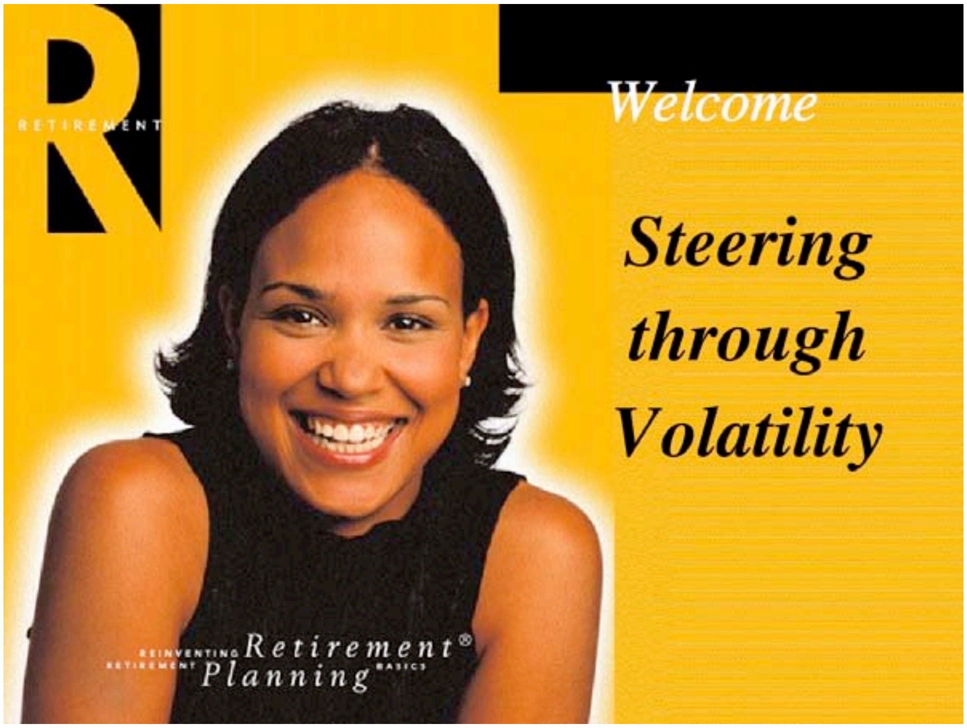


Hello and welcome to this seminar on how to steer through today's volatile markets.

As you are well aware, the last couple of years have been challenging. We're in the most severe recession since the Great Depression of the 1930s. At the same time, the stock market has fallen further than it did in either of the last two big bear markets: in 1973-74 or 2000 to 2002, after the dot-com bubble burst.

This seminar will guide you towards positive actions that you can take to improve your financial security. You'll learn what to do, what not to do, and why. There's no question that we're going through difficult and challenging times. One of the greatest contributions to stress is a feeling of helplessness. But taking a few steps to reduce your anxiety can make a meaningful difference in how you view your situation. In this seminar, I'll show you how you can regain control of your financial future while steering clear of bumpy spots.

Open a newspaper or turn on the television news these days, and you might find the results depressing. The same goes for your quarterly investment statement. There's no question: These are difficult times. The global economy has taken a big turn downward, and the U.S. economy has helped lead the way.

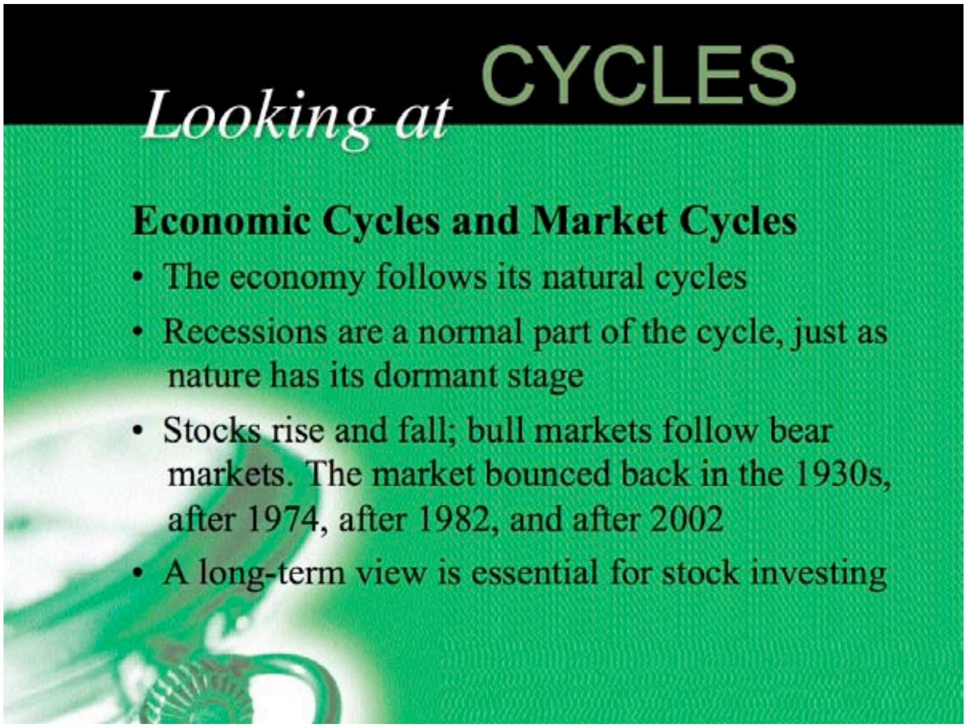
Before I make some suggestions about what you can do about it, here's a quick overview of today's situation: The economy, as measured by something called gross domestic product, or GDP, has gone from growing from one quarter to the next to shrinking slightly or contracting from one quarter to the next. That means there is less economic activity, which leads to jobs being lost, and that compounds something that helped get us into this problem — weakness in the housing market. Fewer people are paying their mortgages on time. And a lot of people who are making their payments are struggling financially. At the same time, the stock market has fallen very significantly, which adds to the problem of a loss of wealth. Measured universally, investors have lost trillions of dollars.

I'll briefly touch on some factors that helped get us into this tough situation. For years, people were attracted to mortgages with such features as no down payment, low documentation, and low initial interest rates. Adjustable rate mortgages allowed people to start with smaller monthly payments.

