

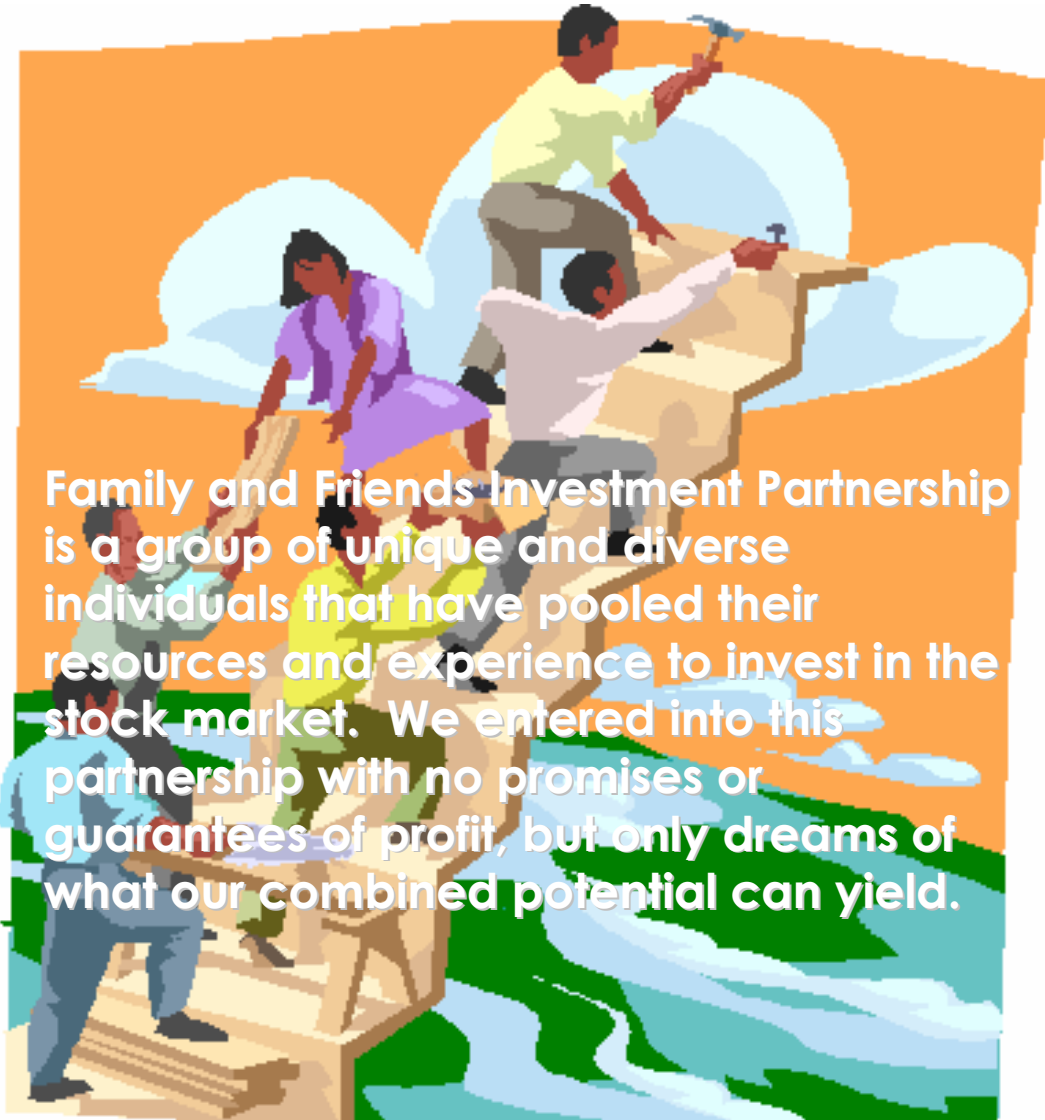


Since 1996

FAMILY AND
FRIENDS INVESTMENT PARTNERSHIP

2003 Annual Report

Building a Dream



Family and Friends Investment Partnership is a group of unique and diverse individuals that have pooled their resources and experience to invest in the stock market. We entered into this partnership with no promises or guarantees of profit, but only dreams of what our combined potential can yield.

“Building a dream takes a lot of time, tons of teamwork, a solid plan, and courage to never give up.”

