

# Quarter-at-a-Glance

3RD QUARTER 2008

As seen in Forbes®



“Ten Most Dependable™”  
Wealth Managers of Florida\*

## Program Summary

### Investment Objective

Long-term maximum growth

### Portfolio Composition

Equity mutual funds

### Risk Tolerance

Investors with an  
*aggressive* risk  
tolerance looking  
for long-term growth

### Benchmarks

MSCI All-Country  
World Index<sup>2</sup>

### Inception Date

August 6, 2004

### Minimum Initial

Investment

\$50,000

### Annual Management Fee

1.75%

(effective September 10, 2007)

### Recommended

Holding Period

Three-to-five years

### Portfolio Manager

Steven P. Chapman,  
Vice President

## Weiss All-World Strategic Growth Program<sup>1</sup>

### QUARTERLY HIGHLIGHTS

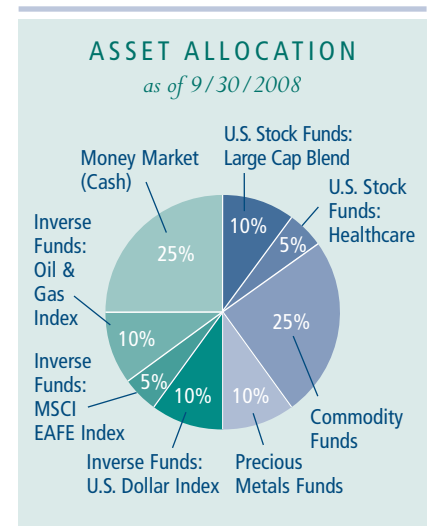
During the third quarter of 2008, we witnessed an absolute barrage of bad news about the financial markets and the economy. In fact, every time you look at CNBC these days you see some headline flash that reads: “Breaking News.” And every time, we think, “What’s Broken Now?”

Here’s the answer: just about everything on Wall Street is “broken” – and there’s probably no “quick-fix.” Nearly every asset class declined in value last quarter amidst a total lack of confidence in the financial markets.

At this point, the markets are “broken” and there is no transparency as to who owns what, making it difficult to determine fair value and creating heightened volatility.

This combination is a total “show-stopper” for a market that requires clarity, facts and accurate valuations to function efficiently. And the markets will remain under stress until conditions change for the better.

Perhaps you remember a popular old Beatles song that proclaimed, “Money Can’t Buy Me Love.” Well, if that song were re-released today, maybe we should add these new lyrics, “Money Can’t Buy Me Confidence.”



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### WEISS ALL-WORLD STRATEGIC GROWTH PROGRAM - Returns thru 9/30/2008

	3rd Qtr Total Return	YTD Total Return	1-Year Total Return	3-Year Annualized Return	Since Inception Annualized Return (8/6/04)	Since Inception Cumulative Return (8/6/04)
Weiss All-World Strategic Growth Program Net Returns	-22.92%	-23.86%	-25.36%	2.18%	8.97%	42.85%
Weiss All-World Strategic Growth Program Gross Returns	-22.61%	-22.97%	-24.24%	3.63%	10.48%	51.21%
MSCI All-Country World Index <sup>2</sup>	-17.05%	-26.90%	-28.44%	-0.65%	4.76%	21.29%

\*See page 4

<sup>1</sup>Name changed from Weiss All-Star Growth Program on July 25, 2007<sup>2</sup>Benchmark was changed from MSCI EAFE®, S&P 500 and Lehman Aggregate Bond indices effective January 1, 2008



## Portfolio Manager

Steven P. Chapman

## At Weiss Capital

## Management,

## we work hard

## to earn your trust

## WEISS ALL-WORLD STRATEGIC GROWTH PROGRAM

The Weiss All-World Strategic Growth Program is a professionally managed mutual fund-based strategy that seeks to provide long-term growth by investing in both domestic and international equity mutual funds, including those that invest in emerging markets. Our goal is to uncover trends in the global marketplace and position the Program to potentially benefit from these trends as they develop.

Because risk management is as important to us as investment management, each

mutual fund must possess specific investment characteristics to be considered for the Program including: a history of consistently strong performance through various market cycles – uptrends, downtrends and markets that are trendless – drifting with no clear direction. And while there are no guarantees that this performance record will continue, in our view, these are the funds we want to put to work for you – combining each fund manager’s experience and expertise with ours – to ultimately help you achieve your financial goals.

