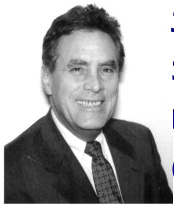

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SENIORS/BOOMERS NEWSLETTER

"*THE* RETIREMENT EXPERTS"

June 2007

MARKET SNAPSHOT

Beginning this month - and based on many of my research sources - I'll be providing you with a brief synopsis of what's happening in the market …and where we see it headed. Right now, the economy and market are flashing yellow

1) To begin with, Business Cycle Conditions are deteriorating. Reading the Leading Economic Indicators: the percent of leaders expanding and their cyclical scores are now at levels that may indicate a contraction of general business activity.

2) The stock market continues to look bullish, however; rising bond yields accompanied by slowing economic growth are a concern. The yield on the 10-year Treasury bond is currently at 5.0%, up from 4.4% which was recorded in December 2006. A move back to 5.25% would be a significant negative for stocks going forward.

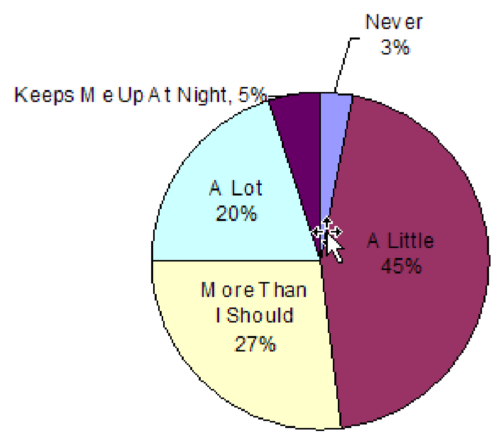
3) Although commercial hedgers (smart money) are 'net long' the market, their level of conviction is not as strong as last month.

Keep a close eye on the market and maintain a disciplined Asset Allocation along with appropriate stop-losses.

ARE YOU WORRIED ABOUT YOUR FINANCES?

Do you find yourself worrying about your finances? While you may think that your situation is unique, you may, in fact, be among the majority of seniors who worry excessively about money.

A recent survey by the publishers of *Senior Market Advisor*[1] revealed several seniors' responses to the question "How much do you worry about money?"



Notwithstanding these statistical findings, financial worries do not have to control you. A more secure retirement is possible, with smart and prudent financial planning solutions to these common retirement worries:

Retirement savings shortfall. Upon reaching retirement, some seniors are surprised to discover that their retirement savings will come up short. Instead of pursuing leisure activities, they find that they must curtail their spending habits in order to make their savings last. But even in retirement, you can put your savings to work for you with investment strategies that are designed to help you achieve your growth and income objectives.

For example, do you find that your investments are heavily concentrated in CDs and bank account deposits? Although these investments are often a very good source of liquidity and are insured by the FDIC, an over concentration in these safe investments could expose your portfolio to inflationary risks.

Loss of investment value. If you invested through the stock market correction of 2000-2002, you may have gotten a taste of what a loss of investment value can do to your financial situation.

Unfortunately, market corrections are a fact of life and can show up at any time. However, there are things that can be done to help you weather these storms: 1) diversifying your portfolio, 2) rebalancing your holdings, and 3) following asset allocation strategies designed to reduce your exposure to market risk.

Although asset allocation does not guarantee against the risk of loss in a declining market, it can help you to reduce the overall volatility of your portfolio. Has your portfolio been reviewed lately? If not, now might be a very good time to do this. Call me or complete the attached reply coupon to request some additional information.

UNDERSTANDING RISK

When you invest money, you are accepting different amounts and types of risk. Some investments are considered less risky than others… but no investment is without risk. Some of the main types of risk you should understand are:

Interest rate risk. Income-generating investments, such as corporate bonds, certificates of deposit, and so forth come with the risk that interest rates could possibly fall or rise. If they fall, you might earn less after the investments mature and you try to reinvest the money. If they rise, the value of your account could drop. Furthermore, inflation may be going up as well, so your income might not go as far. Rising interest rates can also hurt stock prices since companies have to pay more to borrow money.

Market risk. Whenever interest rates rise, or bond yields drop, or other events take place, the stock and bond markets react. Some events cause markets to rise, and others cause the markets to fall. These are rarely predictable, adding another element of risk to investing.

Political risk. If a country goes to war, implements an embargo, or has a change of government, there may be an effect on markets, and also, very often, on inflation and interest rates as well. Again, this is an area of risk that is hard to plan for, but can affect your investments.

Inflation risk. This is the field of risk that can be better managed than others; but it still affects you, perhaps more than any other area. If the majority of your retirement income comes from dividends and interest, and inflation rises, your effective income falls, and that impacts your spending power.

Credit risk. CDs are FDIC insured for up to $100,000 per account, while corporate bonds are backed by the financial stability and credit of the issuing company. Should a company go bankrupt, secured creditors are typically first in the asset distribution/liquidation priority, followed by the bondholders. Shareholders are typically last in priority.

So, how can you manage risks?

- Spreading your money among several different asset classes. This way, if one group is adversely affected by the market or other conditions, another one may possibly react just the opposite (asset allocation will not guarantee against the risk of loss in a declining market).

- Become familiar with the types of risks within your portfolio. For instance, do you own several mutual funds that have large holdings in the same stock? This could unnecessary expose you to an over-concentration risk if that particular company runs into problems.

Overseeing investments involves more than just picking the best performing current assets. It also includes managing risks to help preserve your money. If you are not sure whether you are minimizing risks in your portfolio, while maximizing returns through asset allocation, please check off and return the enclosed coupon.

Sincerely, John