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March 2009 VIA EMAIL

Pulling Back the Curtain – ***A behind the scenes look at managing your accounts***

The past six months have been some of the most grueling and unpredictable economic periods in our life. Major market indexes have closed at lows not seen in almost twelve years. While we have tried our best to communicate with you and respond to your calls and questions, sometimes it feels like it's still not enough. With that in mind, we thought we'd share how we are continuing to monitor, manage and address your accounts and your concerns on a daily basis. (See below).

Day-to-Day Client Conversations - A large portion of our day is talking with you – and that's the way it should be. Over the past six months we've held more client appointments than ever before. We have fielded an unprecedented number of phone calls and e-mails. We know these conversations can be difficult, yet we welcome the opportunity to discuss your financial planning concerns.

What we've learned is that the rapid-fire of information from the media, the internet, relatives, co-workers, etc. has lead to requests for more tactical strategies such as trying to "time the market." You've asked us to explore shifting portfolios to cash, buying gold, considering option strategies, investing in penny stocks, and more. While we continue to examine these options, we believe that there is greater risk in executing these strategies because you have to be right TWICE for it to work – you need to be equally adept at selling as you are at buying back. Most professionals will tell you that it's an extremely dangerous strategy for individual investors, yet, when emotions run high, and uncertainty rules the day, it's easy to be vulnerable.

We believe that you want us to be the rational voice in emotional times – but nevertheless, we remain very sensitive to your personal needs and want you to sleep well at night.

Micro Analysis of Each Clients Unique Situation – This past week, we met to analyze every household's account in our office. Normally we do this a few times a year, but recently we've been doing it much more regularly. One by one we examined the overall asset allocation of each client's portfolio with special consideration to income needs and investment objectives. We reviewed each holding and made changes where necessary. Honestly, not many adjustments were made because many changes had already been addressed during our November and December reviews.

Analyze Client Income Needs - More than 55% of our clients draw money from their accounts to supplement their spending needs. We have made certain that liquid funds are available in either cash or bonds to support three years of our client's discretionary

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income needs. If spending levels are too high or adjustments are needed, we have discussed this with you directly. For example, just a few months ago, these distributions represented between 2-7% of an investment portfolio, but now, the distribution rate has more than doubled. These are dangerous situations and ones that we monitor closely by communicating with our clients.

Seeing the Big Picture - Through WealthVision we have been examining each client's overall financial situation more completely by integrating investment accounts, along with other assets, liabilities, insurance, bank accounts etc. Through this holistic view we can examine your whole financial puzzle, rather than just pieces of it. Most importantly it has helped to refocus our conversations on more prudent decision making.

Macro Analysis of Investments - We meet on a regular basis to discuss each of the investments held in our clients' collective accounts. We consider the relative risk of each investment compared to peer groups and indexes. We monitor expenses, performance, cash flows, and other factors. In addition, LPL Financial's research department provides us with reports and analyses including a daily market scoreboard. We participate in conference calls with LPL's research team, read numerous publications, and discuss current issues such as the newly issued stimulus package and how it will impact you. In fact, on Friday, February, 27, 2009, we held a private conference call with Burt White, LPL's newly appointed Chief Investment Strategist.

Conversations with portfolio managers, industry experts, and our industry association peers - We have reduced our travel to conferences, industry meetings and due diligence visits dramatically this year due to our desire to be more accessible to our clients during these turbulent times. Yet, we have increased our participation on conference calls and webinars so that we can gather first-hand perspectives from portfolio managers, industry experts, association leaders and others on a real-time basis.

We hope this gives you a general overview of how we are monitoring your accounts, even when we're not meeting face to face. We know that you want us to help you make sound decisions and we believe that you want us to share perspectives based on our collective understanding of your financial situation. Sometimes those perspectives may be uncomfortable to hear (especially in times of uncertainty).

