

Edgar Filing: FIRST TRUST VALUE LINE DIVIDEND FUND - Form N-Q

FIRST TRUST VALUE LINE DIVIDEND FUND  
Form N-Q  
October 27, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT  
COMPANY

Investment Company Act file number 811-21381  
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FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
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(Exact name of registrant as specified in charter)

1001 Warrenville Road, Suite 300  
LISLE, IL 60532  
-----

(Address of principal executive offices) (Zip code)

W. Scott Jardine  
First Trust Portfolios L.P.  
1001 Warrenville Road, Suite 300  
LISLE, IL 60532  
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(Name and address of agent for service)

Registrant's telephone number, including area code: 630-241-4141  
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Date of fiscal year end: MAY 31  
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Date of reporting period: AUGUST 31, 2005  
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Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

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ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS  
 AUGUST 31, 2005 (UNAUDITED)

SHARES		MARKET VALUE
COMMON STOCKS - 98.8%		
	AUTO COMPONENTS - 0.6%	
43,378	Magna International, Inc. ....	\$ 3,186,548
		-----
	BEVERAGES - 1.7%	
73,240	Anheuser-Busch Companies, Inc. ....	3,245,264
59,651	PepsiCo, Inc. ....	3,271,857
73,775	The Coca-Cola Company ....	3,246,100
		-----
		9,763,221
		-----
	CAPITAL MARKETS - 1.1%	
111,605	Allied Capital Corp. ....	3,230,965
104,433	Federated Investors, Inc., Class B ....	3,243,689
		-----
		6,474,654
		-----
	CHEMICALS - 2.8%	
56,902	Air Products & Chemicals, Inc. ....	3,152,371
55,363	Ashland Inc. ....	3,365,517
81,162	E. I. du Pont de Nemours and Company ....	3,211,580
89,892	International Flavors & Fragrances, Inc. ....	3,245,101
51,799	PPG Industries, Inc. ....	3,262,301
		-----
		16,236,870
		-----
	COMMERCIAL BANKS - 16.9%	
123,872	AmSouth Bancorp ....	3,260,311
99,395	Associated Banc-Corp ....	3,234,313
75,321	Bank of America Corp. ....	3,241,063
66,673	Bank of Montreal ....	3,252,309
93,802	Bank of Nova Scotia ....	3,238,983
80,375	BB&T Corp. ....	3,260,814
54,977	Canadian Imperial Bank of Commerce ....	3,246,942
45,605	City National Corp. ....	3,285,384
53,806	Comerica, Inc. ....	3,254,725
69,916	Compass Bancshares, Inc. ....	3,272,768
77,487	Fifth Third Bancorp ....	3,208,737
85,631	First Midwest Bancorp, Inc. ....	3,248,840
91,571	Hancock Holding Company ....	3,012,686
95,916	Hibernia Corp., Class A ....	3,045,333
73,944	Marshall & Ilsley Corp. ....	3,236,529
60,364	Mercantile Bankshares Corp. ....	3,249,394
69,190	National Bank of Canada ....	3,344,527
89,842	National City Corp. ....	3,290,912

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120,773	North Fork Bancorporation, Inc. ....	3,320,050
146,282	Old National Bancorp .....	3,278,180
58,297	PNC Financial Services Group, Inc. ....	3,278,040
119,098	Popular, Inc. ....	3,258,521
99,732	Regions Financial Corp. ....	3,263,231
49,500	Royal Bank of Canada .....	3,370,950
45,805	SunTrust Banks, Inc. ....	3,219,175
113,684	Synovus Financial Corp. ....	3,270,689
69,301	Toronto-Dominion Bank .....	3,270,314
54,633	Wells Fargo & Company .....	3,257,219
87,437	Wilmington Trust Corp. ....	3,187,953
45,942	Zions Bancorporation .....	3,209,508
		97,368,400
		-----

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2005 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
COMMON STOCKS - CONTINUED		
	COMMERCIAL SERVICES & SUPPLIES - 1.7%	
59,607	Avery Dennison Corp. ....	\$ 3,185,398
76,263	Pitney Bowes, Inc. ....	3,298,375
87,178	R.R. Donnelley & Sons Company .....	3,256,970
		9,740,743
		-----
	CONTAINERS & PACKAGING - 1.1%	
124,732	Bemis Company .....	3,261,742
117,868	Sonoco Products Company .....	3,350,987
		6,612,729
		-----
	DISTRIBUTORS - 0.6%	
72,665	Genuine Parts Company .....	3,329,510
		-----
	DIVERSIFIED TELECOMMUNICATION SERVICES - 2.3%	
123,399	BellSouth Corp. ....	3,244,160
136,526	SBC Communications, Inc. ....	3,287,546
96,546	Telecom Corp. of New Zealand Ltd., Sponsored ADR .....	3,275,806
99,941	Verizon Communications, Inc. ....	3,269,070
		13,076,582
		-----