Looking back, these deals were too good to be true. Interest rates rose, and adjustable rate mortgages reset at higher rates. Monthly payments soared and many homeowners defaulted. Then, because of complex investments based on mortgage-backed securities, the growing mortgage defaults affected a lot of investors around the world.

Sharp losses led to panic selling, which pushed markets further downward. Meanwhile, banks stopped making loans – even to other banks – because they were afraid of not being repaid. Some banks collapsed due to billions of dollars of loans that weren't repaid. Last September, Lehman Brothers collapsed, Bank of America bought Merrill Lynch, and the U.S. government took over Fannie Mae and Freddie Mac, two large institutions that have a key role in supporting residential mortgages. And the government pumped many billions of dollars to keep insurance giant AIG from collapsing.

The recession, which began back in December 2007, got much worse late last fall and this past winter. From November through March, monthly job losses ranged from 600,000 to 800,000. Overall, more than 5 million jobs have been lost from the U.S. economy since the recession began. Despite a variety of attempts by the Federal Reserve to get the economy moving again, it's taking time for these efforts to make an impact. For a recovery to take hold, two key steps have to take place: The credit market must continue to thaw and the housing market must begin to stabilize. And those steps won't happen overnight.

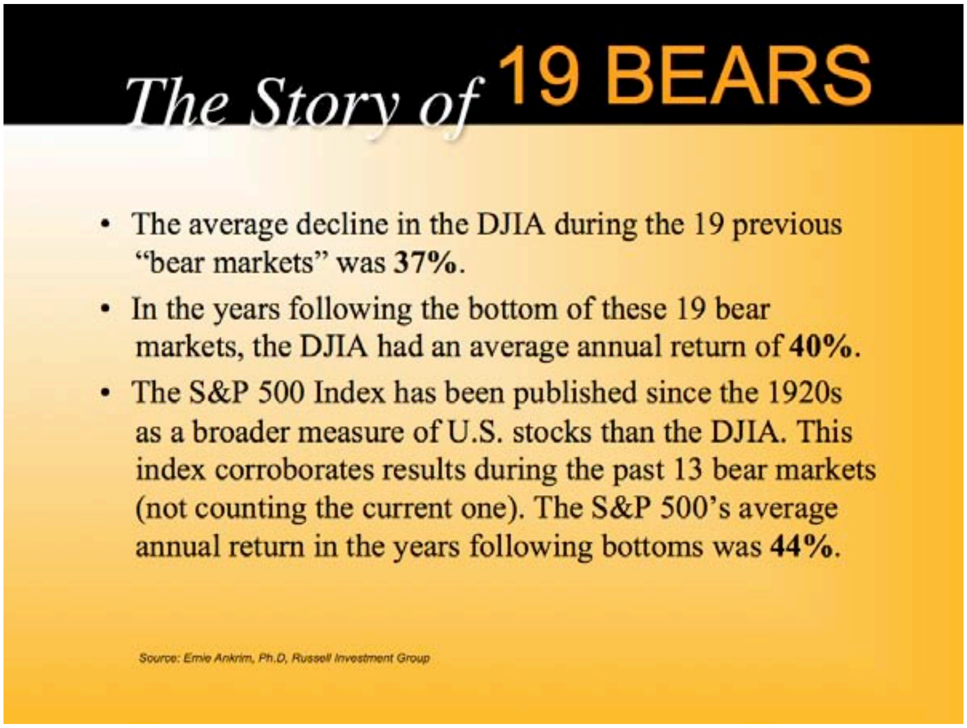


Now, let's take a step back and look at things from a broader perspective. While we're in the midst of a boom or a bust, it's hard to appreciate that the current phase — whether it's a period of economic growth or a recession — won't go on forever. Think of nature's cycles. A season of growth is followed by a pause or a dormant phase, and then a renewal.

Recessions are a natural part of the economic cycle. But it's hard to know how deep they'll be or how long they'll last. Some are more severe or painful than others. The United States has been in similar situations before and has come out of them all right. Although there may be pain and disappointment along the way, the American economy is resilient and, in all likelihood, it will bounce back along with the stock market. But it may take some time.

As with the economy, the stock market follows cycles as well. Bull markets, or periods of generally rising stock prices, follow bear markets. When investing in stocks, you really do need a long-term perspective. Stocks tend to rise and fall more sharply than other investments, but historically they've also tended to outperform bonds and cash-equivalent investments. So, as long as you don't need to sell your shares in the near future, you can afford to ride the ups and downs of a volatile market with minimal impact.

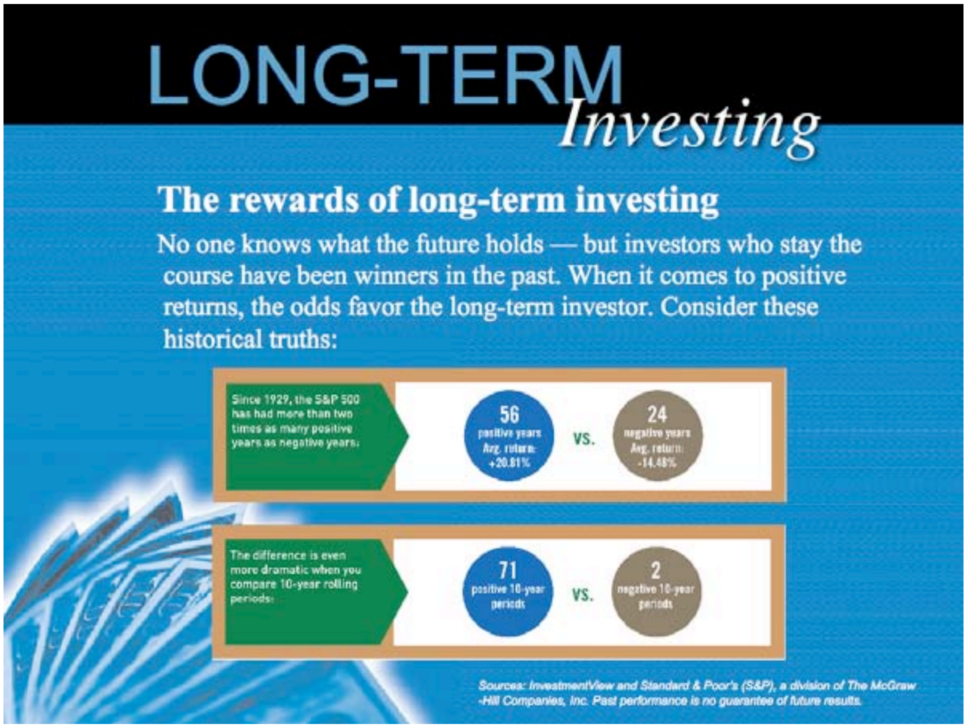
It may help to look back at how the market responded after previous downturns — with sharp and substantial gains.



