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Wholly Owned by the  
American Institute for Economic Research

John L. Barry  
President & CEO

September 29, 2008

Seth L. Hoffman  
Vice President & CCO

Dear Client,

Karen Miller  
Dir. Ret. Plan Svs.

During this tumultuous time for our economy and the financial markets I want to assure you that we are exercising appropriate due diligence to ensure that your assets are safeguarded to the fullest extent possible.

Charles Murphy  
Sr. Analyst

We do not know what the future holds or how effective the legislation currently being negotiated in Washington will be in stemming the credit crisis. We do, however, hope the following facts will help ease your concerns.

Bo Bo Nge  
Research Analyst

- Your assets are extremely well diversified. Gold, short-term bonds and cash equivalents continue to perform well as a form of portfolio insurance. While the value of your portfolio may fluctuate with the overall capital markets, your exposure to the fate of any single company or issuer is extremely minimal.
- All of our custodians have strong net capital and are financially sound. Charles Schwab, TD Ameritrade and Fidelity Investments have no investment banking affiliates or direct exposure to the illiquid securities that precipitated the credit crisis.
- We are carefully monitoring the money market portfolios at our custodians. We are confident that their risk controls are sound and that they will fulfill their primary purposes – the safety of your deposits. The U.S. Treasury Department has announced that it will temporarily guarantee the \$1 per share net asset value of money market funds.

Stella Saunders  
Operations Sp.

Richard A. Seeley  
Sr. VP & COO

Matthew Svirida  
Sr. Analyst

Mackenzie Waggaman  
Vice President

#### Directors

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Gregory van Kipnis, Chair

You should also be aware of additional regulatory and insurance protections designed to safeguard your assets.

#### **The Customer Protection Rule**

Federal securities law requires that customer assets be segregated from a custodial firm's own assets and customer assets are commonly held in book-entry form at custodial depositories and not in physical possession by the firms themselves. This means in the extremely remote event of insolvency, your assets are not available to the broker's creditors.

## **SIPC Insurance**

Assets are protected by the Securities Investor Protection Corporation (SIPC) for up to \$500,000 per account. SIPC coverage is adequate for the vast majority of accounts. Congress created SIPC in 1970 to protect customers of member broker/dealers that fail or are liquidated. If any securities or cash are missing from eligible customer accounts, the corporation steps in to replace those securities and cash. This protection is limited to \$500,000 per account, including up to \$100,000 in cash. SIPC is funded by fees from member firms and is bolstered by an additional \$2 billion in bank credit and federal subsidies.

SIPC's principal function is to restore funds to investors whose assets are in the custody of bankrupt and otherwise financially troubled brokerage firms. When a brokerage firm is closed due to bankruptcy or other financial difficulties, SIPC works to retrieve and return all cash, stock and other securities. Historically, 99 percent of eligible investors have recovered their investments from SIPC efforts. Only in extremely rare cases has SIPC needed to actually replace assets.

## **Excess SIPC Insurance**

All of the custodians we work with offer account protection beyond SIPC's limits (commonly referred to as "excess SIPC"). This coverage is provided through private arrangements between securities firms and insurance companies. It becomes available in the event that SIPC limits are exhausted.

The current excess SIPC coverage provided by the three custodians utilized by AIS is summarized below.

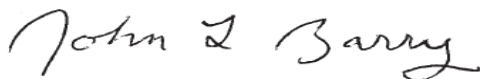
Charles Schwab & Co., Inc. – Schwab's coverage with Lloyd's of London provides protection of securities and cash up to an aggregate of \$600 million, and is limited to a combined return to any customer from a Trustee, SIPC and Lloyd's of \$150 million, including cash of up to \$1 million. This additional protection becomes available in the event that SIPC limits are exhausted.

TD Ameritrade – TDA provides up to an aggregate of \$250 million of additional securities protection, of which \$900,000 may be applied to cash. This is provided by Lloyds and is limited to a combined return to any client from a Trustee, SIPC and Lloyds of \$150 million.

Fidelity Brokerage Service/National Financial Services (NFS) – Fidelity Brokerage Service/NFS has arranged for additional protection under a surety bond issued by the Customer Asset Protection Company (CAPCO), a licensed Vermont insurer with an A+ financial strength rating from Standard & Poor's. NFS' excess-SIPC protection covers total account net equity for all cash and securities in excess of SIPC for accounts.

We understand that you may need reassurance during this difficult period and I would like to reinforce to you that our custodians remain financially strong, and provide you with the best asset protection available. Thank you for your continued confidence in AIS and please feel free to contact us if you have any concerns.

Sincerely,



John L. Barry, President & CEO  
American Investment Services, Inc.