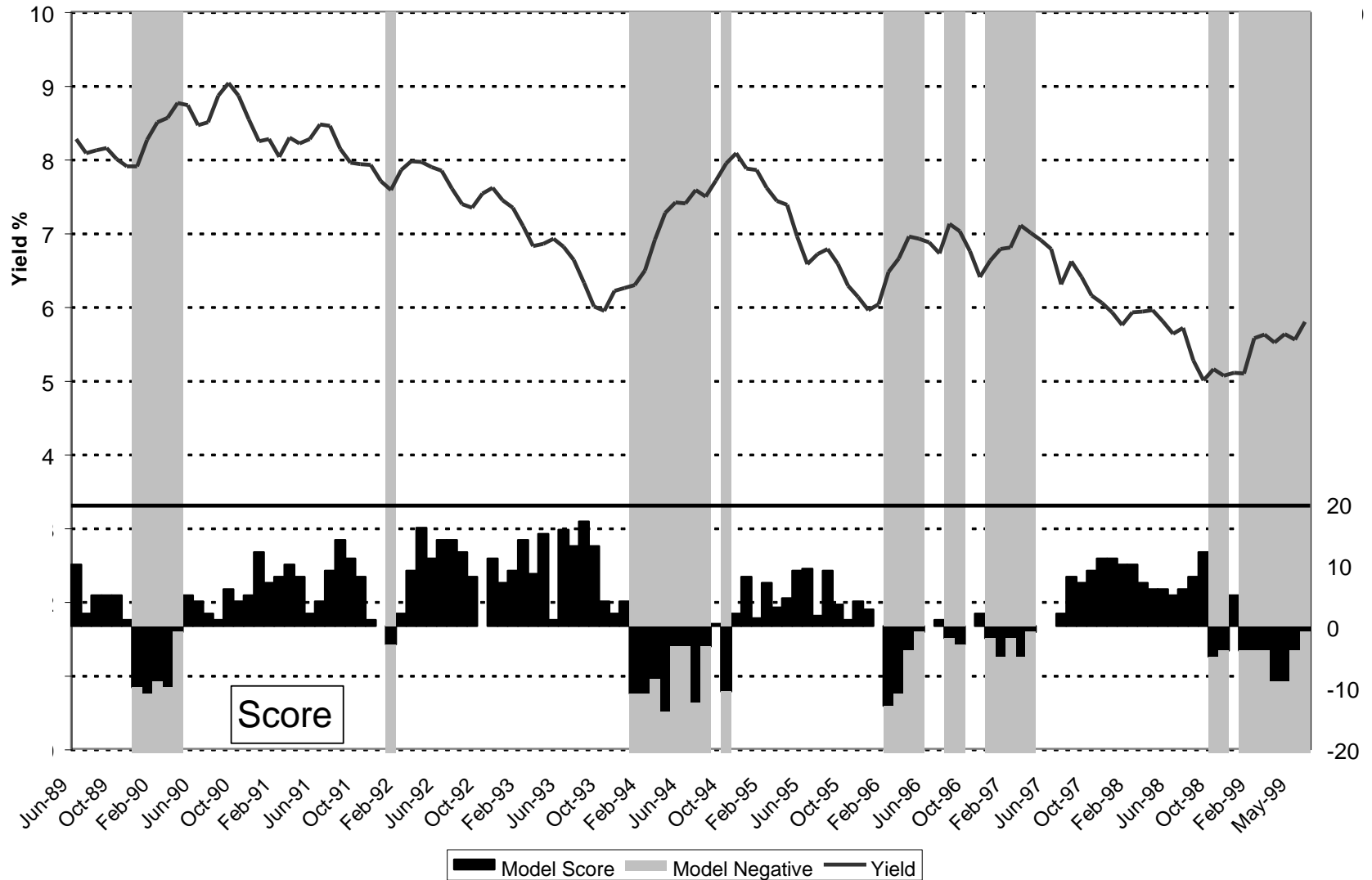
The Lawton Bond Model — A disciplined approach to market analysis

The Lawton Bond Model has produced one of the premier published forecast records for the U.S. bond market, and a number of foreign markets. Seagate uses the Model to identify favorable markets and avoid markets that will not perform well. The model has 10 years of history and is applied to over 30 markets. This proven methodology quantifies the following bond market discount factors as they affect individual markets:

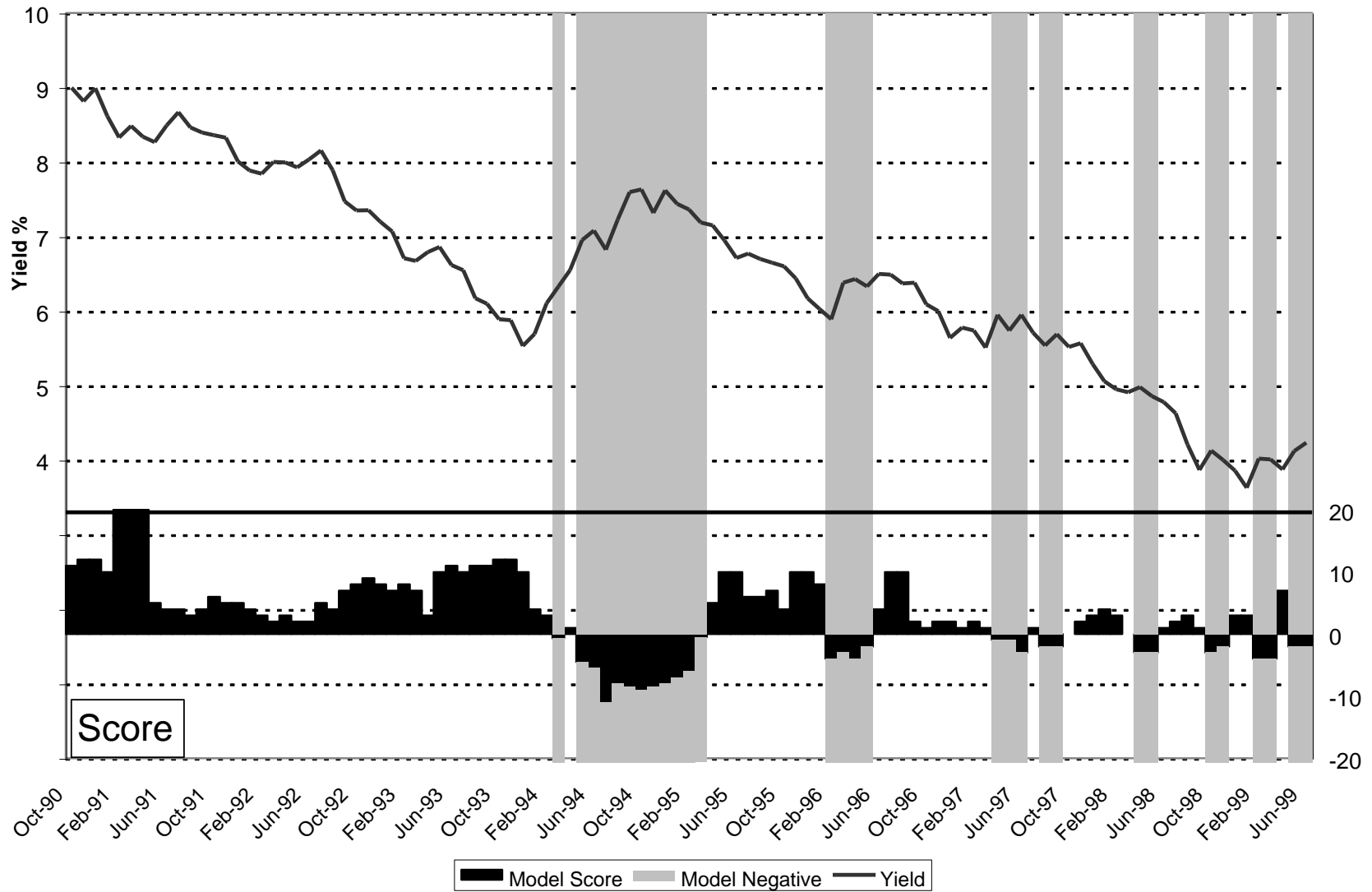
1. Economic Fundamentals
2. Inflation
3. Fiscal Policy
4. Supply/Demand
5. Politics
6. International
7. Monetary policy
8. Technical
9. Sentiment
10. Value

➔ These factors are compiled into a bond market score and compared among markets as the basis for identifying the most attractive markets.