ELECTRIC UTILITIES - 6.2%

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71,350	ALLETE, Inc. ....	3,228,588
74,300	Cinergy Corp. ....	3,272,172
41,545	Entergy Corp. ....	3,112,136
61,747	Exelon Corp. ....	3,327,546
75,024	FPL Group, Inc. ....	3,232,784
104,501	Great Plains Energy, Inc. ....	3,248,936
121,636	Hawaiian Electric Industries, Inc. ....	3,224,570
71,825	Pinnacle West Capital Corp. ....	3,227,097
75,199	Progress Energy, Inc. ....	3,277,924
94,598	The Southern Company ....	3,254,171
137,396	Westar Energy, Inc. ....	3,300,252
		-----
		35,706,176
		-----
	ELECTRICAL EQUIPMENT - 1.1%	
48,673	Emerson Electric Company ....	3,274,719
73,357	Hubbell, Inc., Class B ....	3,315,736
		-----
		6,590,455
		-----
	FOOD & STAPLES RETAILING - 0.6%	
85,609	Weis Markets, Inc. ....	3,229,171
		-----
	FOOD PRODUCTS - 7.4%	
81,469	Cadbury Schweppes PLC, Sponsored ADR ....	3,248,984
110,085	Campbell Soup Company ....	3,236,499
144,453	ConAgra Foods, Inc. ....	3,297,862
68,830	General Mills, Inc. ....	3,174,440
90,470	H.J. Heinz Company ....	3,249,682
71,555	Kellogg Company ....	3,243,588

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See Notes to Quarterly Portfolio of Investments

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2005 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
	COMMON STOCKS - CONTINUED	
	FOOD PRODUCTS - (CONTINUED)	
104,366	Kraft Foods, Inc. ....	\$ 3,235,346
73,741	Lancaster Colony Corp. ....	3,373,651
95,351	McCormick & Company, Inc. ....	3,233,352
167,667	Sara Lee Corp. ....	3,185,673
68,786	The J.M. Smucker Company ....	3,282,468
47,202	Unilever NV ....	3,266,378
80,555	Unilever PLC, Sponsored ADR ....	3,273,755
		-----
		42,301,678
		-----

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	GAS UTILITIES - 5.2%	
90,445	AGL Resources, Inc. ....	3,378,121
44,734	Equitable Resources, Inc. ....	3,372,944
110,198	National Fuel Gas Company ....	3,318,062
71,382	New Jersey Resources Corp. ....	3,353,526
89,692	Northwest Natural Gas Company ....	3,298,872
79,389	Peoples Energy Corp. ....	3,300,201
135,383	Piedmont Natural Gas Company, Inc. ....	3,325,006
121,682	UGI Corp. ....	3,364,507
101,072	WGL Holdings, Inc. ....	3,322,237
		-----
		30,033,476
		-----
	HEALTH CARE EQUIPMENT & SUPPLIES - 1.1%	
107,954	Arrow International Inc. ....	3,195,438
65,247	Hillenbrand Industries, Inc. ....	3,247,343
		-----
		6,442,781
		-----
	HOUSEHOLD DURABLES - 1.1%	
132,445	Leggett & Platt, Inc. ....	3,206,493
92,198	Snap-On, Inc. ....	3,273,029
		-----
		6,479,522
		-----
	HOUSEHOLD PRODUCTS - 2.3%	
61,984	Colgate-Palmolive Company ....	3,254,160
52,505	Kimberly-Clark Corp. ....	3,272,112
56,782	The Clorox Company ....	3,268,940
58,805	The Procter & Gamble Company ....	3,262,501
		-----
		13,057,713
		-----
	INDEPENDENT POWER PRODUCERS & ENERGY TRADERS - 0.6%	
55,610	Constellation Energy Group, Inc. ....	3,267,088
		-----
	INDUSTRIAL CONGLOMERATES - 1.1%	
45,518	3M Company ....	3,238,606
96,691	General Electric Company ....	3,249,785
		-----
		6,488,391
		-----
	INSURANCE - 6.2%	
117,911	Arthur J. Gallagher & Company ....	3,367,538
78,924	Cincinnati Financial Corp. ....	3,234,306
65,353	Jefferson-Pilot Corp. ....	3,250,005

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2005 (UNAUDITED)

