WEISS CAPITAL MANAGEMENT, INC.

Quarter-at-a-Glance

3RD QUARTER 2008

As seen in Forbes

GOLDLINE RESEARCH 2007 AWARD WINNER THE MOST DEPENDABLE

"Ten Most Dependable™" Wealth Managers of Florida*

Program Summary

Investment Objective
Long-term growth of principal

Portfolio Composition
Exchange traded funds[1]

Risk Tolerance
Investors with a *moderate* risk tolerance seeking capital appreciation

Benchmark
A custom blend of the S&P 500, MSCI EAFE® (Europe, Australasia and Far East), Lehman Aggregate Bond, and Goldman Sachs Commodity Indices.

Inception Date
April 16, 2007

Minimum Initial Investment
$100,000

Annual Management Fee
2.00%

Recommended Holding Period
Three-to-five years

Portfolio Manager
Dan Ascani,
Executive Vice President

*See page 4

Weiss ETF Strategic Allocation Portfolio

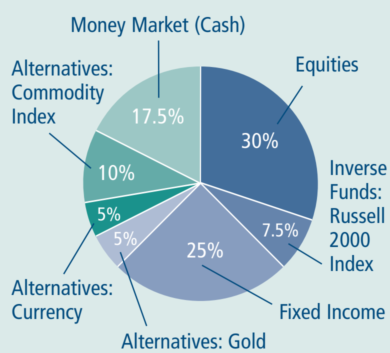
QUARTERLY HIGHLIGHTS

The third quarter of 2008 marked not only the fourth consecutive down quarter for the program's benchmark stock indices, but a quarter in which the U.S. Government took unprecedented action to stem the accelerating financial market collapse and economic fallout.

Unprecedented events included an SEC ban on selling short over 900 stocks, and major financial companies going bankrupt or effectively being nationalized.

In spite of massive government intervention in the markets – including a $700 billion bail-out plan, by the quarter ended September 30, 2008, the S&P had lost 8.37%, and the *ETF Strategic Allocation Portfolio* had declined 8.99%, net of fees. However, over the past 12-months, *ETF Strategic Allocation Portfolio* has fared far better than the stock market down 9.02%, net of fees, through September 30, 2008 – compared to a 21.98% decline in the S&P 500 Index over the same period.

ASSET ALLOCATION
as of 9/30/2008



We attribute the program's relatively favorable return over the past year to its proprietary quantitative (mathematical) methodology developed by the program manager, Dan Ascani. This methodology is designed to create a core program that invests across three primary asset classes in varying allocations over time, depending on the market cycle – equity ETFs, fixed income ETFs, and alternative ETFs, such as gold, commodity, and currency ETFs, are used.

Additionally, the *ETF Strategic Allocation Portfolio* seeks to identify when equities are likely to fall in a sustained short- to intermediate-term downtrend, and when they're likely to rise. When the market is likely to rise, we increase the program's allocation up to 60% or more in stock-based ETFs. However, when a downtrend is likely, the equity allocation is reduced to 30% or less, and inverse ETFs that short the market may be used to partially hedge the portfolio.

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WEISS ETF STRATEGIC ALLOCATION PORTFOLIO - *Returns thru 9/30/2008*

	3rd Qtr Total Return	YTD Total Return	1-Year Total Return	Since Inception Annualized Return (4/16/07)	Since Inception Cumulative Return (4/16/07)
ETF Strategic Allocation Portfolio Net Returns	-8.99%	-10.94%	-9.02%	-2.97%	-4.30%
ETF Strategic Allocation Portfolio Gross Returns	-8.63%	-10.04%	-7.85%	-1.69%	-2.45%
ETF Strategic Allocation Composite Index	-10.80%	-10.83%	-9.62%	-3.25%	-4.70%

Portfolio Manager

Dan Ascani

At Weiss Capital Management, we can customize your overall portfolio to help you meet your individual investment needs

INVESTMENT STRATEGY AND PHILOSOPHY

Exchange traded funds (ETFs) are SEC-registered portfolios of stocks, fixed income or alternative investments, such as gold, commodities. Some ETFs hold stocks that focus in the real-estate sector (REITs). Many ETFs contain dozens or even hundreds of securities making it easy for investors to diversify their portfolios by strategically allocating their assets across many securities and commodities – and typically do so with lower costs and greater flexibility than traditional mutual funds. And now, with so many ETFs available – and more expected to come to the market in the future – a diversified, multi-asset class allocation strategy can be easily implemented in one single, all-purpose account.

