

Quarter-at-a-Glance

3RD QUARTER 2008

As seen in Forbes™



“Ten Most Dependable™”
Wealth Managers of Florida*

Program Summary

Investment Objective

Current income with growth

Portfolio Composition

80% fixed income mutual funds;
20% equity mutual funds

Risk Tolerance

Investors with a *moderate* risk tolerance looking for a higher level of current income, plus growth

Benchmarks

Standard & Poor's 500 Index
MSCI EAFE® Index
Lehman Aggregate Bond Index

Inception Date

November 13, 2003

Minimum Initial Investment

\$50,000

Annual Management Fee

1.25%

Recommended Holding Period

Three-to-five years

Portfolio Manager

Steven P. Chapman,
Vice President

Weiss Diversified Income Plus Program

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” either. 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 intense market swings.

This combination is a total “show-stopper” for a market that requires clarity, facts and accurate valuations to function properly and efficiently. Unfortunately, the markets will continue to be under stress at least 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 the new lyrics, “Money Can’t Buy Me Confidence.”

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WEISS DIVERSIFIED INCOME PLUS 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 (11/13/03)	Since Inception Cumulative Return (11/13/03)
Weiss Diversified Income Plus Program Net Returns	-10.72%	-12.91%	-12.76%	-0.91%	2.20%	11.20%
Weiss Diversified Income Plus Program Gross Returns	-10.43%	-12.09%	-11.68%	0.38%	3.48%	18.18%
S&P 500 Index	-8.37%	-19.29%	-21.98%	0.22%	3.94%	20.77%
MSCI EAFE® Index	-20.50%	-28.91%	-30.13%	1.58%	8.75%	50.55%
Lehman Aggregate Bond Index	-0.49%	0.63%	3.65%	4.15%	4.02%	21.19%

*See page 4



Portfolio Manager

Steven P. Chapman

At Weiss Capital

Management,

our team approach

to client relationships

provides you with

superior service

WEISS DIVERSIFIED INCOME PLUS PROGRAM

The Weiss Diversified Income Plus Program is designed to generate a higher level of current income than a portfolio of U.S. Treasury Bills and Bonds, plus growth of principal. We seek to achieve this objective by investing in mutual funds that invest primarily in shorter-maturity bonds. Because of the inverse relationship between bond prices and interest rates (as interest rates rise, bond prices decline) shorter maturities typically help to insulate an investor, making this a prudent strategy in a rising interest-rate environment.

The fixed-income mutual funds included in the Program invest in bonds issued by banks, domestic and international corporations, foreign governments, as well as the Weiss Treasury Only Money

Market Fund. It will also invest in funds whose portfolios hold dividend-paying preferred and common stocks, securities convertible into common stocks, as well as floating rate notes.

The Program also invests in specialty stock funds that we believe offer the potential for capital appreciation. The equity portion of the Program is intended to take advantage of prevailing investment opportunities, as well as developing trends, both domestic and international. This allocation to stocks is included to help preserve your future purchasing power by offsetting inflationary tendencies that may erode investment principal over time. This program does, however, carry more risk as a result of its equity allocation.

WEISS DIVERSIFIED INCOME PLUS PROGRAM OVERVIEW

- The Program is managed to deliver a higher level of current income than a portfolio of U.S. Treasury Bills and Bonds, with the opportunity for growth of principal from an equity component.
- Each mutual fund is actively monitored and based on performance, market conditions, our economic forecast and other factors, we make substitutions as we believe necessary.
- Funds with greater price stability, lower volatility (risk) and fund expenses as compared to their peer group, are preferred and 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.

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

It’s not a *liquidity crisis* that ails us. 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. And 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.

But in the U.S., we’re not the only ones suffering. We are also witnessing distrust and panic between financial institutions on a global basis that was 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, allowing institutions to assign “make-believe” values to largely worthless securities will only prolong the distrust and lack of confidence in the financial markets that we are witnessing today.

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 Diversified Income PLUS Program* declined 10.7% in the 3rd quarter ended September 30, 2008, compared with its benchmarks, which suffered a loss of 20.5% for the MSCI EAFE Index, a decline of 8.4% for the S&P 500 Index, and a loss of 0.5% for the Lehman Aggregate Bond Index.

Going forward, we have positioned the program in a defensive posture with much higher cash levels than normal. We have also added inverse funds that are designed to rise in value as markets fall.

We remain bullish on select global bond markets, but are wary of an eventual return to inflation worries, due to massive government bail-out efforts and funding demands going forward. While deflation is the scourge now, we will continue to maintain an allocation to precious metals as an inflation hedge. Finally, we are watching for an expected rebound in the extremely over-sold global bond markets and intend to participate in near-term rallies, in pursuit of profit opportunities as they arise.

As we move through the fourth quarter, the *Weiss Diversified Income PLUS Program* will focus on bond positions of generally higher quality, with a larger exposure to Treasury securities, due to the ongoing flight-to-quality.

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 Builder¹

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

Weiss Bear Strategy

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 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 Diversified Income Plus Program is suitable for investors with a *moderate* risk tolerance looking for a higher level of current income, plus 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 Diversified Income Plus 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, fixed-income 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.

Benchmark

The S&P 500 Index is a capitalization-weighted index that consists of 500 large-cap U.S. stocks. The Morgan Stanley Capital International Europe Australasia Far East (MSCI EAFE®) Index is a capitalization-weighted index that monitors the performance of stocks from Europe, Asia, Australia and New Zealand. The Lehman Aggregate Bond Index is a market-value

weighted index of taxable investment-grade, fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities. These indices assume the reinvestment of dividends and capital gains, and exclude management fees, transactions costs and expenses. Although these indices were chosen because they represent a significant portion of the universe from which portfolio manager may find value, the Program may invest in securities that are not included in these indices, and may select funds containing commodities, real estate, currencies, natural resources and precious metals. The Program may also utilize inverse-index funds, depending on market conditions. **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 that 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 Diversified Income Plus 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.

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