We believe that now, more than ever, a coordinated look at your family's financial future is critical and that if your stomach hurts, or if you are losing sleep, we need to talk about a new overall strategy, not a short term tactic.

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We have always taken the role as your financial planner exceptionally seriously and we will do whatever we can to deliver you the sound genuine financial planning you need. As always, please contact us, or if you'd like, schedule some time to visit with us in the office.

Sincerely,

Marc S. Freedman CFP®   Marion B. Gilman CFP®, MBA

PS. In addition, we are enclosing LPL Financial's recent research report entitled "The Good, the Bad and the Missing"

Marc Freedman CFP®
President/CEO

March 04, 2009

Dear Valued Investor:

The market is constantly weighing three inputs to determine its direction and risk profile: what it views as positive, what it views as negative, and what it does not yet understand. I like to call this ***the Good, the Bad, and the Missing.*** While no one can argue that the Bad has been the most influential of the three inputs as of late, I want to share with you a few thoughts concerning the dynamics of these three factors and how the market values and weighs them.

Contrary to what seems logical, the market does not need to have more "good" than "bad" to reverse a downturn and move to an advancing posture. In fact, given that the market is a forward looking machine, it does not wait to completely emerge from the dark before it starts to improve, but rather, it just needs to view the light at the end of the tunnel. Examining every recession and bear market since WWII reveals that stocks have always bottomed before the recession was over and delivered, on average, returns with a powerful 25% upside potential, as measured by the S&P 500 Index, and furthermore, recouped nearly all losses by the end of the recession.

So, the question remains, when will the market find the balance between good and bad that will propel it to shift from fear to opportunity? It is my opinion that this transition is upon us now. While this may contradict the many negative headlines reported by the media, the fact remains that the velocity of the good things happening in the market is increasing, while the velocity of the bad is slowing. The inflection point as to when the market improves surrounds the timing of when the bad stops getting worse and the good starts to gain frequency.

As far as ***the Good,*** we are starting to see it trickle in a bit faster than it did just a few months ago. The stimulus package and foreclosure relief were approved and we have gotten some encouraging news on retail sales, wages, and inflation data as of late. In addition, volatility has eased and liquidity in the credit markets has improved. While ***the Bad*** is too numerous to list, the velocity of negative news from the housing front and unemployment has begun to slow.

By now, you may be asking yourself, if the equilibrium between the Good and the Bad has indeed turned to a more positive (or at least less negative) balance, then why haven't the markets improved? It is because of the third factor: ***the Missing.*** There is currently a clarity void overhanging this market, which has been the primary catalyst for stocks retreating back below their November 20, 2008 market lows. The remaining unanswered questions largely surround the details of the government's many stimulus and rescue packages as well as the future state of the financial services industry. Do the banks need further capitalization? Will the banks be nationalized? What is the plan to remove the toxic assets off bank balance sheets?

It is my opinion that answers to the market's lingering questions are forthcoming. The Obama administration knows that the market is waiting for details and in my opinion has learned that the "trust me", high-level descriptions of its plans to improve the financial markets through fiscal and monetary policy are not enough clarity for the market to be comfortable. We are in a "show me" market that wants details. Once these missing details are uncovered, the market can once again refocus its attention to the increasing pace of good news and the declining pace of bad news, with the likely result of the market establishing the basis for a bottom.

This is not to say that the market and this economy do not have tough bridges yet to cross. But as ***the Good*** gets better, ***the Bad*** diminishes, and ***the Missing*** gets answered, it is my view that the backdrop for market improvement will be established. These retesting challenges and subsequent small victories are what make a market bottom. I continue to believe that long-term investors will be rewarded by patience and that new assets will benefit from careful entry into the market at these attractive levels.

You may have questions regarding ***the Bad*** that remains in this market and as always, I encourage you to contact your advisor. The sun is brightest after a storm and with a few answers to ***the Missing,*** soon we just may start to see ***the Good*** once again.

Burt White

Chief Investment Officer

LPL Financial