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Jobs and Growth Tax Relief Reconciliation Act
The First 100 Days: From Recovery To Boom

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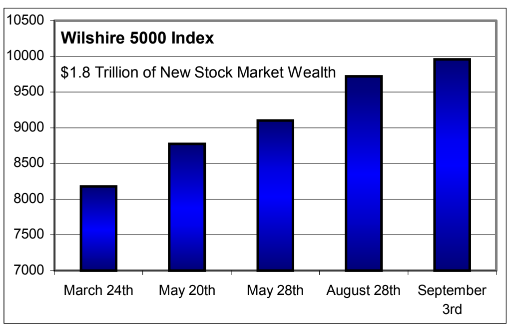
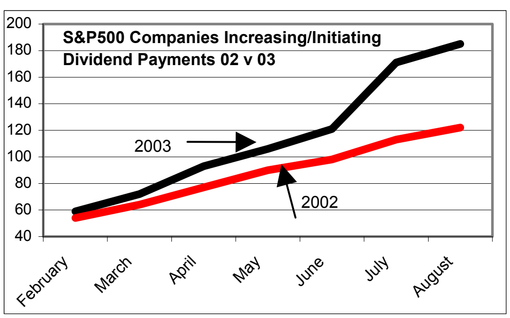
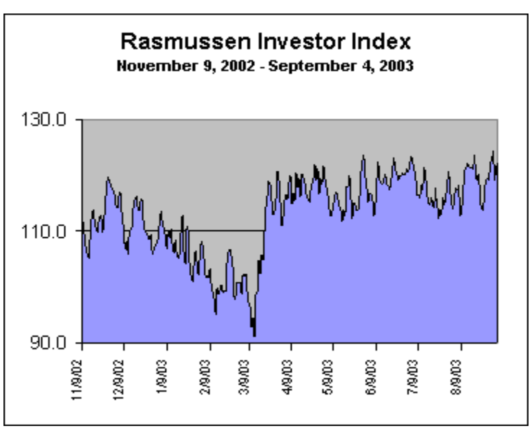
President Bush's Tax Cut Is Performing Better Than Expected







- **Stock Market Wealth Is Being Restored.**
  Stock market net wealth has increased $1.2 trillion since the tax cut agreement was reached, adding more than $16 billion of new wealth per day. The stock market has added $1.8 trillion of new wealth since March 24th, when the Senate unexpectedly reduced the size of the tax cut and $283 billion of stock market value was lost in one day. Since President Bush signed the tax cut, more than $800 billion of new wealth has been created.

- **Dividend Payments Significantly Increasing**.
  After two decades of declines, the number of companies in the S&P 500 increasing and initiating dividend payments is running 51.6 percent higher than the same time last year. The change in corporate behavior is completely correlated with the tax changes. A recent study by S&P found increased payments coupled with the dividend tax cut savings would place an additional $46 billion (net) into investors' hands this year.

- **Stock Market Will Lead The Economic Recovery**
  After the first 100 days, markets are up, investors are confident, and business investment is set to explode. Increasing stock values and more cash in the hands of shareholders has boosted confidence among investors and businesses. When these variables are coupled with income tax reductions, increased depreciation, and low interest rates, new investment and employment growth will follow. In sum, the initial phase of the tax cut has ignited the stock market, which is setting the stage for more explosive growth throughout the entire economy. After 100 days, the economy has moved from a recovery to boom stage.

First 100 Days: From Recovery To Boom

Markets Are Up, Economy Is Sizzling, Jobs Set To Follow

On May 28th, President Bush signed into law the most pro-growth tax cut since Ronald Reagan's historic tax cut in 1981. The new tax law accelerated income tax rate reductions, expanded business depreciation, increased small business expensing amounts, slashed the capital gains tax and significantly reduced the double taxation of dividends.

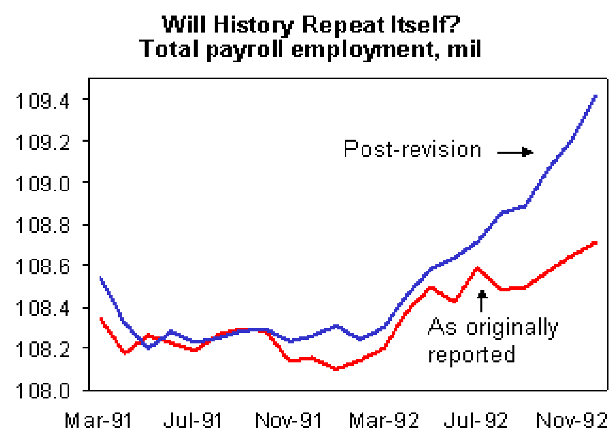
The final tax cut became bigger and more growth-oriented than originally expected when the capital gains and business depreciation provisions were included as part of the final package. Moreover, many of the provisions deemed "temporary" for budgeting purposes are leading to a severe underestimation of the 10-year, $330 billion static revenue estimate. If all the provisions were made permanent, the static estimate would be close to a 10-year $1 trillion tax cut.