The Weiss ETF Strategic Allocation Portfolio will be invested in the three primary asset classes (equities, fixed income and alternative investments), may contain up to 20% cash, and may use inverse-index ETFs to hedge, or partially hedge, the portfolio against potentially adverse market conditions.

An important component of the investment methodology of the program is its directional indicators, which signal that a rally phase or sustained correction in the stock market is about to begin. These indicators are part of a proprietary quantitative model that helps the program's portfolio manager determine how best to strategically allocate the portfolio. For example, when the directional indicators are positive on domestic equities (signaling a potential uptrend), the equity weighting of the Weiss ETF Strategic Allocation Portfolio may be increased toward the top end of the model portfolio's range of 60%. When these signals are negative, the weighting may be decreased toward the bottom end of the model's range, 35% from 60%, with the proceeds commonly going into fixed-income ETFs and cash. When the market environment is particularly poor, in the portfolio manager's opinion, inverse-index ETFs can be purchased as a partial hedge. Correspondingly, the portfolio's allocation in fixed income, alternatives, and/or cash is increased and decreased based on changing market conditions.

Typically, small-cap, mid-cap, and international ETFs go up more than domestic large-cap ETFs, when global equity markets are rising, and decline more when equity markets are falling. We may, therefore, add these ETFs to the Portfolio to complement the existing large-cap equity ETF position, with the goal of outperforming the program's composite benchmark over the long term. It's important to note, however, that small-cap, mid-cap and international ETFs tend to be more volatile than U.S. large-cap ETFs. However, it's this volatility that creates the opportunity for outperformance longer term.

Within the fixed-income universe, we buy ETFs that hold U.S. Treasury or corporate bonds, as well as other interest-rate sensitive securities. Our allocation to these ETFs is based on our outlook for the economy, the future direction of interest rates and the shape of the yield curve. For example, when the yield curve is inverted, it is expected that the program will maintain a greater weighting of ETFs containing short-term debt securities. (An inverted yield curve means that short-term interest rates are higher than longer-maturity rates. When this happens, an investor has the benefit of earning more interest, *without* the added risk associated with longer-maturity bonds). If it appears that the direction of interest rates is changing, the weighting of ETFs containing intermediate- to long-term fixed-income securities will be increased or decreased accordingly. (When interest rates rise, bond prices go down and when interest rates fall, bond prices rise.)

Alternative investments typically provide investors with a hedge against rising inflation and can move in the opposite direction of equities. ETFs holding commodities such as gold or other precious metals, industrial metals, or real estate investment trusts (REITs) are examples of alternative-investment ETFs, which represent no more than 20% of the overall portfolio. According to research conducted by the Yale International Center for Finance (June 14, 2004), commodities have historically offered the same returns as equities, but are negatively correlated to equities and bonds. Therefore, commodity investments can provide a stabilizing force in a traditional stock and fixed-income portfolio, and can boost portfolio performance over the long term.

QUARTERLY HIGHLIGHTS *continued from page 1*

At the end of the third-quarter of 2008, the *ETF Strategic Allocation Portfolio* held a 40% allocation to equity ETFs, plus a 7.5% allocation to inverse ETFs designed to rise in value when the market falls; a 30% allocation to ETFs holding U.S. Treasury securities of various maturities and high-yield corporate bonds; 20% in ETFs containing gold and other commodities; and 2.5% in the Weiss Treasury Only Money Market Fund.

Looking ahead, we believe this asset mix is appropriate for the current environment. The credit-crisis has clearly spilled over into the broader economy, and will likely have more negative impact on economic activity. While markets remain under duress, we also fully expect periodic rebound rallies in the stock and commodity markets.