It may be too soon to know whether a true bottom was reached this past March. But in any case, history suggests that the resiliency of the market should not be underestimated.

This is supported by these observations ***(read bullet points***).

Most importantly, in every year since 1900 after a decline of at least 20% in the DJIA, stock market returns have been positive. The graph below shows each period since 1900 in which the Dow has declined more than 20% and the average's annual return in the year following the decline.

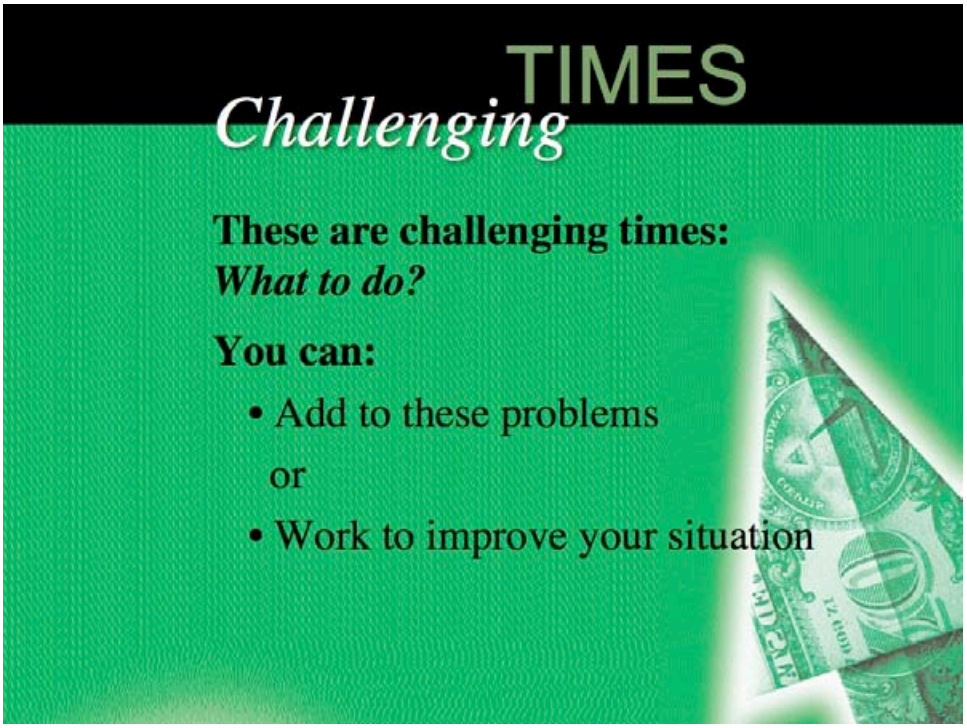


The lessons of history

• A long-term approach to investing has the greatest potential to achieve the most consistent results.

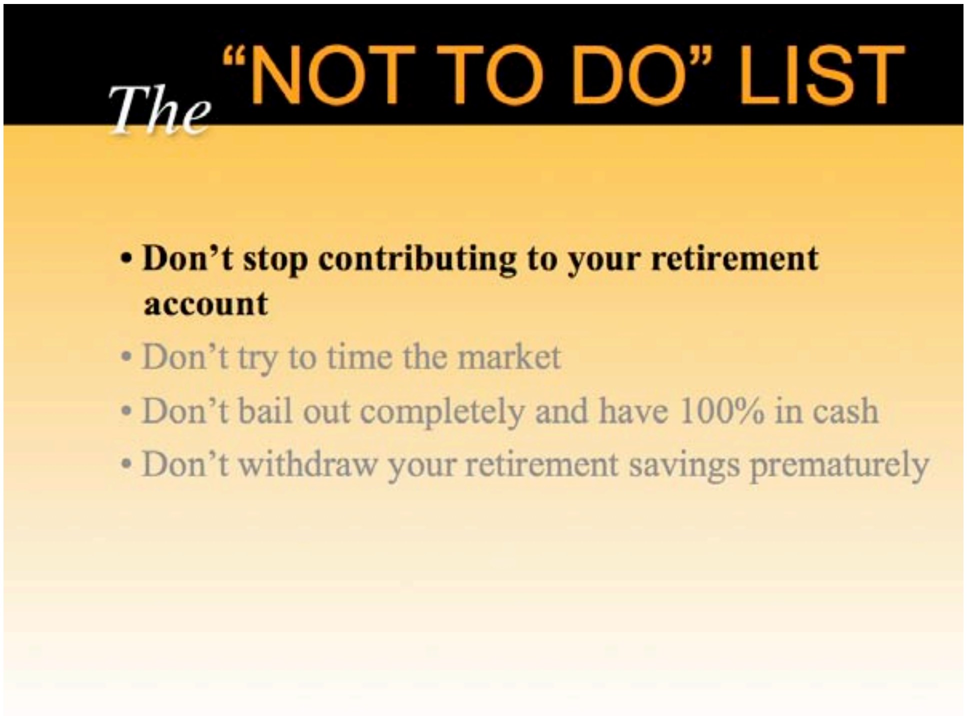
• Markets do go down – but eventually they recover. Investors who persevere through difficult periods have been rewarded over time for their patience.

• In a single year, the market's average return can be much higher or lower than average. But over longer periods, the average return tends to be more moderate.

