GS INVESTMENTS, INC.

MarketView

First Quarter 2007

GSI Tenets

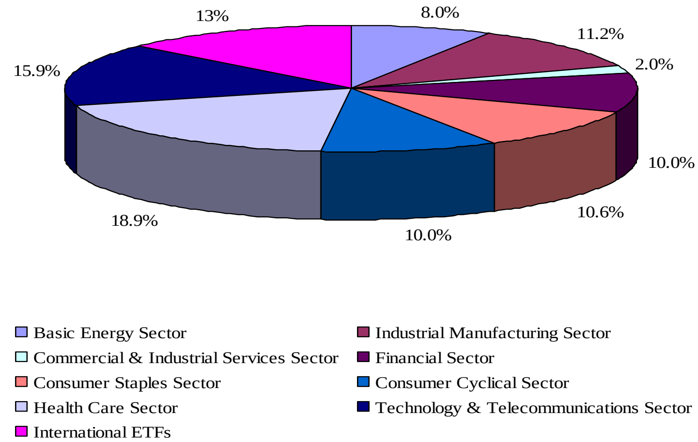
GS Investments, Inc. represents a logical choice for investment management for the following reasons:

1. A commitment to high-quality, personalized, client service.
2. Utilization of individual securities.
3. Balanced account manager utilizing bonds and stocks, their mix based on account objectives.
4. Use of large-cap growth stocks, adding a mid/small-cap "twist" for superior investment performance.
5. Extensive experience in the management of both individual and institutional investment accounts.
6. A competitive fee schedule.
7. Confidential environment.

Investment Strategy

1. Invest for the long-term.
2. Diversify investments.
3. Use fixed income securities for portfolio risk control and income.
4. Use equities to maximize portfolio return and offset inflation.
5. Manage portfolios according to each owner's risk parameters

Sector Breakdown—December 31, 2006



Top Ten Holdings (as a percent of Equities)

Ishares Trust MSCI EAFE Index Fund	2.46%
Cisco Systems	2.19%
Wells Fargo Company	2.07%
Microsoft Incorporated	1.98%
United Healthgroup Incorporated	1.90%
American International Group	1.89%
General Electric Company	1.88%
ExxonMobil Corporation	1.85%
Apple Computer Corporation	1.82%
Proctor and Gamble Corporation	1.76%
3M Company	1.75%

Market Summary

The financial markets seem to be stumbling into 2007 rather than moving steadily ahead based on optimistic views expressed by most Wall Street strategists we read. Rosy results for 2006 may be influencing the minds of the experts, but then there may be reasons to expect a good year in 2007. We, too, feel the year could play out favorably for investors, yet to get to the pot of gold at the end of the rainbow it seems to us that certain factors have to fall into place.

It might be best to begin with interest rates, because they really become the bogy for the financial markets. The Federal Reserve halted raising short-term interest rates in the middle of last year. Federal funds have been at 5¼ % since July 2006. If inflation measures move down, this rate would probably be reduced. It is hard to determine when such a change may occur, but we think a good guess is mid-2007. Surely, declining inflation and the status of the housing market could trigger a decline in this rate.

Market Summary (Cont)

Longer-term interest rates may be a more difficult call. This is because longer-term interest rates are currently lower than short-term rates. At this time of writing ten-year Treasuries provide a return of 4.72%, sharply lower than the Federal funds rate noted above. This is what is meant by financial writers when they refer to an inverted yield curve. Under normal circumstances, our economy expands when long-rates are higher than short rates. Conversely, our economy tends toward recession when the yield curve is inverted.

It is possible that short-term rates could be moved down while long-term rates stay flat. We feel one of the reasons that longer-term rates are low is that petrodollars and other trade deficit dollars have been flooding the bond marketplace, especially Treasuries.

The housing market could play a key role in 2007. 2006 was a tough year for housing throughout the country. In the Twin Cities-area, it was recently reported that when comparing 2006 to 2005 there was a 28% drop in building permits and a 31% drop in new units for construction. This was a sharp decline, with resultant negative effects on banks and builders. From what we read, it takes time before building activity is reversed. The fallout can be significant, as it is an industry that plays an important role in our domestic economy. Market bears emphasize this area in supporting their prognostications. The panel below dramatizes how housing may affect the economy this year.

Barron's 1/12/07

Common stocks experienced a roller-coaster year in 2006 but ended with strong results. Until the Federal Reserve stopped raising short-term interest rates, stocks were in the doldrums. But after the halt, they rose smartly to finish with excellent returns.

We would not be surprised to see similar ups and downs this year. Economic growth appears to slowing, but may pick up as 2007 progresses. Corporate earnings have been strong in 2006, rising approximately 15%. It appears as if corporate earnings could rise again in 2007, but at a slower rate between 7-10%. This could augur well for domestic stocks. Valuations seem reasonable, so a stock market rise in this range appears possible. Some strategists suggest that stock multiples of earnings could rise providing even higher stock returns. We prefer to stay within the earnings range for price appreciation, and would be pleased if our expectations were exceeded.

As for favored stock categories, we believe technology might be a relative winner. Microsoft Vista (its new operating system) could invigorate this sector. Apple's new products have already ignited investor interest. Financial and International stocks could provide strong returns again this year.

No doubt there will be surprises as we proceed throughout the year. Hopefully, they will be positive, on balance. We will try to be prepared for potential negative surprises and embrace the positive developments as we move forward this year.

We are committed to providing our clients with high-quality service and superior performance over the long-term.

Glenn & John Steinke