The recently signed tax law became effective immediately for the tax cuts on investment and six weeks later for the accelerated income tax reductions.

Since the legislation was signed into law, a number of positive developments have resulted, which has turned the economy from a recovery stage to boom stage. First, markets have responded very quickly to the tax cut changes. The rapid market response has translated into $1.2 trillion of new wealth created since the tax cut agreement was reached May 20th.

Companies are paying record amount of dividends and a net $50 billion of dividend cash has been returned to shareholders. These developments are working to bolster confidence among investors and businesses, setting the stage for economic growth throughout the entire economy.

All this good news begs the question: why are jobs not being created? ASA suggest that jobs are ***not*** declining and may in fact be increasing. Small businesses are the first to hire out of a recession. The employment survey fails to capture small business hiring and the creation of new small businesses. In fact, coming out of the last recession, the employment survey completely underestimated employment and the subsequent revision more than doubled the amount of jobs being created in the economy.



Source: Economy.Com

The data shows that a similar upward revision of employment data is on the horizon. The number of self-employed workers has increased by 500,000 in the past three months Economist Larry Kudlow asserts that proprietors' income, a proxy for small business, is up 16 percent annually for the same three-month period. And small businesses received a tremendous lift from the accelerated income tax rate reductions and Section 179 expensing provisions of the tax cut. If jobs are not being created right now, they will be in the next month or two and well into 2004.

Hold on to your hats, the recovery has ended and the boom is coming.

AMERICAN SHAREHOLDERS ASSOCIATION

Markets Have Rapidly Adjusted To The Tax Cut

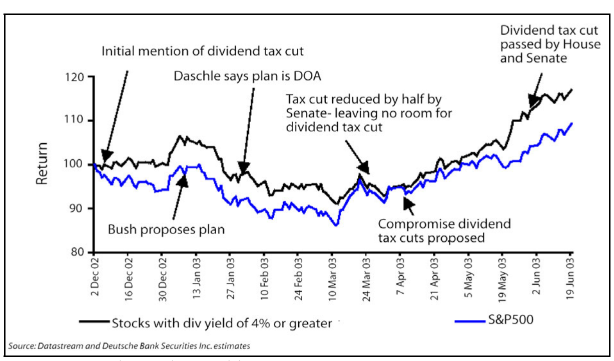
2003 Tax Cuts Outpacing Successful 1997 Capital Gains Tax Reduction

Directly before and immediately following the tax cut being signed into law, economic behavior began to change.

The most rapid response to the tax cut has been the provisions aimed at boosting the sluggish stock market: capital gains and dividend reductions. A rapid response from markets has boosted investor confidence and rising stock values are providing the equity capital for new investment.

How rapid has the market adjusted? The dividend provision adjusted long before the tax cut was put into place. Dividend issuance had been declining for more than two decades, but as the political discussion changed from talk to action, demand for strong dividend stocks increased immediately and outperformed the S&P 500.

When the dividend proposal appeared to be in danger, the performance gap of high-yield dividend paying stocks relative to the S&P 500 narrowed. Conversely, as soon as passage of the legislation appeared to be completed, high-yield dividend stocks took off. One month following the final agreement in Congress, four percent yield dividend stocks had outperformed the S&P 500 by 8 percent since the initial mention of cutting taxes on dividends. This should also put to rest any discussion that the tax cut on dividends had no effect on their stock prices.



Source: Deutsche Bank Securities

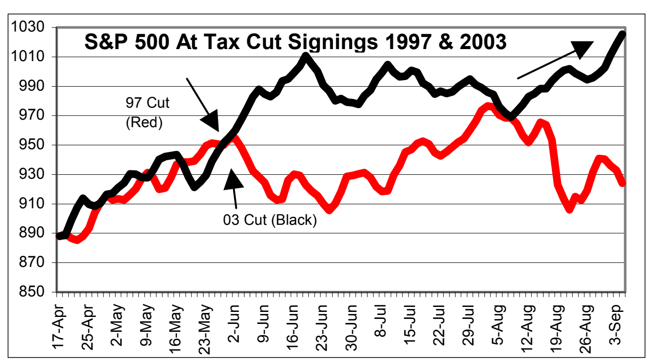
Following passage of the tax cut, the stock market also responded much quicker than the successful 1997 capital gains tax reduction (which boosted S&P 500 stock values by 25 percent from 97-99).

