

Quarter-at-a-Glance

3RD QUARTER 2008

As seen in Forbes®



“Ten Most Dependable™”
Wealth Managers of Florida*

Program Summary

Investment Objective

Long-term growth through speculation and trading

Portfolio Composition

Inverse-index mutual funds

Risk Tolerance

Investors with an aggressive risk tolerance seeking to benefit during prolonged stock/bond market declines (not recommended for keep-safe funds)

Benchmark

S&P 500 Index

Inception Date

December 31, 2000

Minimum Initial Investment

\$100,000 (Effective 9/5/08)

Annual Management Fee

1.50%

Recommended Holding Period

Three-to-five years

Portfolio Manager

Sebastian Leburn, CFA

Weiss Bear Strategy

QUARTERLY HIGHLIGHTS

The U.S. economy weakened considerably in the third quarter ending in September, which will surely be remembered as one of the most turbulent months in financial history. A loss of confidence in the markets worldwide has prompted investors to sell risky assets, regardless of the fundamentals.

This is truly an historic time – we are witnessing a radical transformation of the financial system. Investors are searching for clarity and consistency, but have received little of either from government authorities in Congress, the Treasury or the Federal Reserve.

The Weiss Bear Strategy is, of course, designed to perform well during declining markets, and we recommend it for a portion of an overall, well-diversified investment plan.

During the third-quarter of 2008, the Weiss Bear Strategy performed very well, posting a 5.3% total return net of fees, compared to a loss of 8.4% for the S&P 500 Index.

Over the past one-year period, a time frame that covers nearly all of the current bear market phase (starting last October), the Weiss Bear Strategy is up 12.4% through September 30, 2008 – compared to a sharp decline of 21.9% for the S&P 500 Index over the same period.

Please keep in mind that all investment strategies entail risk, and past performance does not indicate future returns. Although the Weiss Bear Strategy is an aggressive investment strategy, specifically designed to outperform in declining markets it has also built an impressive track record overall – in both up AND down markets.

For example, since inception on December 31, 2000, the Weiss Bear Strategy has returned 37.6%, compared to just 1.3% for the S&P 500 Index over the same period. This time frame spans nearly 8 years, and has included both bear and bull market environments.

As the third quarter began in July, the Weiss Bear Strategy was allocated substantially “short” the market using an inverse fund designed to move opposite the S&P 500 Index. Last quarter, we mentioned that the market sell-off was reaching oversold levels at the time and that profit taking would likely be forthcoming.

Stocks continued to decline in early July, and made a temporary low on July 15. Our signals indicated that we take some profits on our “short” position in mid-July, right around the time this bottom was being put in place. As markets rallied into August, we took profits on the remainder of the position on August 4, and moved the portfolio to cash. *continued to page 3*

WEISS BEAR STRATEGY - Returns thru 9/30/2008

	3rd Qtr Total Return	YTD Total Return	1-Year Total Return	3-Year Annualized Return	5-Year Annualized Return	Since Inception Annualized Return (12/31/00)	Since Inception Cumulative Return (12/31/00)
Weiss Bear Strategy Net Returns	5.30%	11.69%	12.47%	6.34%	0.60%	4.21%	37.60%
Weiss Bear Strategy Gross Returns	5.68%	12.91%	14.11%	7.90%	2.13%	5.82%	55.04%
S&P 500 Index	-8.37%	-19.29%	-21.98%	0.22%	5.17%	0.17%	1.31%

*See page 4



Portfolio Manager

Sebastian Leburn, CFA

At Weiss Capital

Management, we

understand that

your needs are as

individual as you are

WEISS BEAR STRATEGY

The Weiss Bear Strategy is a unique approach to investing – it has the flexibility to take advantage of prolonged periods of stock and bond market declines by investing in inverse-index mutual funds. In effect, the program is shorting the U.S. markets – positioned to potentially benefit when markets decline – without actually selling short.

This flexibility is achieved by investing in two inverse-index mutual funds – one fund is expected to appreciate in price during periods when the S&P 500 Index declines; the other fund is designed to appreciate as interest rates rise and the value of the 30-year U.S. Treasury Bond declines (when interest rates rise, bond prices decline and when interest rates decline, bond prices rise).

We use our proprietary technical-trading model to analyze daily U.S. stock- and bond-market indicators and movements as a means of identifying key trading signals. This process enables us to determine if the program should invest in one or both inverse-index mutual funds, and at what percentage, with the intent of profiting from declining stock and/or bond prices.

The success of the Weiss Bear Strategy lies in its adaptability. Our proprietary quantitative model adapts as financial markets change. During bear markets, trading signals are not the same as during bull markets, for the simple reason that bull and bear markets need to be traded differently to be successful. Our indicators are structured to be most aggressive during equity-bear markets, where the allocation to inverse-index equity-mutual funds can be as high as 85% of assets. During bond-bear markets, the program may allocate up to 35% of assets to an inverse-index mutual fund geared to capitalize when bond prices fall. Assets not invested in inverse-index mutual funds are held in the Weiss Treasury Only Money Market Fund.