Chris Biegel



Highlights	2003	2002	% Change	2001	2000	1999	1998	1997
Assets	\$9,785	\$8,122	20.47%	\$5,290	\$13,136	\$10,329	\$9,116	\$5,609
Cash Contributions	\$1,803	\$3,207	-43.77%	\$2,014	\$4,362	\$3,095	\$2,780	\$2,111
Dividends	\$80	\$38	112.18%	\$38	\$72	\$49	\$47	\$18
Interest	\$0	\$0	0.00%	\$33	\$33	\$20	\$28	\$57
Short-term Capital Gain/ (Loss)	(\$0)	(\$78)	99.95%	\$339	(\$713)	\$16	\$12	\$500
Long-term Capital Gain/ (Loss)	(\$37)	(\$32)	16.09%	\$132	(\$373)	(\$580)	\$815	\$0
Total Income	\$43	(\$73)	158.69%	\$542	(\$981)	(\$495)	\$902	\$575
Total Expenses	(\$183)	(\$299)	-38.69%	(\$179)	(\$180)	(\$233)	(\$175)	(\$433)
Net Profit/Loss	(\$140)	(\$371)	-62.14%	\$363	(\$1,161)	(\$728)	\$727	\$142
Total Return	43.88%	-47.36%	192.65%	18.15%	-9.61%	4.14%	-1.36%	11.76%
Total Return (since) 1996	-5.25%	-43.03%	-87.80%	10.10%	-6.17%	12.38%	7.51%	12.17%

FNF Partners:

Fiscal 2003 was our best year ever, FNF posted a year-over-year Total Return of +43.88% - up +192.65% from 2002. That extraordinary gain allow us to regain almost all the ground we lost in 2002 (losing -47.36%). We are still not quite out of the hole, posting a -5.25% Total Return for the life-time of the club (as of December 31, 2003).

Our year-over-year Total Return (+43.88%) beat the Dow Jones Industrial (26.4%), the S&P 500 (28.4%) and we came 7% point shy of beating the NASDAQ (50.0%).

In the beginning of 2003, the FNF Partners adopted a new portfolio strategy in which we utilize the S&P Five stars portfolio and the Value Line Portfolio as a prospecting pool. The S&P Five stars portfolio and the Value Line Portfolio have historically out-performed the Dow, S&P 500 and the NASDAQ composites. This strategy yielded the addition of Biomet, Inc., Walgreen Company and Sysco Corp to our portfolio. In addition to that strategy, we put more emphasis on stocks that paid dividends to create a steady income flow into the portfolio via dividends. As a result, our dividend income for 2003 increased 112% to \$79.61.

FNF Portfolio STAR RATING (as of 12/31/2003)	
Agere Systems, Inc	2
Apollo Group	4
Biomet	4
Capital Automotive REIT	2
Cisco	5
Harley Davidson	3
Lucent Technologies	3
MBNA	5
Nvidia	3
Pfizer	4
Sysco Corp	5
Tetra Tech	3
Time Warner	5
Walgreen	4
Wells Fargo	3
Average Star Rating	3.7

The FNF portfolio received \$51.10 with a class action suit for KTI, INC. that reduced that overall cost of the portfolio as a whole (Return of Capital). FNF bought KTI, INC. (which is merged with Casella Waste) back in 07/1998 and sold it in 11/2000. The \$51.10 represents only a small fraction of what we lost of this stock, but getting something back is better than getting nothing back.

2003 was a year in which our club pretty much went into hibernation, for the most part, but the steps we took allowed us to continue to push our portfolio growth forward. In a perfect world, it would be best for all of our members to contribute (research & funds), but there are times when that's not possible (personal, family and financial reasons). We are a club, but before that, we are all friends, and this year stands as testament that as a group of friends we support one another. This club is research, funds and most importantly friends that share a common dream (goal)...to invest and learn.