The '97 capital gains tax reduction and the '03 capital gains tax reductions were roughly equivalent in size, both as a percentage and in static dollar amounts. The S&P 500 was also roughly at the same level when President Clinton signed the 1997 reduction and when President Bush signed the 2003 tax cut.

Comparing Capital Gains Tax Reductions

	1997	**2003**
% Tax Reduction	28.6%	25.0%
$ Change (Static Millions)	$21,161	$22,386
S&P500 On Signing Day	950.30	953.22
% S&P Change First 100 Days	-2.8%	+7.8%

As the chart below shows, the S&P 500 has responded much more rapidly to the 2003 tax cut than the 1997 capital gains reduction. Both reductions priced in nearly identical six weeks prior to the signing of the legislation. Once the legislation was signed, however, the recent tax cut boosted markets while the '97 cut flattened. And the markets have once again reignited over the past 30 days with a second burst, adding more than $1 trillion of new stock market wealth.



$1 Trillion Of New Stock Market Wealth

Lower Taxes On Capital and Investment Increases Wealth

The stock market has become increasingly more important to the U.S. economy over the past decade as the number of American households invested in the stock market has reached more than 50 percent. The amount of money flowing into markets has also substantially increased. Thus, a sustained decline in equity markets now has a much larger impact on the U.S. economy, job creation, and the overall standard of living for middle-class Americans.

The rapid response to the changes in tax laws has brought about a rise in stock market wealth. This rise in wealth was sorely needed because the lagging stock market has weighed heavily on the U.S. economy during the past three years. Stock wealth had been down by as much as $7 trillion during this period, which led to the first year over year quarterly decline in household net worth since the indicator was recorded in 1953.

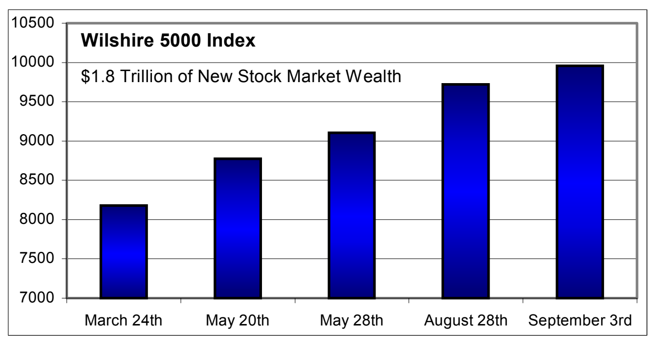
Not only did household wealth decline in two consecutive quarters for the first time, this trend lasted for five straight quarters, driven entirely by declines in equity values. The decline was only partially offset by rising home values leaving households with a net decline of wealth of $4 trillion at its lowest point in the cycle.

The decline in wealth reduced the confidence of businesses, investors and consumers. The cost of capital increased, further slowing investment and employment growth. A circular process began in which less investment resulted in a slower stock market. A slower stock market then resulted in less investment. As a result, employment declined and the standard of living declined among American households.

The latest tax cut finally put this circular investment decline to rest for good. Since the stock market bottom on October 9, the Wilshire 5000 Index has increased 36 percent, restoring $2.6 trillion of shareholder wealth.

A total of 45 percent of this stock market wealth recovery, $1.2 trillion, has occurred since Congress formally announced the final tax cut agreement on May 20th.

Another $600 billion was restored between March 24th and May 20th. On March 24th, the Senate slashed the budget window for tax cuts from $726 billion to $350 billion. The Wilshire Index dropped 3.3 percent that day, losing $283 billion of shareholder wealth in one day.



From that point on, it became increasingly clear that President Bush was about to get most of his tax cut and markets responded favorably. Even after the president signed the legislation, markets continued to respond favorably. Shareholder wealth is increasing at a rate of $16 billion per session and has been rising at an annual rate of 55 percent since May 20th.