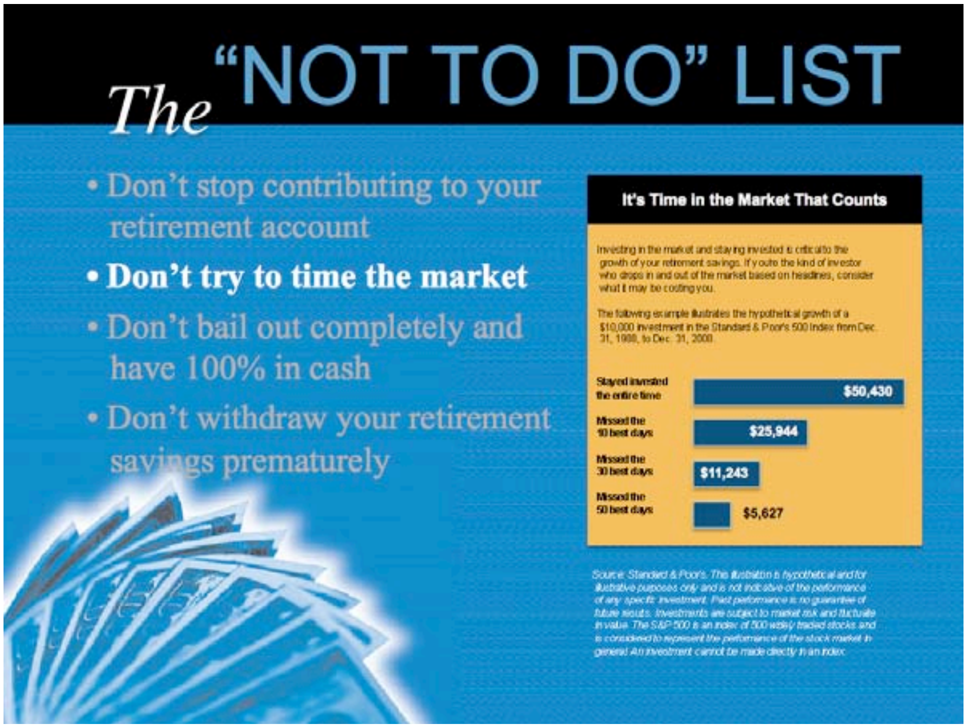


In any situation, there are certain actions you can take that will improve things and other responses that could make matters worse. Let’s look at where we stand today from that perspective.

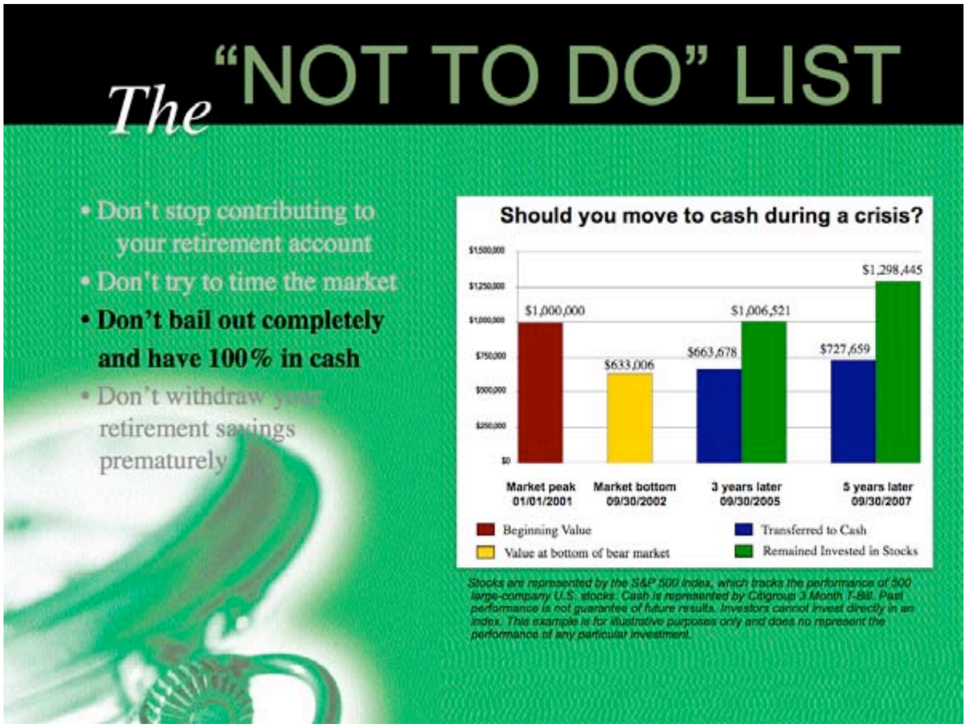
First, here are some things you shouldn’t do because they could add risk or set you back further. We’ll call this the “not to do” list.



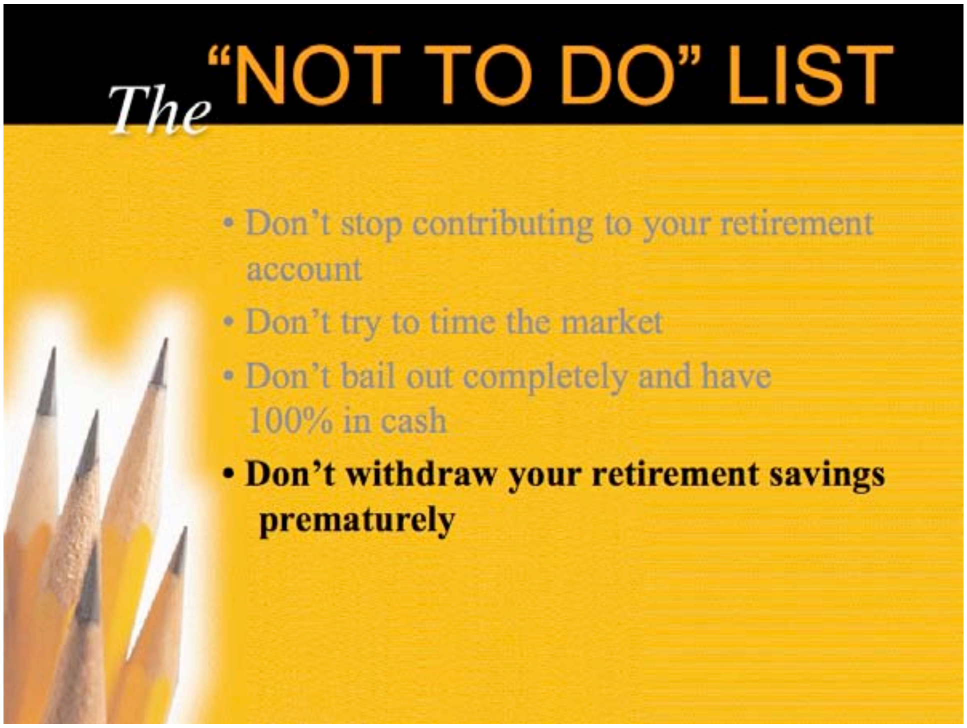
At the top of the "not to do" list is: **Don't stop your retirement plan contributions.** While it's easy to feel discouraged in the midst of a falling market, this is exactly the wrong time to stop investing, for a couple of reasons. First, if your account balance has dropped, you should be doing what you can to bolster your future financial prospects, not add to a possible shortfall. Second, as mentioned earlier, cycles are a normal part of stock investing. Markets recover from their lows. By investing the same dollar amount regularly, you'll benefit from dollar-cost averaging. That means that when the market is down, you'll buy more shares at a lower cost per share.