Sincerely,

Christopher M. Biegel
Founder of FNF



Paper Value of the FNF Portfolio

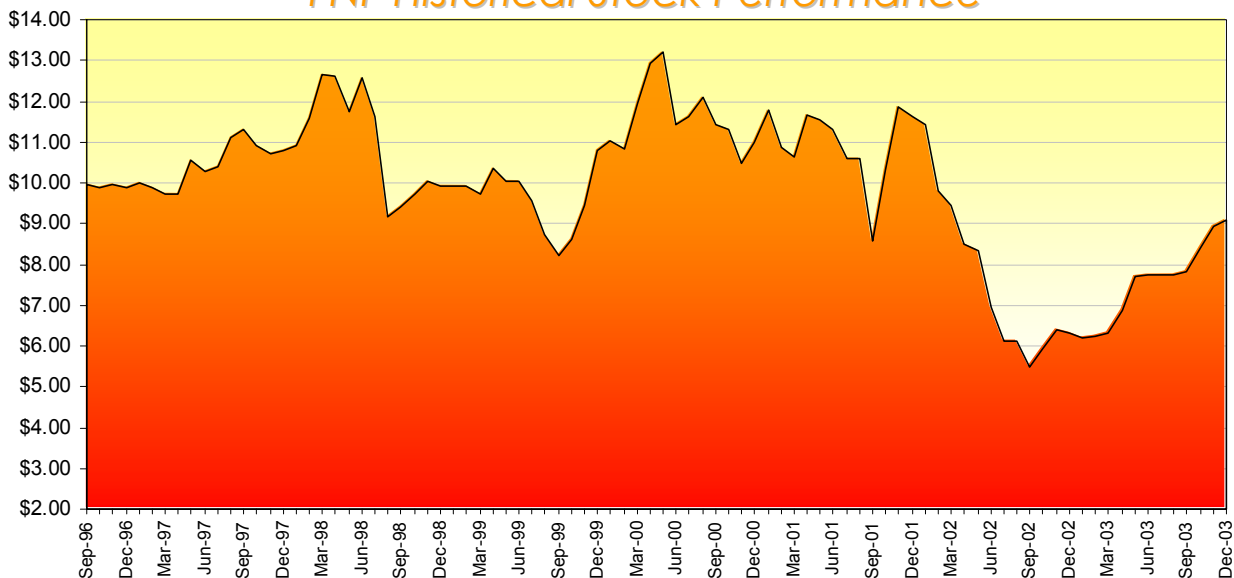
COMPANY NAME	PURCHASE DATE	# OF SHARES	PRICE PER SHARE	TOTAL COST	2003 VALUE	TOTAL RETURN FOR 2003	TOTAL RETURN FROM PURCHASE
AGERE SYSTEM INC (B)	AGRB 06/03/02	39.000	\$11.0592	\$431.31	\$113.10	107.14%	-5.61%
APOLLO GROUP, INC.	APOL 05/20/02	15.000	\$38.0467	\$570.70	\$1,017.15	54.11%	78.23%
BIOMET INC	BMET 03/08/03	20.102	\$30.4388	\$611.88	\$728.09	19.58%	19.58%
CAPITAL AUTOMOTIVE REIT	CARS 05/20/02	16.181	\$24.5801	\$397.73	\$517.79	43.25%	43.66%
CISCO SYSTEMS INC.	CSCO 07/12/01	35.000	\$15.5729	\$545.05	\$848.05	84.96%	58.48%
HARLEY DAVIDSON, INC.	HDI 11/28/97	15.089	\$14.8459	\$224.01	\$717.18	3.33%	505.66%
LUCENT TECHNOLOGY	LU 10/15/00	150.000	\$8.4290	\$1,264.35	\$426.00	125.40%	-75.20%
MBNA CORPORATION	KRB 01/28/02	30.517	\$22.3069	\$680.74	\$758.35	32.41%	16.86%
NVIDIA CORPORATION	NVDA 07/12/00	60.000	\$23.2137	\$1,392.82	\$1,392.00	103.17%	-0.07%
PFIZER INC.	PFE 08/23/01	30.647	\$37.8872	\$1,161.13	\$1,082.76	17.82%	-6.32%
SYSCO CORP	SY 09/11/03	10.033	\$31.8050	\$319.10	\$373.53	17.46%	17.46%
TETRA TECH	TTEK 08/25/00	31.000	\$19.3342	\$599.36	\$770.66	103.77%	28.54%
TIME WARNER INC	TWX 05/20/02	10.000	\$21.0850	\$210.85	\$179.90	37.33%	-14.68%
WALGREEN CO	WAG 05/29/03	20.051	\$30.3087	\$607.72	\$729.46	20.37%	20.37%
WELLS FARGO	WFC 06/25/02	10.364	\$51.9848	\$538.77	\$610.34	29.44%	17.82%

Total Securities this Date	\$9,555.52	\$10,264.36
----------------------------	-------------------	--------------------

Cash on Hand - Bank	\$0.00	\$0.00
Cash on Hand - Broker	\$280.53	\$280.53
Cash on Hand - Suspense	\$0.00	\$0.00
Total Cash Accounts this Date	\$0.00	\$0.00

Total Securities and Cash Accounts This Date	\$9,836.05	\$10,544.89
--	-------------------	--------------------