Volatility in financial and commodity markets, along with changes in interest rates and the yield curve should provide opportunities to strategically rebalance the *ETF Strategic Allocation Portfolio* in anticipation of these movements when adjustments are warranted. Although investing in the program is certainly not without risk, we feel that the proprietary methodology driving the *ETF Strategic Allocation Portfolio* is ideal for the current economic environment. If you have a moderate risk tolerance and can withstand some volatility over the short-term as you seek the potential for higher returns, this strategy is well worth consideration.

INVESTOR PROFILE

An investor in this program will typically fall into one of three categories:

1. Someone who recognizes the value of a professional money manager in implementing a diversified asset-allocation strategy that is strategically rebalanced according to market conditions.
2. An investor who wants to diversify their existing portfolio, including retirement assets, by utilizing an ETF allocation strategy.
3. An investor, with a time horizon of three-to-five years, whose goal is capital appreciation from a moderate-risk, asset-allocation strategy. It may also be suitable for a conservative or aggressive investor who wants to partake in an ETF asset-allocation strategy for a portion of their overall portfolio.

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.

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 Program[1]

Weiss Diversified Income Plus Program

Weiss Diversified Global Income and Growth Program[2]

Weiss Managed Treasury Program

Weiss Select Equity Portfolio

Specialty Investment Programs
Focused, supplemental strategies that strive to enhance returns

Weiss All-World Strategic Growth Program[3]

Weiss Bear Strategy

WCM Sector Series
– ETF Sector Rotation: Concentrated Program
– ETF Sector Rotation: Diversified Program

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

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

[3] *Name 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, 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.

The shares of some exchange traded funds (ETFs) contain commodities and the risk of loss can be substantial, materially adversely affecting the value of ETF shares.

ETFs that contain bonds and other interest-rate sensitive vehicles will be impacted by the rise and fall of interest rates. When interest rates rise, bond prices will decline and when interest rates decline, bond prices will go up.

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 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 program is designed for investors with a ***moderate*** risk tolerance seeking to generate long-term growth of capital by investing in ETFs. **A holding period of three-to-five years is recommended.** The program may generate short-term capital gains, which may not be suitable for all investors. Please consult with your tax adviser before investing in the program. The eligibility of this program for IRAs, 401(k)s and other retirement plans is at the discretion of the plan's sponsor or fiduciary.

Performance

Performance of the ***Weiss ETF Strategic Allocation Portfolio*** depends on the performance of the exchange traded funds in which it invests. In turn, performance of the underlying ETFs depends on the performance of the underlying equities, fixed-income securities and alternative investments such as precious metals and other commodities, as well as real estate investment trusts (REITs).

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 benchmark for the ETF Strategic Allocation Portfolio is a custom blend of the S&P 500, MSCI Europe, Australia and Far East (EAFE®), Lehman Aggregate Bond and Goldman Sachs Commodity Indices. Based on the mandate of the program, the benchmark will consist of the following:

35% S&P 500 Index
15% MSCI EAFE® Index
35% Lehman Aggregate Bond Index
15% Goldman Sachs Commodity Index

The Portfolio's exposure among various asset classes may vary depending on market conditions and as a result, the Portfolio returns may differ from the performance of the broad-market indices, particularly over the short term.

The benchmark will be reviewed annually and adjusted when a material change in the program allocation occurs.

The S&P 500 Index is a capitalization-weighted index that consists of 500 large-cap U.S. stocks. The 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. The Goldman Sachs Commodity Index (GSCI) is a composite of commodity-sector returns, which represents a broadly diversified, unleveraged, long-only position in commodity futures. The index is based on liquidity measures and its components are weighted in relation to their global production levels. These indices assume 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

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

The Weiss ETF Strategic Allocation Portfolio 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.

As of January 1, 2008, the management fee for this program increased to 2% and program-specific breakpoints were eliminated. Transaction or commission fees are no longer charged separately, but covered, instead, under the increased management fee. Existing accounts are grand-fathered under their current management fee but will still benefit from the elimination of separate transaction and commission fees.

In addition to being the program's portfolio manager, Dan Ascani is also the Managing Member of Gemini Futures LLC, a registered Commodity Pool Operator and Commodity Trading Advisor. Dan is also CEO of Gemini Diversified Holdings, LLC and Gemini Funds, LLC, which owns Gemini Futures LLC.

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