## WEISS ALL-WORLD STRATEGIC GROWTH PROGRAM OVERVIEW

- Funds included in the Program have historically demonstrated the ability to outperform their respective benchmarks over the long term.
- Fund positions within the Program are rebalanced, as needed, to prevent an overweighting, or underweighting, in any one sector, industry, country or region of the world.
- We actively monitor each mutual fund in the Program and based on performance, market conditions, our economic forecast and other factors, we will make substitutions as we believe necessary.
- Funds with greater price stability, and lower volatility (risk) and fund expenses as compared to their peer group, are included in the Program, whenever possible.
- As an investor in this program, you will not pay a sales load on any of the mutual funds used in this program.

## WHY YOU SHOULD INVEST WITH WEISS CAPITAL MANAGEMENT

- Our portfolio managers and sub-advisor have managed money, on behalf of investors, through all market cycles – bull and bear markets – and their years of experience can be put to work for you.
- We offer investment programs with varied investment objectives and degrees of risk that are designed to potentially benefit in all market conditions – up markets, down markets and markets that are trendless.
- Our team approach to client relationships means there is always someone to assist you and answer your questions.
- As your financial profile changes, your Client Service Team will make recommendations to your overall investment strategy based on your new situation.

## Q U A R T E R L Y H I G H L I G H T S continued from page 1

The media reports that this is a “liquidity crisis,” but that label is dead wrong. Money is everywhere and, in fact too much cheap & easy money was the main culprit of the problem we now find ourselves facing. In fact, *NEW* taxpayer money is now being pumped into the system at a rapid rate, but it is being hoarded by banks and other financial firms who need to repair their damaged balance sheets. They want to keep this cash safely in their own vaults, rather than lend it to others.

What we have on our hands is a *crisis of confidence*, plain and simple. The financial markets are frozen not because of a lack of money, they are frozen due to a lack of trust in financial institutions – the heart of this crisis. All the money pumped into this system by all the king’s horses and all the king’s men, may take some time to restore confidence again.

It’s not just in the U.S. that trust is waning. We are witnessing distrust and panic between financial institutions on a global basis, borne from decades of out-of-control leverage and lack of proper oversight. Banks are probably still sitting on huge *unrealized losses*, but you cannot monetize those losses indefinitely. Recent calls for a *repeal* of mark-to-market accounting is proof positive of more pain ahead! But even if the mark-to-market rules are repealed, allowing institutions to assign “make-believe” values to largely worthless securities will only prolong the distrust and lack of confidence in the financial markets.

If we’re to overcome this crisis, we must let the system work as it was intended – to reward intelligent businesses and purge the foolish. In other words, let the chips fall where they may. Postponing the truth only prolongs the pain.

As a result of this unprecedented financial market stress, the *Weiss All-World Strategic Growth Program* declined 22.9% in the 3rd quarter ended September 30, and is down 23.9% over the past 12-months also ended September. Although this is a disappointing performance, it is still ahead of the -26.9% loss for the program’s benchmark, the MSCI All-Country World Index, over the past 12-months ended September 2008.

We aren’t pleased with these results, but given the nature of this aggressive strategy, which invests across the world in search of high total returns, the program has done better than its benchmark. Most importantly, we have taken a number of actions to defend program assets. At present, we have positioned the *Weiss All-World Strategic Growth Program* in a defensive posture with much higher cash levels than normal. We have also reduced longer-term equity positions to mostly core sectors, such as health, food, some energy, and of course, gold. Finally, we have also added inverse funds that are designed to rise in value as markets fall.

Overall, we remain bullish on gold, energy and other natural resource investments, but on a *long-term* basis. We are watching for an expected rebound in these extremely over-sold sectors, and intend to participate in near-term rallies, in pursuit of profit opportunities as they arise.

This material may contain forward-looking statements regarding intent and belief with regard to the program and the market in general. Readers are cautioned that such statements are not a guarantee of future performance and actual results may differ materially from those statements.