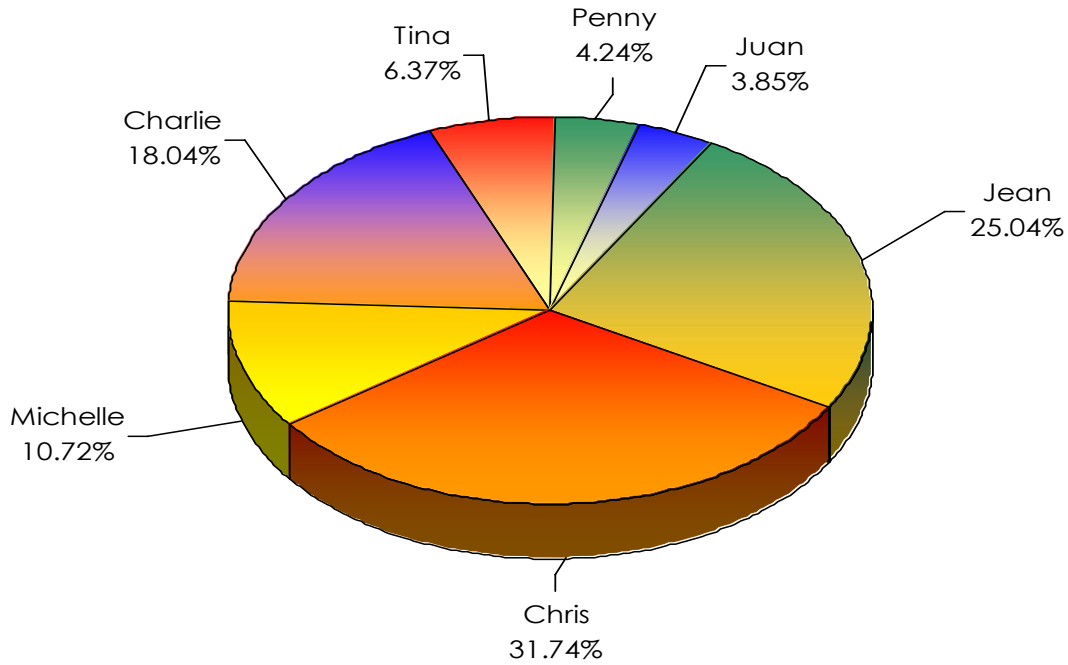
FNF Historical Stock Performance





FNF Ownership Break-Down

(as of December 31, 2003)



NAME	TOTAL CONTRIBUTIONS	TOTAL PAID IN PLUS EARNINGS	UNITS OWNED	CURRENT VALUE	% OF OWNERSHIP	TOTAL % RETURN 1/1/2003	TOTAL % RETURN SINCE 9/1/1996
J.Armand	\$3,115.00	\$3,023.99	290.74	\$2,640.62	25.04%	42.43%	-25.00%
C. Biegel	\$3,650.04	\$3,510.24	368.52	\$3,347.09	31.74%	43.64%	-17.53%
M. Nambo	\$926.69	\$951.32	124.44	\$1,130.27	10.72%	44.30%	29.18%
C. Quijano	\$2,097.13	\$2,030.50	209.43	\$1,902.21	18.04%	44.04%	-16.11%
T. Rachuy	\$550.28	\$561.80	73.98	\$671.91	6.37%	47.96%	27.43%
P. Spentzas	\$340.00	\$320.30	49.20	\$446.89	4.24%	45.49%	40.71%
Juan Zamudio	\$405.00	\$387.71	44.69	\$405.89	3.85%	46.30%	0.28%
	\$11,084.14	\$10,785.86	1161.00	\$10,544.88	100.00%	43.88%	-5.25%

Club Accounting uses what is called an "Internal Rate of Return" (IRR) calculation to calculate these returns. This type of calculation takes into account both the time when money was invested and the amount of money that was invested.

"Compound Annual Rate of Return" (CAR) and "Total Return." CAR is the rate of return most of us are familiar with when we talk about interest paid on a bank savings account, certificate of deposit or a home mortgage. It is the yearly rate of return that is earned or paid and that usually is compounded daily, monthly, or yearly. The more often the compounding is done (interest earned on interest paid) the larger the amount will be for the same rate of CAR. Club Accounting uses daily compounding.

A simple example will illustrate the effect of time and dollar amount on the CAR calculation.

Suppose you open a bank account on January 1st and the bank pays you 6% CAR. You deposit a \$100 to open the account. Then you do nothing with the account until December the 1st when you deposit \$200 more. On December 31st you run a valuation statement. The first \$100 would have made 6% a year for one year, and grown to \$106. The second \$200 would have made about \$1.00 in interest during the month of December. Therefore, the current value would be \$307 and the amount invested or cost is \$300. By using the cost and value to calculate the return one would get $(7.00/300) \times 100 = 2.33\%$. However, we know that we actually earned 6.0% CAR for the year not 2.33%. The difference is the result of having most of the money invested for only one month. The IRR calculates the true interest rate you earned as 6.0%.