Timing the market is another big mistake. It's too hard to do successfully when the market can rise or fall by 5% or 10% in a week. It's a guessing game and you need to guess right twice — when you leave the market and when you return. Do you want to leave your future financial security to chance? It's not a good idea because if you guess wrong, you could pay a very high price.



If you take all your money out of stocks and put it in a bank account or money market fund, that might be o.k. if you'll need the money in the next year or two. But if you are investing for the long term — let's say five years or longer — you shouldn't leave too much money in conservative investments that are certain to have very low returns. The risk is that in future years you won't keep up with inflation or your investments may not grow enough to provide you with sufficient retirement income. That's like getting out of a roller coaster after it's gone down and then missing the ride up.



Finally, resist all temptation to withdraw money from your retirement savings prematurely. Otherwise, you'll basically be taking from your future to pay for your current expenses plus you'll pay taxes and possible penalties if you are younger than 59 ½ years old. And where will that leave you when you are retired and need the money the most?

Now that we've given some examples of what not to do, let's look at some positive steps that you should take to improve your situation and get back on the right track.

First, take a good look at the information on your investment account statements. Look at your balance, compare the performance of your funds with the relevant benchmark or index and with similar types of funds. For example, for a fund that invests in large U.S. stocks, the S&P 500 Index will give you a relevant comparison. Similarly, the Russell 2000 Index is the right comparison for a fund that invests in small-cap U.S. stocks.

Also, review you asset mix and make sure that it's appropriate for your life stage and your tolerance to risk. Generally, higher-risk investments, such as stocks, compensate you for taking on that risk by offering the potential for higher returns. You need to weigh risk vs. reward to choose the right mix for you.

If your asset mix is too aggressive or conservative, you can bring it in line with what's right for you today. For example, if the stock market's fall has caused your mix to shift away from stocks and more towards bonds, you could transfer some money from a bond fund into a stock fund.

With the stock market down, this would help in a few ways. You'd presumably be buying some shares of stocks or stock funds when they're at a relative low and selling bonds at a relatively high price. In addition, although this is far from certain, after a lull, investments often are poised to outperform, as the next cycle begins. Plus rebalancing regularly is a very good way to make sure that your mix of assets doesn't stray too far from your desired mix.

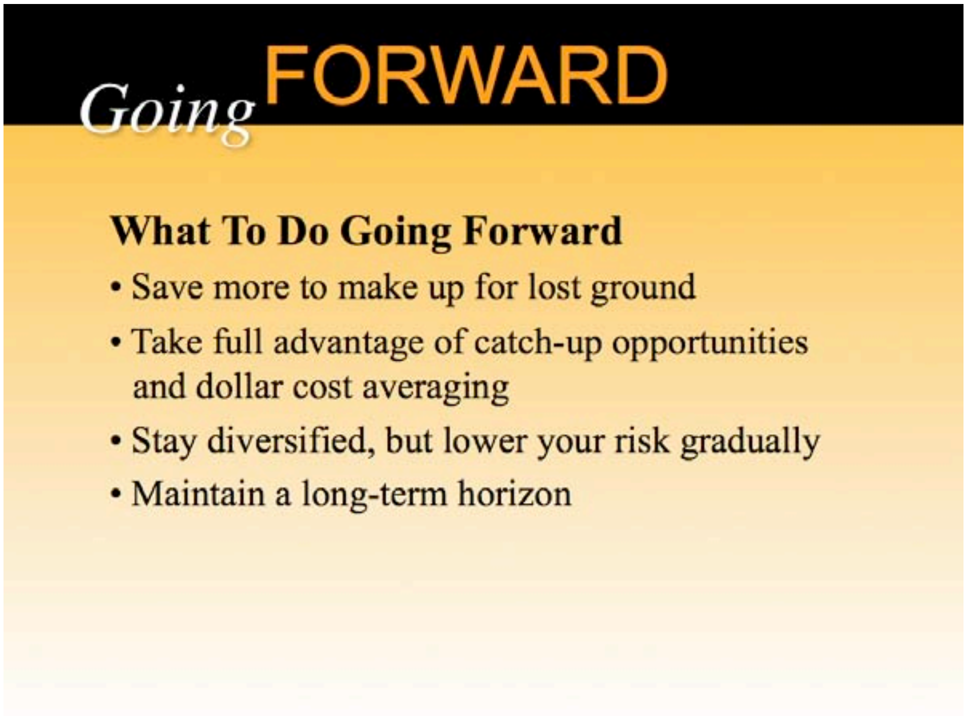
In addition to making sure you still have the right mix of investments, re-examine your goals and see if you are still reasonably capable of reaching them. If you have fallen off track, you'll need to consider ways that you can make up for any shortfall.

Use an online retirement savings calculator to help assess your situation. There are a variety of them on any number of financial websites. A good site with many varied calculators is www.dinkytown.net. Don't let the odd name throw you. The calculators are very good and there are many to choose from.

The simple Retirement Savings calculator can show you how quickly your money will grow at various interest rates and levels of contribution. The Retirement Planner calculator is particularly helpful because it calculates how long your money will last in retirement based on a number of variables that you can enter.