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SHARES		MARKET VALUE
-----		
COMMON STOCKS - CONTINUED		
INSURANCE - (CONTINUED)		
64,842	Lincoln National Corp. ....	\$ 3,215,515
64,109	Manulife Financial Corp. ....	3,265,712
54,578	MBIA, Inc. ....	3,163,887
55,278	Mercury General Corp. ....	3,246,477
78,350	Protective Life Corp. ....	3,214,701
55,563	The Allstate Corp. ....	3,123,196
37,404	The Chubb Corp. ....	3,252,652
68,800	Unitrin, Inc. ....	3,176,496
		-----
		35,510,485
		-----
LEISURE EQUIPMENT & PRODUCTS - 0.6%		
60,738	Polaris Industries, Inc. ....	3,199,678
		-----
MACHINERY - 2.3%		
60,407	Caterpillar, Inc. ....	3,351,984
50,822	Deere & Company ....	3,322,742
50,623	Eaton Corp. ....	3,235,822
89,692	Lincoln Electric Holdings, Inc. ....	3,379,595
		-----
		13,290,143
		-----
MEDIA - 2.2%		
79,350	Dow Jones & Company, Inc. ....	3,241,448
50,090	Knight-Ridder, Inc. ....	3,209,767
101,964	The New York Times Company ....	3,255,711
86,271	Tribune Company ....	3,241,201
		-----
		12,948,127
		-----
MULTI-UTILITIES - 8.5%		
59,585	Ameren Corp. ....	3,273,004
69,795	Consolidated Edison, Inc. ....	3,274,083
42,462	Dominion Resources, Inc. ....	3,247,494
124,205	Energy East Corp. ....	3,256,655
85,113	KeySpan Corp. ....	3,248,763
105,420	MDU Resources Group, Inc. ....	3,392,416
110,310	NSTAR ....	3,260,764
113,206	OGE Energy Corp. ....	3,286,370
113,644	PNM Resources Inc. ....	3,361,590
77,841	SCANA Corp. ....	3,299,680
73,457	Sempra Energy ....	3,292,343
117,397	Vectren Corp. ....	3,287,116
83,423	Wisconsin Energy Corp. ....	3,267,679
55,889	WPS Resources Corp. ....	3,221,442
169,070	Xcel Energy, Inc. ....	3,252,907
		-----
		49,222,306

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OIL, GAS & CONSUMABLE FUELS - 4.7%		
48,790	BP PLC, Sponsored ADR .....	3,336,260
54,331	Chevron Corp. ....	3,335,923
51,650	ConocoPhillips .....	3,405,801
55,127	Exxon Mobil Corp. ....	3,302,107
54,349	Marathon Oil Corp. ....	3,495,184

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See Notes to Quarterly Portfolio of Investments

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2005 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
COMMON STOCKS - CONTINUED		
OIL, GAS & CONSUMABLE FUELS - (CONTINUED)		
50,910	Royal Dutch Petroleum Company .....	\$ 3,307,114
25,519	Total SA, Sponsored ADR .....	3,364,425
119,347	TransCanada Corp. ....	3,327,394
		26,874,208
PERSONAL PRODUCTS - 0.6%		
99,886	Avon Products, Inc. ....	3,278,259
PHARMACEUTICALS - 3.4%		
71,953	Abbott Laboratories .....	3,247,239
67,933	GlaxoSmithKline PLC, ADR .....	3,309,696
52,023	Johnson & Johnson .....	3,297,738
60,613	Lilly (Eli) & Company .....	3,334,927
129,527	Pfizer, Inc. ....	3,299,053
70,897	Wyeth .....	3,246,374
		19,735,027
REAL ESTATE (REITS) - 11.4%		
81,840	Archstone-Smith Trust .....	3,298,152
39,337	Avalonbay Communities, Inc. ....	3,305,881
78,104	BRE Properties, Inc., Class A .....	3,233,506
101,772	Duke Realty Corp. ....	3,332,015
98,337	Equity Office Properties Trust .....	3,274,622
85,882	Equity Residential .....	3,243,763
53,091	Federal Realty Investment Trust .....	3,287,395
121,911	Health Care Property Investors, Inc. ....	3,312,322
84,491	Healthcare Realty Trust, Inc. ....	3,269,802
103,830	Kimco Realty Corp. ....	3,283,105
75,286	Liberty Property Trust .....	3,267,412
72,812	Mack-Cali Realty Corp. ....	3,207,369