Results of Operations

The bottom line is **NET PROFIT/(LOSS)** (INCOME - EXPENSES = NET PROFIT/LOSS)

For 2003, our bottom line was **-\$140.45**

2003 Income Statement

- Dividend income grew 112% to \$79.61 compared to \$37.52 the prior year. All dividends collected were reinvested back into the company that issued them.
- Short-term Capital Gains/-Losses were **-\$0.04** compared to the prior year **-\$78.13**, due the sell of CVS Corp.
- Long-term Capital Gains/-Losses were **-\$37.02** compared to the prior year **-\$31.89**, due to the sell of CVS Corp and Agere System Inc. (a) shares

2003 Expense Statement

Expense incurred for 2003:

- \$40.00 for NAIC Annual Membership fee.
- \$104.00 for NAIC Accounting Software Upgrade.
- Bivio.com half-year membership for processing club taxes.

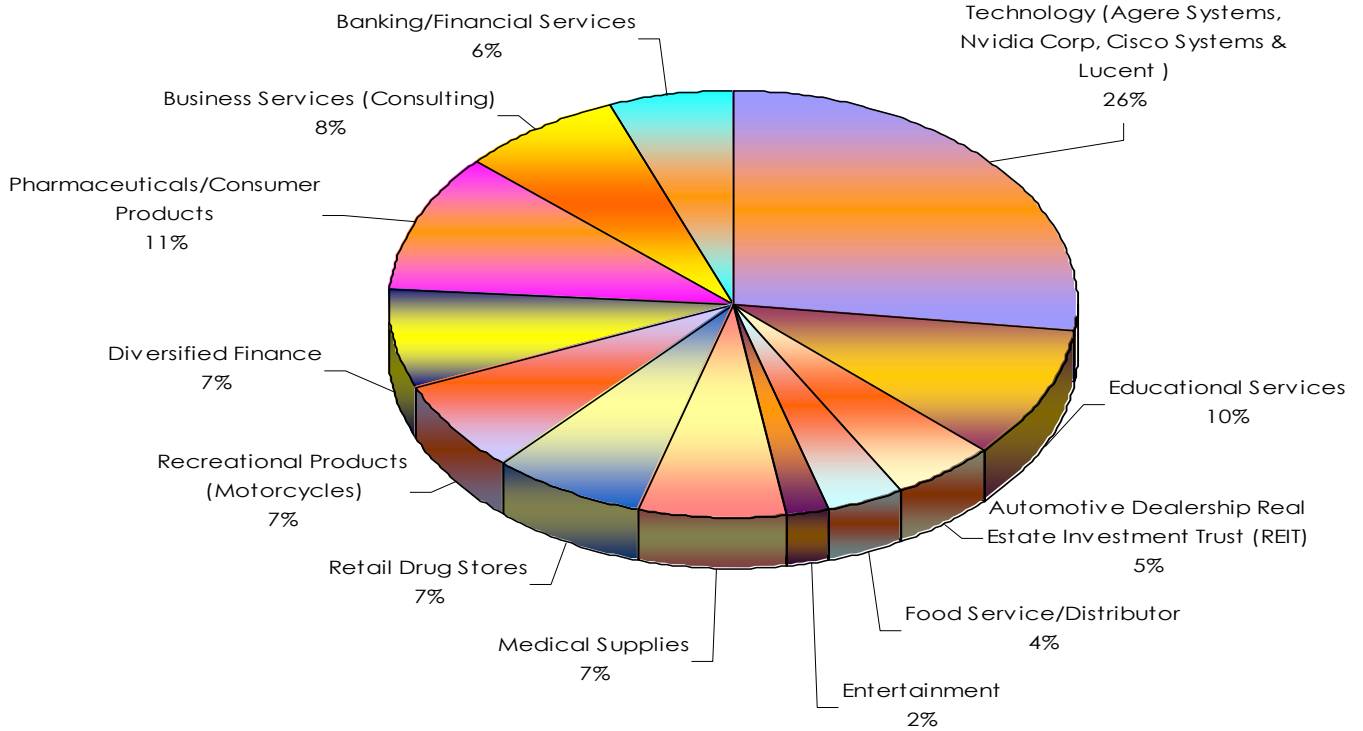
Income Statement 2003	
Dividends	\$79.61
Interest	\$0.00
Short-term Capital Gains/-Losses	-\$0.04
Long-term Capital Gains/-Losses	-\$37.02
Total Income	\$42.55

Expense Statement 2003	
NAIC Annual Membership Fee	\$40.00
NAIC Accounting Software Upgrade	\$104.00
Bivio.com (half year) Membership Fee	\$39.00
Total Expenses	\$183.00

