

Hypothetical CDIP cashflow example (Actual CPI data 7/15/98 thru 7/15/03)

Issue Date	Base CPI-U	Deposit Amount	Coupon Rate
7/15/1998	162.65484	\$ 100,000.00	3.75%

Interest Date	Ref CPI-U	Inflation Adj Factor	Inflation Adj Base	# of Days	Interest Amt	Additional Int	Return of Princ	Total Cashflow	Taxable Income
1/15/1999	164.00000	1.00827	\$ 100,827.00	184	\$ 1,906.04			\$ 1,906.04	\$ 2,733.05
7/15/1999	166.20000	1.02180	\$ 102,179.56	181	\$ 1,900.12			\$ 1,900.12	\$ 3,252.68
1/15/2000	168.24517	1.03437	\$ 103,436.93	184	\$ 1,955.38			\$ 1,955.38	\$ 3,212.75
7/15/2000	171.24517	1.05281	\$ 105,281.32	182	\$ 1,968.62			\$ 1,968.62	\$ 3,813.01
1/15/2001	174.04516	1.07003	\$ 107,002.76	184	\$ 2,022.79			\$ 2,022.79	\$ 3,744.22
7/15/2001	177.26128	1.08980	\$ 108,980.02	181	\$ 2,026.58			\$ 2,026.58	\$ 4,003.85
1/15/2002	177.56451	1.09166	\$ 109,166.45	184	\$ 2,063.69			\$ 2,063.69	\$ 2,250.12
7/15/2002	179.80000	1.10541	\$ 110,540.82	181	\$ 2,055.61			\$ 2,055.61	\$ 3,429.98
1/15/2003	181.30000	1.11463	\$ 111,463.02	184	\$ 2,107.11			\$ 2,107.11	\$ 3,029.31
7/15/2003	183.66452	1.12917	\$ 112,916.73	181	\$ 2,099.79	\$ 12,916.73	\$ 100,000.00	\$ 115,016.51	\$ 3,553.49
\$ 20,105.73								\$ 133,022.46	\$ 33,022.46

APY 1 - Semiannual interest payments	4.02%
APY 2 - Additional interest paid at maturity	2.46%
Combined APY (APY 1 + APY 2)	6.48%
CDIP BEY	6.25%
Comparable fixed-rate CD	5.45%