### Other Programs Offered by Weiss Capital Management

**Core Investment Programs**  
*Foundational to a well-  
diversified investment portfolio*

Weiss Balanced Program

Weiss Diversified  
Income Builder<sup>1</sup>

Weiss Diversified  
Income Plus Program

Weiss Diversified Global  
Income and Growth Program<sup>2</sup>

Weiss ETF Strategic  
Allocation Portfolio

Weiss Managed  
Treasury Program

Weiss Select  
Equity Portfolio

### Specialty Investment Programs

*Focused, supplemental strategies  
that strive to enhance returns*

Weiss Bear Strategy

WCM Sector Series

– ETF Sector Rotation:  
Concentrated Program

– ETF Sector Rotation:  
Diversified Program

<sup>1</sup>Name changed from Weiss Diversified  
Income Program on July 25, 2007

<sup>2</sup>Name changed from Weiss Miniature  
Diversified Income Program on  
March 31, 2007



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### As seen in Forbes®

As seen in the October 8, 2007 issue of *Forbes*, Goldline Research criteria used:

- 10+ years experience
- Exceptional client references
- \$200 M+ in assets under management
- 100+ active clients
- Comprehensive range of wealth management and financial planning service
- No grievances or lawsuits

After meeting this criteria for inclusion on the list, Weiss Capital Management contributed to the cost of publication in *Forbes*.

## Important Disclaimers and Disclosures

### Investment Risk

Past performance is not indicative of future returns, and as with any investment program, it is possible to lose money by investing in the Program. There are no guarantees that the Program will be able to achieve its stated objectives.

International investing presents certain risks not associated with investing solely in the United States. These include, for instance, risks related to fluctuations in the value of the U.S. dollar relative to the values of other currencies, custody arrangements made for the fund's foreign holdings, political risks, differences in accounting procedures, and the lesser degree of public information required to be provided by non-U.S. companies.

### Suitability

The Weiss All-World Strategic Growth Program is suitable for investors with an **aggressive** risk tolerance looking for long-term growth. The suitability of this program for IRAs, 401(k)s and other retirement plans is at the discretion of the plan's sponsor or fiduciary. **A three-to-five year holding period is recommended.**

### Performance

Performance of the Weiss All-World Strategic Growth Program depends on the performance of the underlying mutual funds in which it invests. In turn, performance of the underlying mutual funds depends on the performance of equity and money markets.

Returns are based on a composite of actual client accounts. Individual client returns may vary depending on, among other things, account opening date, contributions, withdrawals, and fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.

**Net returns** cited include actual management fees, commissions, and other similar fees charged on transactions, and reinvestment of dividends, income and capital gains.

**Gross returns** cited exclude management fees and are net of actual commissions and other similar fees charged on transactions, and include dividends, income and capital gains.

The Program's annual management fee was increased to 1.75% from 1.50%, effective September 10, 2007, for new investors.

### Benchmark

The Program's benchmark has been changed as of the first quarter 2008 and going forward. Previously, the benchmarks to which the Program's performance was compared, from inception through fourth quarter 2007, included the S&P 500 and MSCI EAFE® indices.

The new benchmark for the Weiss All-World Strategic Growth Program is the Morgan Stanley

Capital International All-Country World Index® (MSCI ACWI®). MSCI ACWI® is a free float-adjusted market-capitalization weighted index that is designed to measure the equity market performance of developing and emerging markets. As of June 2007, the MSCI ACWI® consisted of 48 country indices comprising 23 developed and 25 emerging-market country indices. Although the index was chosen because it represents a significant portion of the universe from which the portfolio manager may find value, the Program may invest in countries that are not included in the benchmark index, and may select non-equity funds containing commodities, real estate, currencies, natural resources and precious metals. The Program may also utilize inverse-index funds, depending on market conditions. This index assumes the reinvestment of dividends and capital gains, and exclude management fees, transactions costs and expenses. **It is not possible to invest in an index.** Index return data source: Bloomberg.

### Important Disclosures

As an investor in this program, you will not pay a sales load on any of the mutual funds used in this program. Fidelity's No Transaction Fee (NTF) platform allows our clients access to load mutual funds at no load. No-load mutual funds not included on Fidelity's NTF platform may be used in the Program, however, transaction costs will apply, and will be received by the custodian. **Weiss Capital Management, Inc. does not receive any special compensation or financial incentive from any mutual fund company for the inclusion of any mutual fund in our managed investment programs.**

Early redemption fees may be assessed by some mutual funds included in the Program. Redemption fees may apply if fund shares are sold prior to a fund's stipulated minimum holding period. Redemption fees, if any, are assessed and received by the mutual fund itself and not by Weiss Capital Management.

This program's portfolio may be rebalanced as deemed necessary by the portfolio manager. **Rebalancing may generate additional fees.**

The Weiss All-World Strategic Growth Program may invest in the Weiss Treasury Only Money Market Fund, which Weiss Capital Management, Inc., or its affiliates provide advisory, administrative, distribution and other services, and receive compensation. **An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.** A prospectus can be obtained online at [www.WeissFund.com](http://www.WeissFund.com).

For additional program information, please read the firm's ADV Part II before investing.