

January 20, 2009

Dear Clients/Friends:

***I want to wish you and your family a very healthy, happy and peaceful New Year in 2009.***

For sure, we witnessed the worst stock market performance since the 1930's during 2008. The economy is under extreme stress with fears everywhere one looks. No wonder as the housing, credit and unemployment areas are all horrible and likely to worsen over much, if not all, of 2009. On the other hand, there is considerable hope of better times ahead due to both 1) a new administration that has bold plans and 2) a positive spirit throughout most of our nation. Together with the expected government actions, the attitude expressed in the "Yes, We Can," motto will surely help us. The bond and equity markets could see stability months ahead of the end of the recession.

***Regarding the preparation of your tax returns, I urge that you start collecting your data now and call for an appointment as soon as possible.***

Although there were no major tax laws this year, there were a very large number of minor changes that we will consider when doing your tax returns. We are confident that the "recovery legislation" expected soon from Congress will include loads of tax changes, breaks, etc.

As usual, please provide me with information tax forms on all of your bank and investment accounts, plus detailed lists of your taxable deductions! After "tax season," I encourage the consulting services I provide to help you with your financial, tax and estate planning.

I am very grateful for your past loyalty and look forward to assisting you in the future. Your referrals are also appreciated.

Best regards,

Gerald P. Flagel, CPA, JD