Net Profit/ -Loss	
Total Income	\$42.55
Total Expenses	\$183.00
Net Profit/-Loss	-\$140.45



Portfolio by Industry

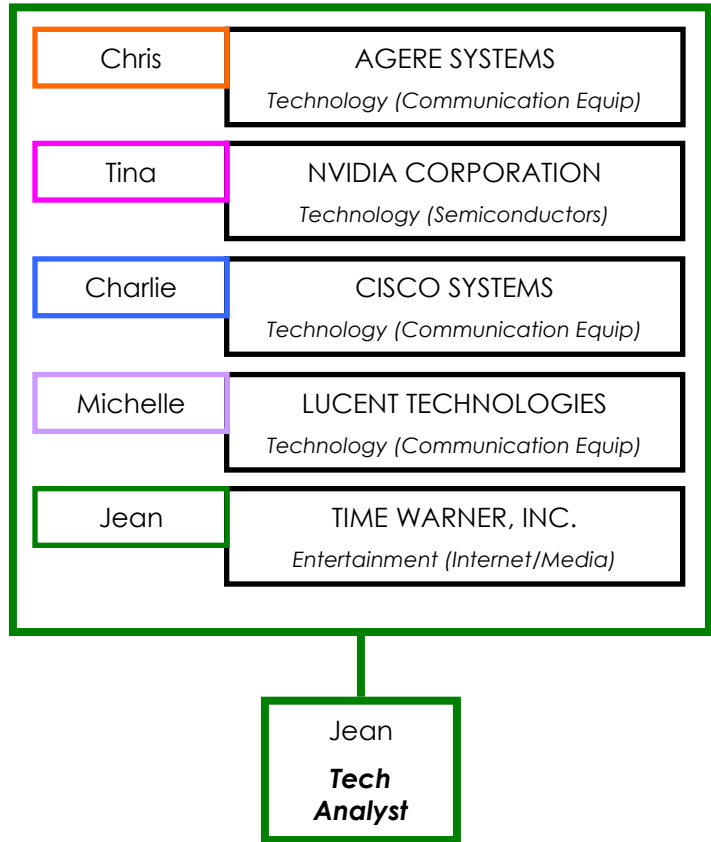


Industry	Value (as of 12/31/03)	COST
Technology (Agere Systems, Nvidia Corp, Cisco Systems & Lucent)	\$2,779.15	\$3,633.53
Educational Services	\$1,017.15	\$570.70
Automotive Dealership Real Estate Investment Trust (REIT)	\$517.79	\$397.73
Food Service/Distributor	\$373.53	\$319.10
Entertainment	\$179.90	\$210.85
Medical Supplies	\$728.09	\$611.88
Retail Drug Stores	\$729.46	\$607.72
Recreational Products (Motorcycles)	\$717.18	\$224.01
Diversified Finance	\$758.35	\$680.74
Pharmaceuticals/Consumer Products	\$1,082.76	\$1,161.13
Business Services (Consulting)	\$770.66	\$599.36
Banking/Financial Services	\$610.34	\$538.77
Total Value (As of 12/31/03)	\$10,264.36	\$9,555.52



Account Allocation

WALGREEN COMPANY <i>Retail Drugstore</i>	Charlie
PFIZER, INC <i>Pharmaceuticals/Consumer Products</i>	Michelle
HARLEY-DAVIDSON, INC <i>Recreational Products (Motorcycles)</i>	Chris
TETRA TECH, INC <i>Business Services (Consulting)</i>	Jean
MBNA CORPORATION <i>Diversified Finance</i>	Juan
APOLLO GROUP, INC. <i>Educational Services</i>	Penny
CAPITAL AUTOMOTIVE REIT <i>Automotive REIT</i>	Tina
WELLS FARGO <i>Banking/Financial Services</i>	Juan
SYSCO CORP <i>Food Service/Distributor</i>	Michelle
BIOMET, INC. <i>Medical Equipment & Supplies</i>	Jean



Each member of FNF is responsible for monthly/quarterly reporting on at least 2 stocks in the FNF portfolio.





Portfolio Guide Business Description:

Agere Systems, Inc. designs, develops, manufactures and sells integrated circuit solutions for applications such as high-density storage, multiservice networking, wireless data and personal computer (PC) connectivity applications. The Company's business operations are organized into two market-focused groups, the Client Systems group, which serves the computing and consumer communications market, and the Infrastructure Systems group, which serves the networking equipment market. The Client Systems group delivers integrated circuits, software and reference designs for applications, including storage, wireless data and PC connectivity, including hard disk drives and modems for computers, data-enabled mobile telephones and wireless local area networking. The Infrastructure Systems group delivers integrated circuit solutions for multiservice networking to network equipment customers.