Two other sites with some helpful calculators are: http://moneycentral.msn.com and http://money.cnn.com. On the "Retirement" menu on the CNN site, click on Retirement Calculators. On the MSN site, click on "Retirement" and then "Planner." It will take a few minutes to use these calculators, but it could be very important because it will give you a clear picture on what you need to save to reach your goals.

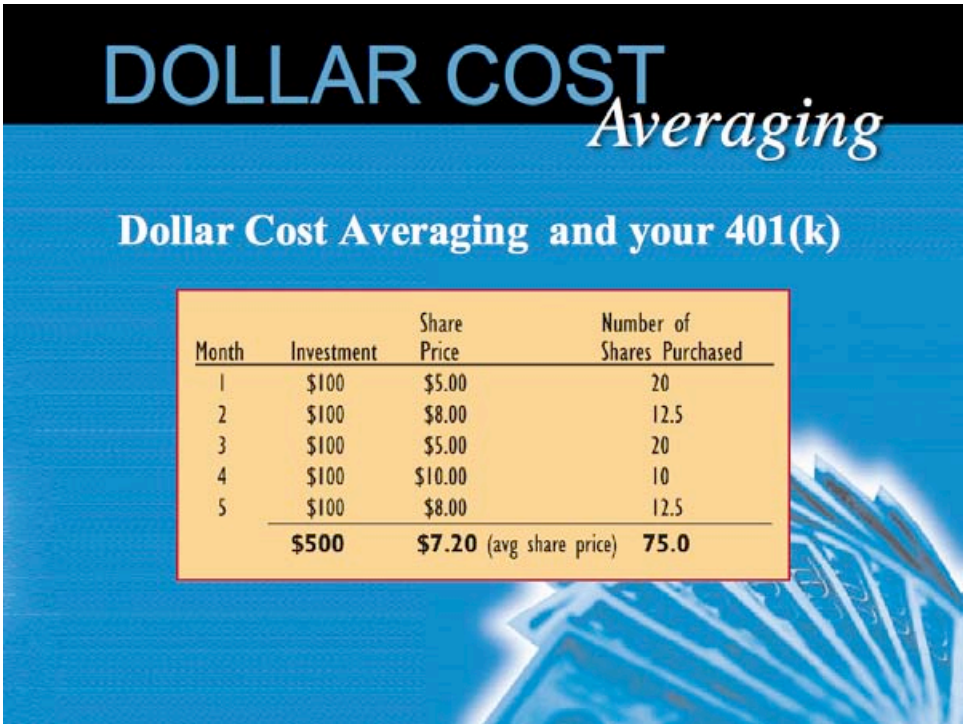
Once you have the numbers in front of you, you'll have a precise idea of what you need to do. All that will remain is committing to an action plan.



Let’s assume that your investments have lost ground. One thing you can do is simply save more money each pay period. Could you find some expenses that you can do without? Challenge yourself to save as much as you can. By saving more when the market is down, you’ll buy more shares. And if you are age 50 or older, you are eligible to save an additional $5,500 in 2009 beyond the general $16,500 contribution limit for 401(k) plan participants. By contributing up to $22,000 a year, you could do a lot of catching up!

If you had a large amount invested in stocks or stock funds during this bear market, you know the danger of not being diversified enough. Going forward, try to maintain as broadly diversified a portfolio as possible, but as you approach retirement, scale it back gradually by transferring some money from stock funds to bond funds.

However, it’s important to always have some money in stock funds for their superior potential for long-term gains. Even at retirement age, you could live another 20 or 30 years, so you need to address that with even a modest allocation to stocks. As long as you have sufficient income and short-term savings, you can afford to take some more risk with a portion of your investments. The key is to feel confident that you won’t need to touch the money for many years.



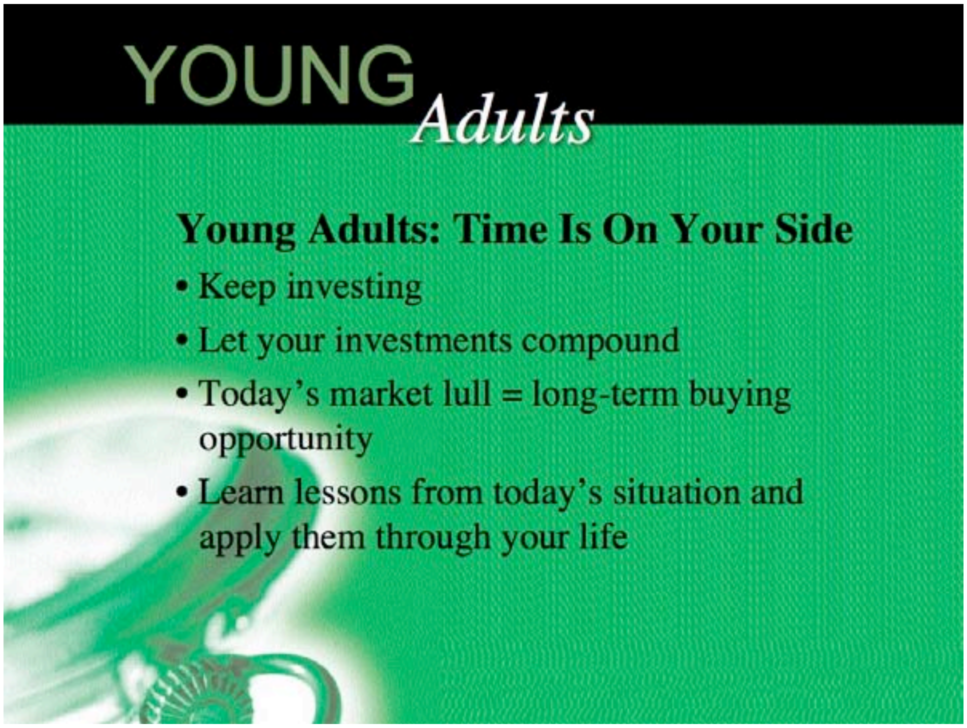
Month	Investment	Share Price	Number of Shares Purchased
1	$100	$5.00	20
2	$100	$8.00	12.5
3	$100	$5.00	20
4	$100	$10.00	10
5	$100	$8.00	12.5
	$500	**$7.20** (avg share price)	**75.0**

Dollar cost averaging is investing a specific amount of money on a regular basis no matter how the markets are performing. It is a way of managing risk over time: sometimes you will be investing when prices are high and other times when prices are low.