Increase in Stock Market Wealth Since:

October Low (10/9/02)	$2.6 Trillion
Senate Reduced Budget (3/24)	$1.8 Trillion
Tax Day (4/15)	$1.5 Trillion
Tax Cut Agreement Reached (5/20)	$1.2 Trillion
President Signs Into Law (5/28)	$863 Billion

Dividend Cut Changes Behavior, Empowers Shareholders

$50 Billion of New Dividend Money Returned To Shareholders

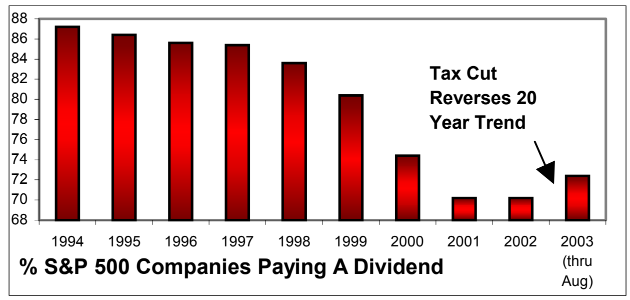
The centerpiece of President Bush's tax cut was to eliminate the double taxation of dividends. As part of the final legislative compromise, the double tax was reduced by as much as 62 percent and just as important, the new flat rate of 15 percent was equalized with the capital gains tax rate.

Opponents of this proposal attacked the plan as a costly giveaway to the rich that would provide little economic growth in the near term. Proponents argued that the double tax was causing market distortions that impacted corporate accountability, stock market returns, and capital allocation.

After the first 100 days, it is clear that supporters of abolishing the double tax were correct. Dividends have come back at full speed in 2003. Prior to the tax cut, dividends had been declining for more than two decades, as the number of firms paying dividends dropped from 66 percent in 1978 to 21 percent in 1999.

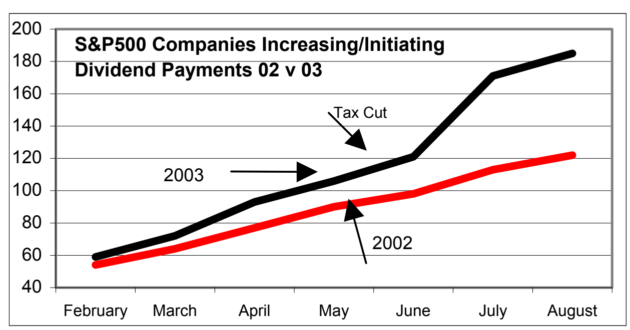
However, in just three months since the tax cut was signed into law, at least 55 companies have initiated a new dividend and most credit the tax cut as one reason for the decision (see Appendix A dividend quote section). This year, 16 companies in the S&P 500 have initiated a dividend payment, while just five have suspended their dividend payments, leaving a net increase of 11 companies.

Placing this in context, 2003 is on pace to be the first year the number of S&P 500 companies paying dividends has increased since 1994. And in 1994, the net increase was just one company. Since 1980, only six years have actually experienced a net increase in the number of S&P 500 firms paying dividends, with five companies being the largest net increase in one year. Now, 2003 is on pace to double that number and it is no accident that more money to shareholders via dividends coincides with reducing the double taxation.



At the same time, the number of companies increasing dividend payments has also accelerated in response to the tax cut. Nearly 900 companies have increased their dividends this year. A total of 183 companies increased their dividend in the month of July alone, the most since 1979. And 45 percent of the S&P 500 companies that make dividend payments have increased their dividend so far this year, while just 33 percent of these companies increased their dividends at this time last year.

Taken altogether, the number of combined increases and initiations of dividends of non-S&P 500 companies is increasing 43.5 percent above last year, while S&P 500 companies is running 51.6 percent above last year.



As a result of the increased and initiated dividend payments, a recent S&P analysis found that an extra $46 billion net would be returned to shareholders over the next twelve months that would not have occurred otherwise.

ASA Dividend Scorecard

52 Percent Increase of Favorable Dividend Activity Over Last Year

 # Of Companies Raising Dividends in August

105

 # Of Companies Raising Dividends Since Tax Cut (May 28)

376

 # Of Companies Raising Dividends Since January 1st

885

 # Of Companies Issuing New Dividends Since Tax Cut (May 28)

55

% Inc. S&P 500 Companies Raising/Initiating Dividends YTD

51.6%

% Inc. Non-S&P 500 Companies Raising/Initiating Dividends YTD

43.5%

Investor Confidence Rising

Increasing Stock Values, Dividends Boosts Confidence

The stock market has become increasingly more important to the U.S economy. So, when investors are not confident, the stock market lags, investment halts, and the rest of the economy follows. Three years ago the stock market started its descent, which is completely correlated with investor confidence declining. Subsequently, the horrific attacks of September 11th, corporate scandals, and a recession sent investor confidence sliding further downward.

