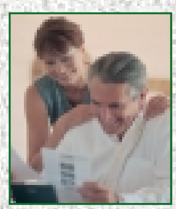
Education to Financial Freedom

New England Pension Plan Systems, LLC

Investing in Uncertain Times

Market declines are a natural part of the investment process. There have always been momentous events that dampened the markets. But history has shown that markets eventually rebound. Maintaining a long-term perspective through challenging economic times isn't easy, but it can be rewarding. Historically, the "ups" of the market have generally outweighed the "downs," resulting in strong long-term growth opportunities

1 Don't panic



Market declines Are normal, in Fact since 1900, There have been 117 declines of 10% or more.

History has shown that while markets react negatively to shocking events or unfavorable news, they have regained value over time. Long-term investors who have stayed invested have been rewarded for their patience even after significant market declines.

However, it is important to remember there are no guarantees that an upward trend will occur in the future.

It is natural instinct to " follow the herd" when the market is declining and investors are selling at a rapid pace. Sometimes it is difficult to resist being overcome with emotion when investing. Understand that declines are a natural part of the market cycle can help you endure the uncertainty and avoid the temptation to react.

Remember, in uncertain times if you're holding an investment that has fallen in value, you don't actually realize a lose until you sell it. In fact, during market lows, investors may have the opportunity to expand their portfolios with quality investments at attractive prices.

Market Declines Are Normal

Declines in the Dow (1900-12/31/07)[1]

	Number of Declines	Last Occurred	Average Length	Frequency	What % Gets Worse?
"Routine" Declines (5%+ Loss)	360	Dec. 2007	39 days[2]	39 days[2]	32%[2]
"Moderate" Declines (10%+ Loss)	117	Nov. 2002	106 days[2]	1.1 per year[2]	49[2]
"Severe" Correction (15%+ Loss)	58	Oct. 2007	211 days[2]	0.5 per year[2]	54[2]
"Bear" Markets (20%+ Loss)	31	Mar. 2002	367 days	0.3 per year	N/A

The performance data quoted represents past performance, which does not guarantee future results.

1. Source of chart data: Ned Davis Research. Data as of 12/31/07. Stocks are represented by the Dow Jones Industrial Average (DJIA), a widely used measure of stock market performance, without considering income, transaction costs or taxes. The index is unmanaged and cannot be purchased directly by investors. This chart is shown for illustrative purposes only and does not predict or depict the performance of any investment.

2. As of 12/31/07, these market declines/corrections are ongoing. Therefore, data related to "average length," "frequency" and "what % gets worse?" is not currently available.

2 Stick to a strategy

Every investor should have an investment objective and a strategy. Unless your circumstances change, to reach your goal, you should stick to the strategy.
In the following hypothetical scenario, three investors invested $10,000 in the stock market in December 1972, just prior to the bear market of 1973-1974.[3] One investor took advantage of market fluctuations by dollar cost averaging, the second maintained a long-term strategy and the third lost patience, sold his investments and placed the proceeds in a six-month certificate of deposit (CD). Please note, systematic investing does not assure a profit and does not protect against loss in declining markets. CD rates may be fixed and CDs may be insured by the FDIC, whereas fund yields and returns may fluctuate and fund shares are not insured. The results before taxes as of 12/31/07 are as follows:

These hypothetical scenarios show the benefit of focusing on a long-term strategy.

Investors #1: Taking Advantage of Dollar Cost Averaging

*Invested an additional $100 each month for three years (January 1973-December 1975) and remained fully invested until 12/31/07

*Total additional investments: $3,600

Total Return on Investments: **$554,601** Average Annual total Return: **11.30%**

Investors #2: Sticking to a Plan

*Invested the full $10,000 according to a defined investment strategy

*Stayed the course and remained invested until 12/31/07

Total Return on Investments: **$383,435** Average Annual Total Return: **10.98%**

Investors #3: The Cost of Losing Long-term Focus

*Lost patience, sold investments in December 1975 and reinvested the remaining amount in a six-month certificate of deposit

Total Return on Investments: **$67,772** Average Annual Total Return: 6.6%

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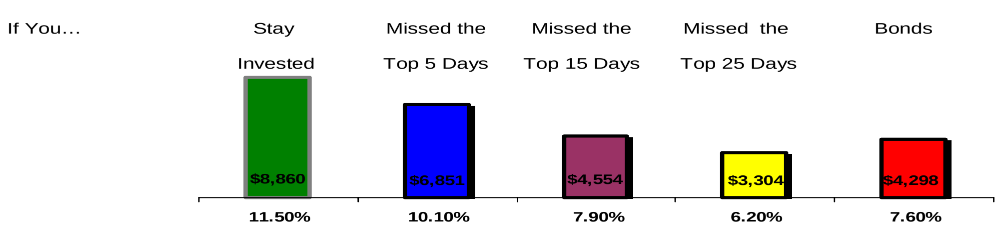
3. Stocks are represented by the S&P 500 index. The S&P 500 Index is a broad-based, unmanaged stock index that includes reinvestment of dividends and is widely regarded as an indicator of domestic stock market performance. The index is unmanaged and cannot be purchased directly by investors. Index performance is shown for illustrative purposes only and does not predict or depict the performance of any fund.