Saving through your 401(k) is automatic dollar cost averaging. It's automatic because you buy shares with every paycheck, during both good times and bad. By investing in this systematic manner, you avoid chasing market returns and instead focus on a committed, long-term investment plan.

When prices are high, your money will buy fewer shares; when prices are low, your money will buy more shares. Over time, you will probably end up with more shares at a lower price than if you had bought all at once.

One important thing to remember about dollar cost averaging: it does not guarantee a profit or protect against loss in declining markets. And, you have to consider your financial ability to continue purchasing when prices are down. But it can certainly up the odds in your favor, provided your overall investment strategy fits your personal financial situation, goals, time horizon and appetite for risk. It's a smart and easy strategy to follow – particularly when you're in it for the long term.



The younger you are, the longer you'll be able to keep your money invested. Therefore, the greater the risks you can live with. If you have four decades until you retire, and then another couple of decades in retirement, you can afford to ignore relatively short-term ups and downs in the stock market because your investments will have time to recover from any possible losses. Keep contributing to your retirement plan and let time work to your advantage.

In the big picture, a time when the market has fallen 40% or 50% from its high can be a once-in-a-lifetime buying opportunity. So, take full advantage of it. Also, you can learn lessons from what's happened in the past year or two, and apply them throughout your life.

Can anyone say what he or she has learned through this financial market turmoil?

[Wait for a response…]

One key lesson is that diversification is absolutely essential for all investors. But a younger person's mix of investments can lean more towards stocks.

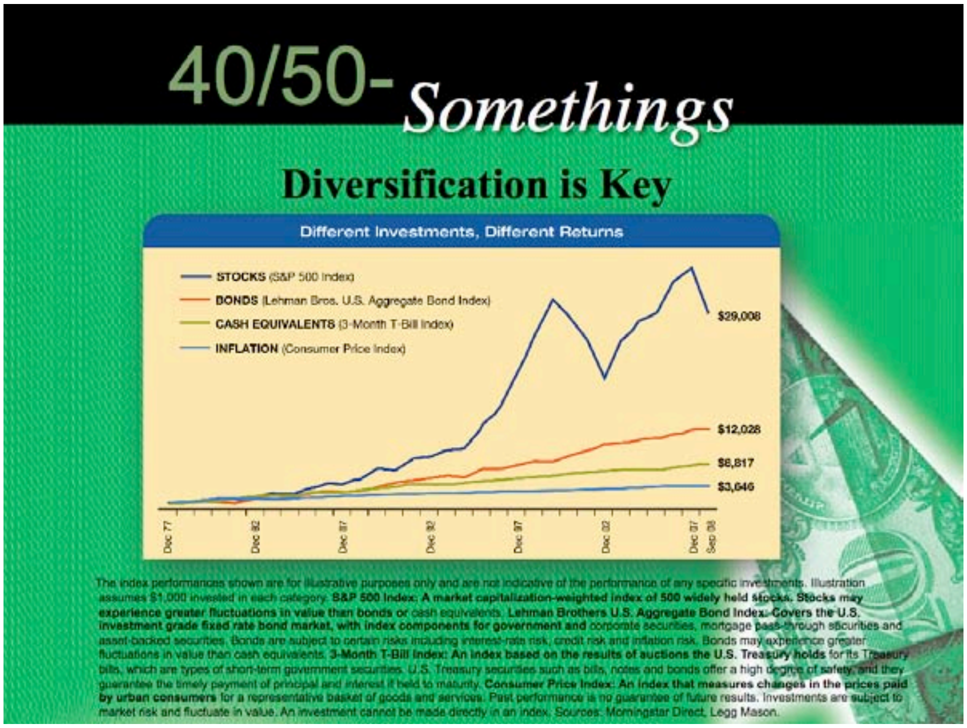
For those of you in the middle of your career, you still have plenty of time left to make up for any lost ground. Begin by assessing where you stand vs. your goals. How much progress have you made? How much further do you have to go? What, if anything, can you change to ensure that you reach your goals and have the kind of retirement that you desire?

A key element is probably saving more. If you've been working for many years, you may have a decent base to build on plus enough remaining years of saving to make a meaningful difference. Use the calculators that I referred to earlier and draw up various scenarios. What if you saved an additional 1% or 2% of your salary? What if you retired two years later? What if you lived a bit more modestly in retirement? See how much more you can save and what a difference that might make over a couple of decades.

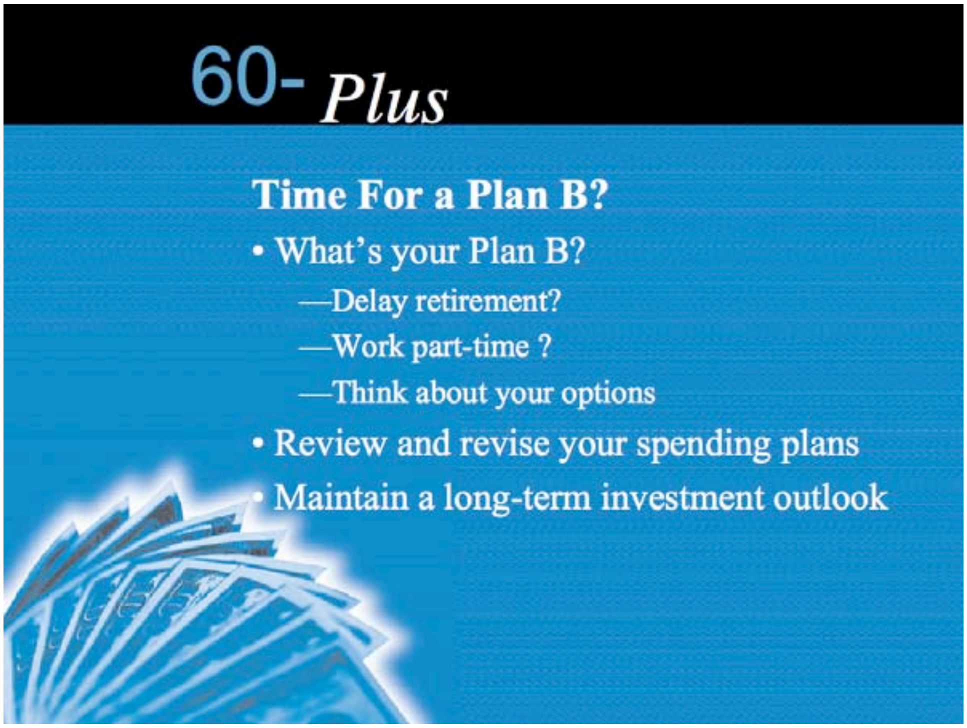
When it comes to your investment approach, you might be tempted to either become very conservative out of fear of market volatility or very aggressive out of a sense of urgency or desperation. It's important to try to maintain a balanced perspective and a balanced portfolio. Maintain a broadly diversified mix of investments, but as you get closer to retirement, steadily dial down the risk.