President Bush understood low confidence was impacting the economy. As such, Bush used his State of the Union Speech last January to justify his proposal to abolish the double taxation of dividends as a way to bolster confidence. "To boost investor confidence…I ask you to end the unfair double taxation of dividends."

And confidence has been rising ever since the political gridlock over the tax cut was worked out and combat in Iraq ended. With increasing equity values and more dividend payments, investor confidence continues to increase, despite international uncertainty.

As the chart demonstrates, confidence had been sliding downward since early 2000. Investor confidence increased when the income tax reductions from the first tax cut were implemented at the beginning of 2002, but those gains were quickly reversed as the corporate scandal reporting increased and Middle East violence erupted. Confidence declined for 12 months straight following these events and became correlated with international events.

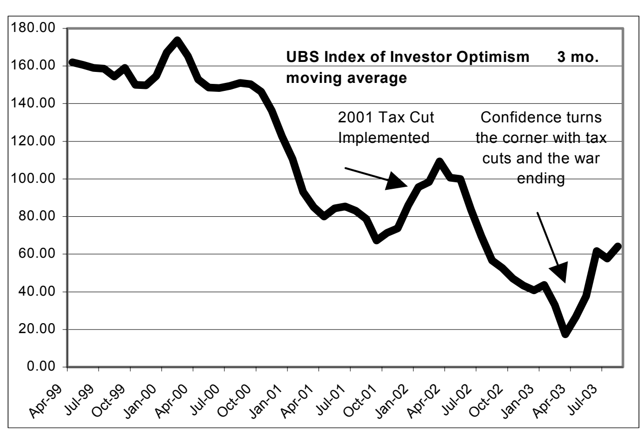
After the 2003 tax cut was signed by the president investor confidence surged by 12 points in the following two weeks and reached what was then a year-to-date high of 123.7 on May 31.

Investor confidence's strong correlation to international events, however, has somewhat dissipated since the president signed the tax cut according to Scott Rasmussen, president of the polling firm Rasmussenreports.com (see: www.rasmussenreports.com for more information regarding investor confidence and investor voters)

"Since May, the connection between international security issues and investor confidence has changed," said Rasmussen.

"Perceptions of the international situation have declined significantly. In Iraq, initially 50% of Americans believed that the war was making life safer in the United States while 32% thought it was making life more dangerous. However, by late August, those numbers had changed dramatically. 41 percent thought the war had made life more *dangerous* and only 39% thought life was *safer.*

"Despite this decline in the international security environment, the Rasmussen Investor Index has remained essentially stable. In fact, a new year-to-date high of 124.3 was established on Sept. 1. This ability of investor confidence to remain steady despite uncertainty in the international arena began at the time the president's tax cut was passed."



More Needs To Be Done

Further Policy Actions Can Enhance Tax Cut Effects

Other policy initiatives can work to complement the positive economic effects this tax cut generated.

International Tax Reform. The United States' Foreign Sales Corporation and Extraterritorial Income Exclusion (FSC/ETI) have been declared illegal four times by the World Trade Organization. Without changes, the United States is facing $4 billion of sanctions. Congress should repeal FSC/ETI immediately and use the $50 billion in savings to reform the country's abusive international tax policy. This includes eliminating double taxation and encouraging business investment, which can come in the form of corporate rate reductions, abolishing the alternative minimum tax, full business expensing, and territorial taxation.

Invest in the U.S.A. Act. This legislation temporarily allows businesses to reinvest foreign earnings back in the United States with a significant reduction in double taxing of foreign source income. Currently, the United States is one of the few industrialized countries that double taxes foreign source income, putting companies at an international competitive disadvantage. Reducing the current tax rate on earnings gained by American companies overseas from 35 to 5.25 percent to increase domestic R&D, reduce domestic debt loads, increase dividends to shareholders, and raise equity market valuations by increasing funds available for share repurchase.

Expand Trade Opportunities. President Bush recently signed into law new free trade agreements with Chile and Singapore. This is a good first step but further steps are needed to open markets around the world. Tariffs, most specifically, steel tariffs also need to be lifted.

Social Security Reform. No other initiative currently on the policy agenda can boost long-term economic growth as much as Social Security reform can. With the system facing insolvency, the only way to make the system solvent without raising taxes and/or cutting benefits is to allow individuals the option to open voluntary personal accounts that will be invested. From an economic perspective, taking trillions of dollars out of the government sector and placing the funds in markets will significantly boost equity capital needed to finance investment, increase wages, and ultimately raise the standard of living for all Americans.