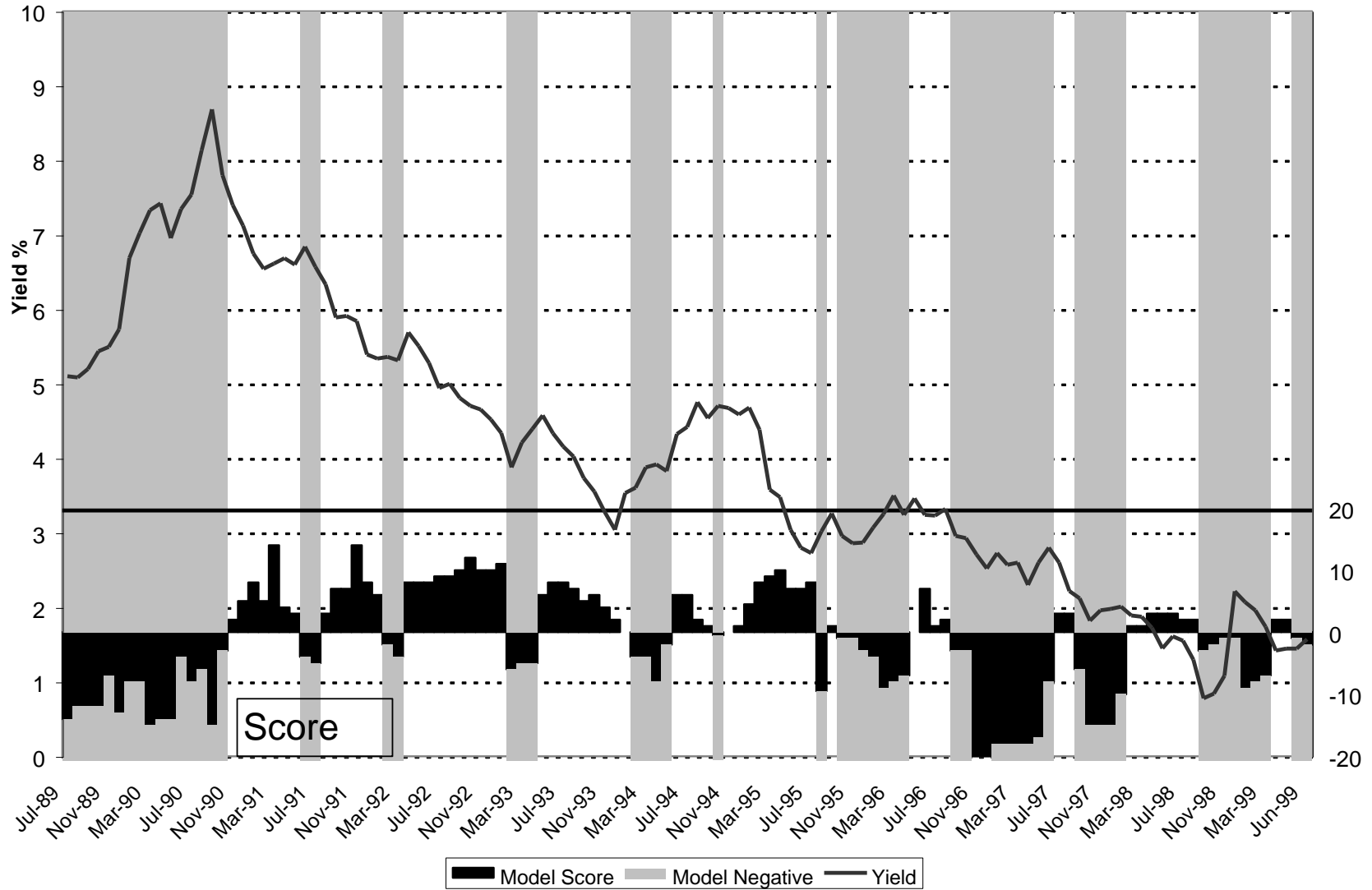
Lawton Bond Model — United States



Lawton Bond Model — Germany



Lawton Bond Model — Japan



Investment Decision Process

Reveley Bond Tracker™

The *Reveley Bond Tracker* assists in analyzing, constructing and monitoring an efficient low-risk/high-return investment portfolio within country positions identified by the *Lawton Bond Model*.

Short-term Bond Market Correlation Coefficients Between the U.S. and Selected Countries	
UK	.95
Germany	.44
Japan	-.65
Australia	.86
Canada	.54
Italy	-.33

Reveley Bond Tracker:

- Identifies arbitrage opportunities
- Forecasts hedged bond market returns
- Analyzes specific instruments
- Estimates volatility factors
- Calculates correlation among markets
- Optimizes portfolio construction

Source: Seagate for 6 months to 5/99, Salomon Smith Barney Bond Market Indices