One rule of thumb many people use is to subtract your age from 120. The result is the percentage that you should allocate to stocks. According to that formula, at age 30, you could have 90% in stocks. At age 50, that would be 70% in stocks. At age 65, you'd have 55% in stocks. This is just a general starting point. If it seems too aggressive for you, you could use 110 or 100 as your base. Subtracting from 100, a 50-year-old would have a 50-50 mix of stocks and bonds and a 65-year-old would have 35% stocks, 65% bonds.

The point is to feel comfortable with your mix of assets, weighing risk against potential return, and to keep taking some risk out of your portfolio gradually over time.



Stay true to your investing objectives. Ignore any thoughts to get really aggressive to make up ground quickly and resist the temptation to bail out into all cash. Remember to consider your horizon and the level of risk you are comfortable with when you review your asset allocation each year. Also, remember what most experts say, it is always best to stay broadly diversified.



If you are on the verge of retirement, you don't have the luxury of time that young people have. You don't have as many options as people in the middle of their careers. But you can make some adjustments. You do have some choices and flexibility.

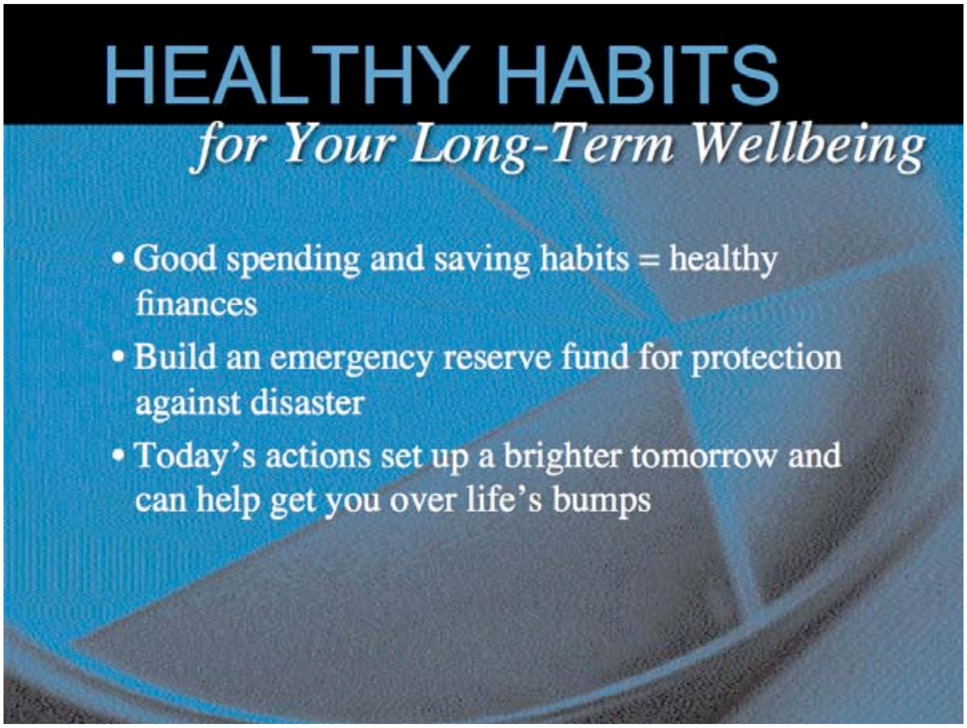
First, no matter how much time you have left in the workforce, use it well by saving as much as you can. Beyond that, look at all your options. What is your Plan B? You could possibly delay retirement. That would allow you more time to save and fewer years that you'd withdraw money from your account. It may not be your first choice, but it's a way to cope with not having enough savings to last throughout your retirement if you were to leave the workforce at age 65.

Another option that many people are choosing is to work part-time for a number of years after they officially retire. That can bridge the gap between your other income and your expenses. Also, many people enjoy being socially active and interacting with people in the working world, even if it is not full time. In fact, this may be a great solution if you feel like you still can contribute in the work force, but want a more leisurely existence.

Before you retire, do a thorough estimate or forecast of all of your expenses and sources of income in retirement. Take care to make it as accurate as possible. And then consider all of your options. Analyze your spending. As with a current budgeting exercise, break down your future expenses into needs and wants. Keep all of your options open.

As far as your investments, remember that even at age 60 or 70 or beyond,

One of the themes here is keeping an open mind or thinking outside the box. If your financial situation isn't what you would have hoped for at this point, find other ways to achieve your goals. That could mean scaling back on your current expenses so that you can save more, or scaling back your retirement lifestyle, or both. And working longer is also a good option. Keep all options open and think creatively.



Just as a healthy diet and exercise routine are good for your long-term physical health, adopting healthy money management habits will contribute to your life-long financial wellbeing. Be a smart consumer. Spend wisely. Save diligently. Use credit, but do so carefully and responsibly. Taking care of these immediate habits or consumer behaviors will set you up for a more positive future, in which you will be in control financially. Building an emergency reserve fund equal to several months of expenses will help protect you against a possible financial disaster.

These are challenging times, but if you take positive actions now, you stand a better chance of reaching your financial goals and overcoming the bumps along the way.

Any Questions? Thank you!