Tax-Free Savings Accounts. Earlier this year, President Bush proposed Lifetime Savings Accounts for individuals to save tax-free for any purpose. The proposal should be reintroduced and implemented immediately. The program is designed to operate similar to a Roth IRA – contributions will not be tax-deductible, but accumulated earnings and distributions will be. Furthermore, the president's plan to consolidate retirement savings programs should also be implemented to ensure retirement security for all Americans.

Meaningful Asbestos Reform. The current asbestos litigation has bankrupted productive companies, harmed consumers, punished investors, and slowed economic growth. More than 60 companies have declared bankruptcy and when the Senate choked in passing meaningful reform this year investments in these companies were halted. As asbestos reform appeared to gain momentum June 23rd, stocks of asbestos-related companies significantly increased. USG Corporation shares gained more than 35% in one day on June 23rd when it had appeared that senators would reach a sensible compromise on asbestos litigation. But when trial lawyer-sponsored loophole amendments were passed, medical criteria was watered down, and compromise in danger, shares of USG Corp. fell to $20.10, a drop of $3.10 (13.36%). Failure to enact meaningful asbestos reform will continue to exert negative pressure on the nation's economy.

Dividend Quotes

Companies Cite the Tax Cut For Recent Dividend Actions

"We believe that it is appropriate, given the significant amount of free cash flow that the company generates, that we return a portion of those profits to our shareholders, particularly in light of recently improved federal tax laws on dividends." –
Lowry Mays, Chairman and Chief Executive Officer, Clear Channel Communications

"Given the recent legislative changes regarding dividends, they are an effective way to create additional value for our shareholders," –
Paul Fireman, Chairman and Chief Executive Officer, Reebok International Ltd.

"Given the Company's strong free cash flow, excellent balance sheet, and the recent changes in federal tax laws, we've elected to increase our dividend payout ratio," –
Richard H. Lenny, Chairman, President, and Chief Executive Officer, Hershey Foods

"Given the recent changes in the tax law, the increased dividend is an effective way for the company to return capital to shareholders while balancing our need to grow the business," –
Bob Nardelli, Chairman, President and Chief Executive Officer, Home Depot

"The change in tax law certainly makes dividend payouts more attractive and tax efficient." - Mike Eskew, Chairman and Chief Executive Officer, United Parcel Service

"It is now the Board of Directors' intent to increase dividends per share in line with the company's earnings per share growth, versus a prior policy of increasing dividends per share somewhat less than the growth in earnings per share. This policy change reflects the recent reduction in the federal tax rate on corporate dividends." - Anheuser-Busch's press release, July, 23, 2003

"The recent change in the tax law levels the playing field between dividends and share repurchases as a means to return capital to shareholders. This substantial increase in our dividend will be part of our effort to reallocate capital to dividends and reduce share repurchases…Our Board's authorization of a 75 percent increase in our dividend, the largest increase in our company's history, further underscores our desire to enhance returns to our investors," –
Sanford I. Weill, Chief Executive Officer, Citigroup

"The dividend increase reflects both that underlying strength and the fact that recent changes in the federal income tax laws make dividends a more efficient way to distribute value to our shareholders. -
John W. Rowe, Chairman and Chief Executive Officer, Exelon

"As a result of our very strong cash position and the recent change in the U.S. tax law making the distribution of dividends more efficient, we are pleased to increase the cash payout to shareholders," –
Dr. Irwin Mark Jacobs, Chairman and Chief Executive Officer, Qualcomm

"The recently enacted, favorable tax laws influenced the Board's decision to increase Biomet's dividend by 50% compared to last year's dividend…" –
Dane A. Miller, Ph.D., President and Chief Executive Officer, Biomet

“The higher dividend also responds to the recent reduction in federal dividend tax rates and provides a tax-efficient means of distributing returns to owners.” –
Entergy press release, July 28, 2003

“In recognition of the continued strength of these cash flows and the recent changes in dividend taxation, the Board of Directors has approved a 27% increase in Schwab's quarterly cash dividend to 1.4 cents per share." –
Charles Schwab, Chairman, Charles Schwab

"The Jobs and Growth Tax Relief Reconciliation Act of 2003 and its tax relief on dividends have significantly altered the tax landscape for dividend paying community banks and their shareholders. …This new environment for dividend paying stocks has given investors another reason to hold them in their investment portfolio."
James W. Everson, Chairman, President and Chief Executive Officer, United Bancorp