This is not a buy-and-hold strategy, and is therefore not suitable for all investors. Since this aggressive strategy is designed to capture long-term moves, there may be prolonged periods when the Weiss Bear Strategy assumes a more defensive position by investing in the Weiss Treasury Only Money Market Fund.

WEISS BEAR STRATEGY OVERVIEW

- This unique strategy provides investors with the opportunity to take advantage of broad and sustained U.S. stock- and/or bond-market declines.
- Your money is always working for you – the program is invested in either two inverse-index mutual funds, or in the Weiss Treasury Only Money Market Fund, awaiting a further reinvestment signal.
- If you own stock or other investments that could decline during a prolonged bear market, you may want to consider this aggressive strategy as a hedge to protect your portfolio.
- The Weiss Bear Strategy is eligible for investment by IRAs, 401(k)s, and other retirement plans.

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

Stocks continued to trade sideways with an upward bias in August. In fact, the S&P 500 was actually up for the quarter as September began. But the market soon rolled over as investors once again became concerned about the health of the economy and financial markets. On September 10, we got a signal to go “short” both the S&P 500 and U.S. long-term government bonds, using another inverse fund we utilize in this program.

The stock market sell-off accelerated in September, benefiting our position in what turned out to be the worst month for the S&P 500 since September 2002, culminating in a record 106 point drop in the index on September 29, as the House of Representatives rejected the first bailout plan.

The revised plan has now been signed into law, resulting in a \$700 billion U.S. government program to support the financial system. This plan may help alleviate some of the current credit stresses, but it may not result in a quick cure for the problems in the economy and financial system.

The U.S. economy has been deteriorating for some time- as we have stated in previous communications. Credit markets completely seized up last quarter, which creates a critical dilemma for the economy.

Government intervention may restore some sense of calm, which could lead to a multi-week or even multi-month rally in stocks, given how oversold they have become. Should this occur, the Weiss Bear Strategy would reposition its portfolio in cash to await another opportunity to short the market, perhaps from higher levels.

While we expect economic conditions will get worse before getting better, the end of the world is not in the cards. Rather, a prolonged period of very low to even negative growth is the most probable outcome. Dramatic de-leveraging is occurring in the financial system, but it is still at an early stage, and debt restraint from both lenders and borrowers will be a major headwind for the economy for some time to come.

During this turbulent, bear-market environment, we recommend you consider the Weiss Bear Strategy for two main reasons. First, this strategy can help you hedge a portion of your core, long-term investments, which may be vulnerable to another market sell-off. Second, you may be able to profit during key phases of stock and bond bear-market declines; exactly what the Weiss Bear Strategy is designed to do.

WHY YOU SHOULD INVEST WITH WEISS CAPITAL MANAGEMENT

- Our portfolio managers and sub-advisors 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.

This material may contain forward-looking statements regarding intent and belief with regards 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 Builder¹

Weiss Diversified Income Plus Program

Weiss Diversified Global Income and Growth Program²

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 All-World Strategic Growth Program³

WCM Sector Series

– ETF Sector Rotation: Concentrated Program

– ETF Sector Rotation: Diversified Program

¹Name changed from Weiss Diversified Income Program on July 25, 2007

²Name changed from Weiss Miniature Diversified Income Program on March 31, 2007

³Name changed from Weiss All-Star Growth Program on July 25, 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 results 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.

Suitability

The Weiss Bear Strategy is suitable for investors with an **aggressive** risk tolerance seeking to benefit during prolonged periods of stock/bond market declines. 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. **The program has a recommended holding period of three-to-five years** and is not recommended for keep-safe funds. In pursuing the Weiss Bear Strategy's investment objective through the purchase and sale of mutual fund shares, Weiss Capital Management, Inc.'s investment team does not consider either a fund's potential for generation of current income through declaration of and payment of income, dividends or capital gains distributions, or the tax consequences of buying and selling fund shares. Please consult with your tax adviser before investing in the program.

Performance

Performance of the Weiss Bear Strategy 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 fixed-income 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

Benchmark

The S&P 500 Index is a capitalization-weighted index that consists of 500 large-cap U.S. stocks, which assumes the reinvestment of dividends and capital gains, and excludes management fees, transactions costs and expenses. Because the S&P 500 Index is the most widely recognized index of equity prices and commonly used benchmark for investors, it is believed to be an appropriate broad-based securities market index against which to compare the program's long-term performance. **It is not possible to invest in an index.** Index return data source: Bloomberg.

Important Disclosures

Additional expenses such as transaction costs associated with purchases made through the custodian may be incurred. Mutual funds are also subject to expenses, which are shared indirectly by all shareholders.

This strategy's portfolio may be rebalanced as deemed necessary by the portfolio manager.

Rebalancing may generate additional fees.

The Weiss Bear Strategy 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.

- September 5, 2008, the strategy's minimum investment was raised to \$100,000 from \$50,000.
- October 1, 2005, the Program's stated annual management fee was lowered to 1.50% from 2.00%.
- October 1, 2005 the Program's minimum investment was lowered to \$50,000 from \$100,000.
- April 1, 2005, Sebastian Leburn, CFA, became the portfolio manager. Prior to this date, Anthony Sagami of Harvest Advisors was the sub-adviser.

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