Apollo Group, Inc. provides higher education to working adults. The Company operates through its subsidiaries, The University of Phoenix, Inc., University of Phoenix Online, Institute for Professional Development, The College for Financial Planning Institutes Corporation and Western International University, Inc. The Company offers its programs and services at 71 campuses and 121 learning centers in 37 states, Puerto Rico and Vancouver, British Columbia. Combined degree enrollment was 200,052 as of August 31, 2003.

Biomet, Inc. designs, manufactures and markets products used primarily by musculoskeletal medical specialists in both surgical and non-surgical therapy through its subsidiaries. The Company's offerings are classified into four product groups: reconstructive devices, fixation products, spinal products and other products. They include reconstructive and fixation devices, electrical bone growth stimulators, orthopedic support devices, operating room supplies, general surgical instruments, arthroscopy products, spinal products, bone cements and accessories, bone substitute materials, craniomaxillofacial implants and instruments and dental reconstructive implants and associated instrumentation. The Company's principal subsidiaries include Biomet Orthopedics, Inc., Biomet Manufacturing Corp., EBI, L.P., BioMer CV (the Biomet Merck joint venture), Implant Innovations, Inc., Walter Lorenz Surgical, Inc. and Arthrotek, Inc.

Capital Automotive REIT is a self-administered and self-managed real estate company that invests in properties throughout the United States. As of December 31, 2002, the Company had investments in 292 properties located in 28 states, comprising approximately 2,076 acres of land and containing approximately 11.9 million square feet of buildings and improvements. The Company's properties generally consist of the land or a leasehold interest in land and one or more retail showrooms, office space, adjacent service and repair facilities, parts and accessories departments and, in many cases, acreage set aside for used car sales, body shops, parking for inventory, vehicles awaiting service and future development. Land sizes for the Company's properties range from approximately one acre to approximately 82 acres, with an average property size of approximately seven acres.

Cisco Systems, Inc. manufactures and sells networking and communications products and provides services associated with that equipment and its use. The Company's products are installed at corporations, public institutions and telecommunication companies, as well as commercial businesses, and are also found in personal residences. Cisco provides a broad line of products for transporting data, voice and video within buildings, across campuses and around the world. It conducts its business globally and is managed geographically in four segments: the Americas; Europe, the Middle East and Africa (EMEA); Asia Pacific, and Japan.



Portfolio Guide Business Description:

Harley-Davidson, Inc. operates in the motorcycles and related products segment and the financial services segment. The motorcycles and related products segment includes the group of companies doing business as Harley-Davidson Motor Company (Motor Company), subsidiaries of H-D Michigan, Inc. and Buell Motorcycle Company LLC (BMC). The motorcycles segment designs, manufactures and sells primarily heavyweight (engine displacement of 651 plus cubic centimeters (+cc)) touring, custom and performance motorcycles, as well as a complete line of motorcycle parts, accessories, clothing and collectibles. The financial services segment consists of the Company's subsidiary, Harley-Davidson Financial Services, Inc. (HDFS), and its subsidiaries. HDFS is engaged in the business of financing and servicing wholesale inventory receivables and consumer retail installment sales contracts (primarily motorcycles and aircraft).

Lucent Technologies Inc. is a provider of communications networks for communications service providers. The Company is organized around two distinct customer segments: Integrated Network Solutions, focusing on the needs of wireline service providers, and Mobility Solutions, focusing on the needs of wireless service providers. Its segments are supported by a number of central organizations, including Lucent Worldwide Services (LWS), Supply Chain Networks (SCN), Bell Labs and the Corporate Centers. LWS provides the services that are sold to customers through the two segment organizations. Manufacturing and supply chain functions have been consolidated into the SCN organization, which manages the materials and activities necessary to produce and deliver products and services to its customers. Bell Labs provides basic and applied research and development support for the Company's business, and the Corporate Centers provide administrative support to both segments.

MBNA Corporation is the bank holding company of MBNA America Bank, N.A. (the Bank), a national bank, organized in January 1991, as the successor to a national bank, formed in 1982, and the Company's principal subsidiary. The Bank has two wholly owned foreign bank subsidiaries, MBNA Europe Bank Limited, formed in 1993, with its headquarters in the United Kingdom, and MBNA Canada Bank, which was formed in 1997. Through the Bank, MBNA is an independent credit card lender and is an issuer of endorsed credit cards, marketed primarily to members of associations and customers of financial institutions and other organizations. In addition to its credit card lending, the Company also makes other consumer loans, which include installment and revolving unsecured loan products, and offers insurance and deposit products. MBNA is also the parent of MBNA America (Delaware), N.A., a national bank that offers mortgage loans, aircraft loans and business card products.