3 Don't try to predict the market

It's nearly impossible to predict market movements. That's why it's a good idea to stay invested over the long term. Don't run the risk of missing a rebound by taking your money out. While there are never any guarantees of a quick rebound, history has shown the investors who remained invested were rewarded. Please remember, stocks and bonds have different risks, where bonds, if held to maturity, may offer both a fixed rate of return and a fixed principal value.

Stay in the Market-Don't Miss Your Window of Opportunity

Hypothetical $1,000 investment over a 20-year period (12/31/87-12/31/07))



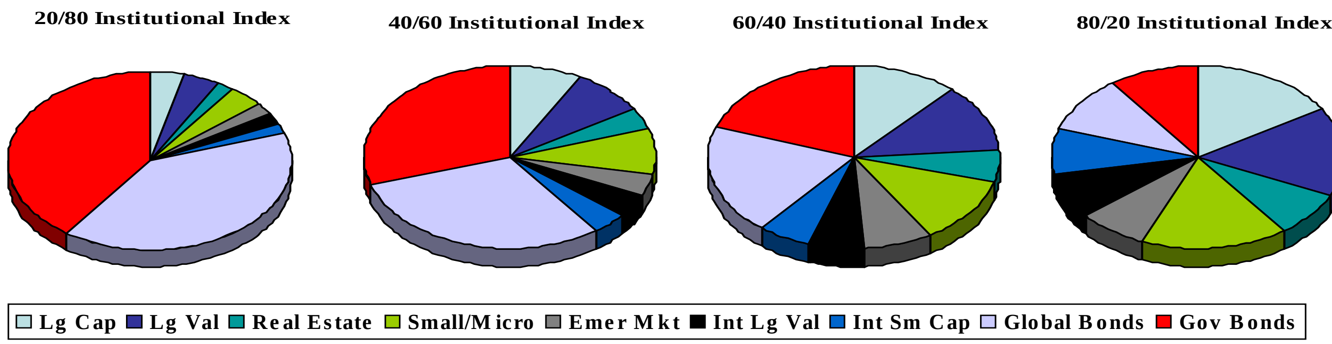
No one can accurately predict market performance. Trying to do so by moving in and out of the market can be very costly.

4. The chart shows the results before taxes of a $1,000 hypothetical investment in the S&P 500 Index on 12/31/87 held through 12/31/07, compared to similar hypothetical investments in stocks on the days that were the market highs during the period. For comparison, an investment in bonds is shown, represented by the Leham Brothers Aggregate Bond index, which measures the performance of U.S. Government and corporate bonds, and includes reinvestment of dividends. Indices are unmanaged and cannot be purchased directly by investors. This chart is shown for illustrative purposes only and does not predict or depict the performance of any fund.

4 Reassess your portfolio

When market conditions are changing, it's a good time to examine whether your portfolio is structured to manage these fluctuations. Please remember, foreign investing entails additional expenses and special risks, including currency fluctuations, foreign taxes and political and economic factors. Diversifying your portfolio across a range of investment types can help reduce risk and should handle the volatility of market conditions. Diversification works when some asset classes fall in value as others tend to perform well. A diversified portfolio holds a broad range of assets types, so the potential negative impact of a falling market on your overall portfolio may be reduced. Diversification, however, does not assure a profit or protect against loss. Please keep in mind, stocks, and bonds are subject to different risks.

Asset Allocation at Work



YTD	(.57)	YTD	(2.22)	YTD	(3.87)	YTD	(5.52)
1YR	2.27	1YR	(.39)	1YR	(3.05)	1YR	5.71
3YR	5.43	3YR	6.58	3YR	7.73	3YR	8.88
5YR	6.39	5YR	9.69	5YR	13.00	5YR	16.30

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These asset allocations models are for illustrative purposes only and are not intended as investment advice or recommendations. Disclosures: Past performance is no guarantee of future results. Investment return and principal value of an investment in the fund(s) will fluctuate so that an investor's shares when redeemed may be worth more or less then their original cost.

The Portfolios are designed, based on a hybrid of Modern Portfolio Theory and Efficient Market Hypothesis as determined by academic research. The data shown represents model portfolios constructed utilizing DFA (Dimensional fund Advisors), mutual funds that attempt to track indexes. The indexes, by Fama/ French, Keim, and Dimension Fund Advisors (DFA) are created from the database at the Center for Research in Securities Prices, (CRSP), housed at the University of Chicago's Graduate Business School. Performance results assume reinvestment of dividends, are calculated net of mutual fund expenses, but not transaction costs or advisory fees. These funds do not carry any sales charges or 12b-1 expenses. NEPPS is not paid any form of commission or compensation from DFA. Before investing in any fund investors should carefully consider a fund's investment objectives, risks, charges and expenses.

Fund prospectuses contain this and other information about the funds, and may be obtained by asking your financial advisor or visiting our website. Read prospectuses carefully before investing.

Rely on Our Experience

Historically, in times of uncertainty, when investors react emotionally to events and markets fluctuate, opportunities arise. Of course no one knows exactly when or how rapidly a recovery will take hold, but in analyzing previous market cycles, we believe the financial market has tended to move forward rather than backward. Our managed portfolios have weathered through recessions, bear markets and challenging market events in the past. We put that wisdom and experience to work every day, while staying focused on our long-term objectives. We believe those same qualities will serve our clients well over the coming months and years. We believe that sticking to a solid investment strategy and maintaining a long term perspective is the way you can help protect your financial future.

This is for educational purposes only and is not intended as advice.