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137,105	New Plan Excel Realty Trust .....	3,283,665
75,216	Pennsylvania Real Estate Investment Trust .....	3,245,570
91,571	Plum Creek Timber Company, Inc. ....	3,365,234
75,497	Prologis .....	3,284,874
42,821	Simon Property Group, Inc. ....	3,257,393
138,041	United Dominion Realty Trust, Inc. ....	3,268,811
106,884	Washington Real Estate Investment Trust .....	3,315,542
84,095	Weingarten Realty Investors .....	3,241,862
		-----
		65,578,295
		-----
	THRIFTS & MORTGAGE FINANCE - 2.2%	
93,234	Capitol Federal Financial .....	3,147,580
53,905	Freddie Mac .....	3,254,784
138,990	Washington Federal, Inc. ....	3,256,536
78,847	Washington Mutual, Inc. ....	3,278,458
		-----
		12,937,358
		-----
	TOBACCO - 0.6%	
78,982	Universal Corp. ....	3,287,231
		-----

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2005 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
	COMMON STOCKS - CONTINUED	
	WIRELESS TELECOMMUNICATION SERVICES - 0.6%	
53,013	ALLTEL Corp. ....	\$ 3,286,276
		-----
	TOTAL COMMON STOCKS .....	568,533,101
		-----
	(Cost \$501,430,583)	
	TOTAL INVESTMENTS - 98.8% .....	568,533,101
	(Cost \$501,430,583)*	
	NET OTHER ASSETS & LIABILITIES - 1.2% .....	6,967,273
		-----
	NET ASSETS - 100.0% .....	\$ 575,500,374
		=====

\* Aggregate cost for federal income tax and financial reporting purposes



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ADR American Depositary Receipt  
REIT Real Estate Investment Trust

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See Notes to Quarterly Portfolio of Investments

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## NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS (UNAUDITED)

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FIRST TRUST VALUE LINE (R) DIVIDEND FUND  
AUGUST 31, 2005

### 1. VALUATION AND INVESTMENT PRACTICES

#### A. PORTFOLIO VALUATION:

First Trust Value Line(R) Dividend Fund (the "Fund") determines the net asset value ("NAV") of its shares daily, as of the close of regular session trading on the New York Stock Exchange ("NYSE"), normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. The NAV is computed by dividing the value of all assets of the Fund (including accrued interest and dividends), less all liabilities (including accrued expenses and dividends declared but unpaid), by the total number of shares outstanding.

The Fund's investments are valued at market value, or in the absence of market value with respect to any portfolio securities, at fair value according to procedures adopted by the Fund's Board of Trustees. Portfolio securities listed on any exchange other than the NASDAQ National Market ("NASDAQ") are valued at the last sale price on the business day as of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the most recent bid and asked prices on such day. Securities traded on the NASDAQ are valued at the NASDAQ Official Closing Price as determined by NASDAQ. Portfolio securities traded on more than one securities exchange are valued at the last sale price on the business day as of which such value is being determined at the close of the exchange representing the principal market for such securities. Portfolio securities traded in the over-the-counter market, but excluding securities traded on the NASDAQ, are valued at the closing bid prices. Short-term investments that mature in 60 days or less are valued at amortized cost.

Foreign securities traded outside the United States are generally valued as of the time their trading is complete, which is usually different from the close of the NYSE. Occasionally, events affecting the value of such securities may occur between such times and the close of the NYSE that will not always be reflected in such securities' value. If events materially affecting the value of such securities occur during such period, these securities will be valued at their fair value according to procedures adopted by the Fund's Board of Trustees. All securities and other assets of the Fund denominated in foreign currencies will be converted to U.S. dollars using exchange rates in effect at the time of valuation.

#### B. SECURITIES TRANSACTIONS:

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis.

Securities purchased or sold on a when-issued or delayed-delivery basis may be

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settled a month or more after the trade date; interest income on such securities is not accrued until settlement date. The Fund instructs the custodian to segregate assets of the Fund with a current value at least equal to the amount of its when-issued purchase commitments.

### 2. UNREALIZED APPRECIATION/(DEPRECIATION)

As of August 31, 2005, the aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$74,796,153, and the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$7,693,635.

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### ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

### ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) FIRST TRUST VALUE LINE(R) DIVIDEND FUND

By (Signature and Title)\* /S/ JAMES A. BOWEN

-----  
James A. Bowen, Chairman of the Board, President and  
Chief Executive Officer

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(principal executive officer)

Date OCTOBER 26, 2005

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Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)\* /S/ JAMES A. BOWEN

---

James A. Bowen, Chairman of the Board, President and  
Chief Executive Officer  
(principal executive officer)

Date OCTOBER 26, 2005

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By (Signature and Title)\* /S/ MARK R. BRADLEY

---

Mark R. Bradley, Treasurer, Controller, Chief  
Financial Officer and Chief Accounting Officer  
(principal financial officer)

Date OCTOBER 26, 2005

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\* Print the name and title of each signing officer under his or her signature.