

October 15, 2009

Client

Dear Client:

Enclosed are performance reports for your investments at Charles Schwab as of September 30, 2009. Needless to say, the 3rd quarter's results brought welcome news.

- *Schwab Investment Portfolio*
- *Portfolio Performance Review*
- *Position Performance Summary*

Technically, the so-called Great Recession has probably ended. However, to the millions of people looking for work, losing their homes or hoping they don't get sick, the technical end of the recession has little bearing on their situation.

Between now and year end we will contact you to discuss any income tax saving moves we think you should consider. In addition, we've highlighted below some investment themes we look forward to discussing with you in further detail.

Investment Themes

- Successful businesses must operate in foreign markets, particularly emerging markets. The United States Census Bureau estimates the Earth's population to be 6.8 billion. Asia alone accounts for over 60% of this total. By 2050, the Census Bureau estimates a population of at least 9.5 billion with Asia and Africa accounting for 79% of this total. We think large U.S. businesses will be in a better position than small businesses to capitalize on the opportunity to sell their products and services into these markets.
- Environmental issues, such as global warming, and greater demand for scarce resources, such as potable water, will require businesses to implement "green" strategies to create value, maximize profits and minimize risks. We will be making greater use of investment products that identify leading edge "green" companies, such as those meeting the Dow Jones Sustainability Index criteria.
- In the October 12, 2009 issue of Fortune magazine, Joel Klein, New York City's School Chancellor, in response to a question on U.S. global competitiveness, stated "global corporations are going to go where the talent is at the price that makes the most sense. They'd like to say we'll hire Americans first, but the world isn't going to allow them to make those decisions."

According to the National Science Board's *Science and Engineering (S & E) Indicators 2008* more than 80% of all S & E doctoral degrees awarded in 2004 were earned outside of the United States. In 2008, over 50% of the developed world's stock market capitalization was represented by foreign companies. We think that this trend favoring the creation of wealth in foreign regions will continue.

- The U. S. economy's future will be greatly dependent on how well we create and maintain knowledge based businesses. We will favor those industry sectors, such as technology, energy and health care that are based on and utilize scientific and technological innovation for commercial gain.
- Inflation is at bay for now. While the Federal Reserve will monitor inflation diligently, we think it is a risk that should be addressed through the use of inflation linked bonds and tangibles, such as commodities.

Other FWM Activities

- In mid-September Mike Tedone attended the annual Schwab investment conference in San Diego. There he had the opportunity to hear and talk with fund managers, such as Marty Cohen of Cohen and Steers Realty and other informed individuals such as Robert Reich and Newt Gingrich.
- In late-May Rick Thibodeau and Kathy Christensen attended the Morningstar Investment conference in Chicago. While there they had the opportunity to interact with and exchange ideas with fund managers and industry leaders.
- Kathy Christensen has earned the Personal Financial Specialist (PFS) designation which represents the highest professional standards of any financial planning credential.
- Susan Skehan passed her Series 65 exam and will be an advisor for retirement plan participants.
- Rick's daughter, Jessica, was married to David Cho on September 19th at St. Patrick and St. Anthony Church in Hartford. The reception was in the Great Hall at the Bushnell. A great time was had by all.
- Elizabeth and Dave DeBassio are expecting their second son this coming January.

We look forward to our next meeting with you to discuss your thoughts and our ideas on your investment strategy and how best to implement it. In the meantime, please do not hesitate to contact anyone on the FWM team if you wish to discuss anything.

Very truly yours,

Richard E. Thibodeau, CPA/PFS, JD
Managing Director

Michael A. Tedone, CPA/PFS
Director, Chief Compliance Officer

Enclosures