NVIDIA Corporation is a fabless semiconductor company engaged in supplying graphics and media communications processors and related software that are integral to personal computers (PCs), professional workstations and digital entertainment platforms. The Company provides an architecturally compatible "top-to-bottom" family of graphics processing units for a broad range of PC platforms. Its graphics and communications processors are used for a wide variety of applications, including games, digital content creation, personal digital image editing, business productivity and product and industrial design. The Company has five major product families: GeForce, nForce, GeForce Go, Quadro and TNT2. In addition, NVIDIA sells a two-processor chipset for use in the Xbox video game console.

Pfizer Inc. is a research-based, global pharmaceutical company. The Company discovers, develops, manufactures and markets prescription medicines for humans and animals, as well as many consumer products. The Company operates in two business segments: Pharmaceuticals and Consumer Products. The Pharmaceuticals segment includes prescription pharmaceuticals for treating cardiovascular diseases, infectious diseases, central nervous system disorders, diabetes, urogenital conditions, allergies, arthritis and other disorders; products for livestock and companion animals, and the manufacture of empty soft-gelatin capsules. The Consumer Products segment includes self-medications for oral care, upper respiratory health, eye care, skin care, gastrointestinal health and other products. In April 2003, the Company merged with Pharmacia Corporation. The combined operations of the companies enlarges Pfizer's portfolio of consumer healthcare brands and expands its animal health business.



Portfolio Guide Business Description:

Sysco Corporation acts through its subsidiaries and divisions as a North American distributor of food and food-related products to the foodservice or food-prepared-away-from-home industry. The Company provides its products and services to approximately 420,000 customers, including restaurants, healthcare and educational facilities, lodging establishments and other foodservice customers. Products distributed by the Company include frozen foods, such as meats, fully prepared entrees, fruits, vegetables and desserts, as well as canned and dry goods, fresh meats, imported specialties and fresh produce. The Company also supplies a variety of non-food items, including paper products such as disposable napkins, plates and cups; tableware such as china and silverware; restaurant and kitchen equipment and supplies; medical and surgical supplies, and cleaning supplies.

Tetra Tech, Inc. is a provider of consulting, engineering and technical services in the areas of resource management and infrastructure. As a consultant, the Company assists its clients in defining problems and developing cost-effective solutions. These services span the lifecycle of a project and include research and development, applied science and technology, engineering design, construction management and operations and maintenance. Its clients include a diverse base of government and commercial organizations located in the United States and, to a lesser extent, internationally.

Time Warner Inc. formerly AOL Time Warner Inc., is a media and entertainment company. The Company classifies its business interests into the following areas: America Online, consisting principally of interactive services, Web properties, Internet technologies and electronic commerce services; Cable, encompassing interests in cable television systems and high-speed data services; Filmed Entertainment, which is comprised of interests in filmed entertainment and television production; Networks, consisting principally of interests in cable television and broadcast network programming; Music, including interests in recorded music and music publishing, and Publishing, which is comprised of interests in magazine publishing, book publishing and direct marketing. In October 2003, Cinram International Inc., a provider of pre-recorded multimedia products and logistics services, acquired the Company's DVD and CD manufacturing and physical distribution businesses.

Wells Fargo & Company is a diversified financial services company engaged in banking and a variety of related financial services businesses. Retail, commercial and corporate banking services are provided through bank subsidiaries located in Alaska, Arizona, California, Colorado, Idaho, Illinois, Indiana, Iowa, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Ohio, Oregon, South Dakota, Texas, Utah, Washington, Wisconsin and Wyoming. Other financial services are provided by subsidiaries engaged in various businesses, principally wholesale banking, mortgage banking, consumer finance, equipment leasing, agricultural finance, commercial finance, securities brokerage and investment banking, insurance agency services, computer and data processing services, trust services, mortgage-backed securities servicing and venture capital investment. The Company has three operating segments: Community Banking, Wholesale Banking and Wells Fargo Financial.

Walgreen Company is a drugstore chain in the United States with stores located in 44 states and Puerto Rico. As of August 31, 2003 (fiscal year-end 2003), the Company had 4,224 retail drugstores and three mail service facilities. Its drugstores are engaged in the retail sale of prescription and non-prescription drugs and carry additional product lines, such as general merchandise, cosmetics, toiletries, household items, food and beverages. Customer prescription purchases can be made at the drugstores, as well as through mail, by telephone and on the Internet.