“It is especially fortunate for our shareholders that American Software is in a financial position to initiate a quarterly dividend policy when Congress has just amended our tax laws to dramatically reduce the tax rate on corporate dividends."
James C. Edenfield, Chief Executive Officer and President, American Software

"Given the recent changes in the tax law, dividends have become a more attractive means of rewarding shareholders and represent an excellent return in today's investment environment."
- Ken Thompson, Chairman and Chief Executive Officer, Wachovia

"With the recent tax law changes to dividend income and Walgreens continued growth in earnings, we believe it's the right time to accelerate our dividend increase."
- David Bernauer, Chairman and Chief Executive Officer, Walgreens

"The recent reduction in the tax rate on dividend income allows us to more efficiently return capital to our shareholders."
- Kerry Killinger, Chairman, President, and Chief Executive Officer, Washington Mutual

"The recent equalizing of dividend and capital gains tax rates has made dividend payments a more efficient way to provide value to our stockholders,"
- Howard Atkins, Chief Financial Officer, Wells Fargo

"The reduced tax rate on dividends makes it as efficient for us to return capital to shareholders directly through dividends as through stock buybacks,"
- Ken Lewis, Chairman and Chief Executive Officer, Bank of America

"When we increased the dividend last January, we announced the potential for a significant additional increase if the tax laws were modified to reduce the double taxation of corporate dividends. In response to the recently enacted federal tax legislation, we are changing our dividend policy to maximize the benefits to KMI's shareholders. KMI is a significant generator of cash flow, and we expect to continue to return that cash to our shareholders in the most tax-efficient manner while maintaining a strong balance sheet."
- Rich Kinder, Chairman and CEO, Kinder Morgan

"It's unusual for a growth company to pay a cash dividend. However, based on The Jobs and Growth Tax Relief Reconciliation Act of 2003, which has significantly reduced the federal income tax rate for shareholders who receive corporate cash dividends, the declaration of a dividend is now a more tax-efficient means of returning value to shareholders." – Garth Deur, Executive Vice President, Gentex

"We believe our dividend program gained increased value this year as a result of the recently enacted reduction in tax rates on dividends to 15%."
Lewis F. Mallory, Jr., Chairman and Chief Executive Officer, NBC Capital

" The recent federal tax legislation was an important consideration in our decision to implement a dividend program."
Linda McMahon, Chief Executive Officers, World Wrestling Entertainment

"Recent tax code changes make it possible to employ dividends to add value and to broaden and diversify our investor base, even as we continue to improve our infrastructure, invest in growth opportunities and satisfy our capital requirements."
\- Charles J. Wyly, Jr., Chairman, Michaels Stores

"Given our strong financial position and recent changes in the tax treatment of dividends, the Board has concluded that a dividend is an advantageous way to create additional value for our stockholders."
- Arthur T. Shorin, Chairman and Chief Executive Officer, Topps

“First Republic is pleased to initiate the first dividend in the Bank's history …In light of recent tax law changes, we believe a dividend is now an appropriate way to benefit our shareholders."
Jim Herbert, Chief Executive Officer and President, First Republic Bank

"Our Company's strong operating model has generated cash over the years well in excess of its needs and with recent legislation cash dividends are now a tax efficient way to release value to shareholders. As a result of recent tax legislation, we anticipate distributing cash dividends to our shareholders quarterly, as we remain confident of our continuing ability to generate earnings and surplus cash.”
\- Mark Smith, Chairman and Chief Executive Officer, ADTRAN

"The decision to pay a cash dividend was also impacted by the recently enacted tax law changes reducing tax rates on corporate dividends.”
\- Rick McGill, Chief Executive Officer and President, Quaker City Bancorp

"The recent change in the tax law levels the playing field between dividends and share repurchases as a means to return capital to shareholders. As a result, we believe it is now advantageous to shareholders to have a dividend in place. Lithia is pleased to be able to offer an immediate and tangible return to our shareholders without reducing our market float, which occurs when we repurchase shares. We expect to recommend to the Board the approval of a cash dividend each quarter."
Sidney B. DeBoer, Chairman and Chief Executive Officer, Lithia Motors

“In light of the recent tax law changes, we believe that the commencement of a dividend will help optimize total return to our shareholders. We will remain a well capitalized bank and will still have significant room to grow."
Paul B. Murphy, Jr., Chief Executive Officer, Southwest Bank of Texas

“We are pleased to be able to provide such a strong yield to our shareholders, particularly in light of the recent changes in the tax laws that have dramatically lowered the dividend tax."
\- William G. Stevens, President and Chief Executive Officer, Community Capital

”The recent tax cut on dividends has removed some of the burden of double taxation on such payouts, making the payment of dividends a more efficient avenue for providing a return to our stockholders. We are pleased to be in the position to provide such a benefit. We expect this move will also help expand our stockholder base to include those with portfolios that restrict their investments to dividend paying stocks."

