

January 2, 2010

Dear Clients/Friends:

I want to wish you and your family a very healthy, happy and peaceful New Year in 2010.

For sure, we witnessed a pleasant rebound in 2009 from the worst stock market performance of 2008 since the 1930's. The economy is under less stress than this time last year. Fears of a collapse have disappeared. The housing and credit situations are improving but not yet the unemployment condition. The bond and equity markets have fortunately seen stability in recent months. However, there are major concerns that the costs of avoiding a total collapse, and of fighting the recession, will be enormous in terms of future deficits, increased inflation and, of course, higher income taxes. It seems obvious that the mix of our investments should reflect same.

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 changes, including various tax credits, that we will consider when doing your tax returns.

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 personal regards,

Gerald P. Flagel, CPA, JD

P.S. Please note that my correct fax no. is 239-513-9812 and that I can be easily reached at jerry@flagel.com

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