- Emile A. Battat, Chairman and Chief Executive Officer, Atrion

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"The reduced federal tax rate on dividend income makes it more effective for us to return capital to shareholders in the form of dividends.”

- Thomas S. Johnson, Chairman and Chief Executive Officer, Greenpoint Financial

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“Coupled with the recent federal tax cut for qualifying dividend income, this increase more than doubles the after-tax dollar value of each Eaton Vance dividend for shareholders who are high-bracket individual taxpayers."

- James B. Hawkes, Chairman, Chief Executive Officer and President, Eaton Vance

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"The Board of Directors declared the first dividend in the Company's history as a result of the strong earnings achieved in 2002 and continued strength of earnings growth during the first six months of 2003. The recent change in Federal tax law allows for a greater portion of the dividend earned by our shareholders to remain with many of our shareholders."

- James E. Rouse, President and Chief Executive Officer, Arrhythmia Research Technology

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" Returning a portion of the profits to our shareholders also makes good sense in light of the recent tax code changes.”

- Bill Stone, Chairman and Chief Executive Officer, SS&C Technologies

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'The recently enacted tax legislation has significantly increased the benefit of a cash dividend for shareholders.”

- Peter S. Rummell, Chairman and Chief Executive Officer, St. Joe’s

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"The board approved this dividend to increase shareholder value in view of the new Federal tax law that reduced the maximum tax on cash dividends to 15%. Cash dividends are now much more tax efficient for shareholders."

- James L. Ryan, Chairman and Chief Executive Officer, BWC Financial

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“We are pleased to be able to provide such a strong yield to our shareholders, particularly in light of the recent changes in the tax laws that have dramatically lowered the dividend tax."

William G. Stevens, President and Chief Executive Officer, Community Capital

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“We are pleased to announce an increase in the quarterly dividend. In light of the recent tax plan signed by President Bush, shareholder value will be enhanced by those companies that can provide higher dividend yields."

- John E. Peck, Chief Executive Officer and President, HopFed Bancorp

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"**With the recent changes in Federal tax law that allows for shareholders to retain a greater portion of dividends, after taxes, we believe that payment of this dividend is in the best interest of our shareholders."**

- Barry Hertz, Chairman and Chief Executive Officer, Track Data

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"Recent tax law changes have increased the attractiveness of dividends for many investors,"

- Roger K. Deromedi, Co-Chief Executive Officer, Kraft Foods

"Recent changes in the tax code lessen the effect of double taxation by providing for the taxation of cash dividends at a favorable tax rate."

- Russell Gerdin, Chairman and Chief Executive Officer, Heartland Express

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"The recent tax law changes provide further benefits to our shareholders, through more favorable tax treatment of dividends received."

- Daryl G. Byrd, President and Chief Executive Officer, IBERIABANK

" While our company has steadily increased its dividends to shareholders in the past, the size of this increase is unprecedented. The change in our dividend was based on continued strong operating performance of the Company and in reaction to President Bush's new tax legislation. Under the old tax code, the federal tax on dividends could be as much as 40%. However, under the new tax law, the federal tax rate on dividends has been reduced to a flat 15%. We also believe that this action further demonstrates how Main Street Trust is operated for the long term best interests of our shareholders."

- Van A. Dukeman, President and Chief Executive Officer, Main Street Trust

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"Raising the dividend is a way of rewarding our shareholders for their continued confidence in Mid-State Bancshares…. Coupled with the recent reduction in the dividend tax, this new dividend rate should make Mid-State Bancshares stock more appealing to investors, especially those searching for consistent, solid yields."

- Carrol R. Pruett, Chairman, Mid-State Bancshares

"With the change in United States tax laws, the company has determined that a dividend should be implemented as a way of providing an additional tax effective return to shareholders. This program will be used to return a portion of current earnings to shareholders. The balance of CNS' earnings will be retained and reinvested in growth. CNS has a strong balance sheet andno-long term debt."

- Marti Morfitt, Chief Executive Officer and President, CNS

"With the recent reduction in the tax rate on cash dividends to 15%, the Board felt this was an appropriate time to reward our shareholders with an increase to the dividend."

\- Mick Blodnick, President and Chief Executive Officer, Glacier Bancorp