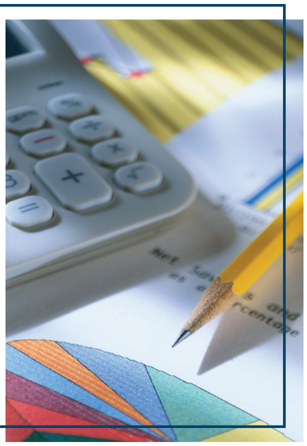

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Before investing in a mutual fund, consider its investment objectives, risks, charges and expenses carefully. The prospectus, which contains this and other information about the mutual fund, can be obtained by contacting Legend Equities Corporation. Please read the prospectus carefully before you invest or send money.

The Legend Group

The LegendEdge

Second Quarter 2006

Mutual Funds: A Popular Investment Choice

As the number of mutual funds available through employer-sponsored retirement plans continues to rise, mutual funds are becoming an increasingly popular investment vehicle for retirement accounts. In fact, 25% of the $12.9 trillion retirement market was invested in mutual funds at the end of 2004.[1,2]

But why are mutual funds so popular?

Most people have neither the interest, nor the time, nor the resources to conduct research and select an appropriate group of diversified investments. Furthermore, once an investment strategy is established, the underlying investments must be monitored continually to verify the portfolio remains on track.

Mutual funds provide a level of diversification and professional money management expertise that few investors can achieve on their own.

Mutual funds offer the following benefits:

Diversification: Since a mutual fund typically invests in a variety of companies, industries and geographic areas, the risk of "putting all your eggs in one basket" is reduced.

Professional Management: Securities selection and buy and sell decisions are handled by the fund's managers, who are paid professionals with expertise in a variety of investment disciplines.

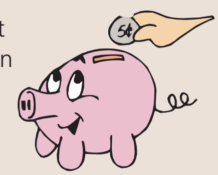
Liquidity: By law, every mutual fund must stand ready on any business day to redeem any or all of its shareholders' investments. Mutual fund investors may cash in all or part of their shares at any time, and receive the current value of their investment which may be more or less than the original cost.

Flexibility: Many fund companies offer a family of funds composed of several different mutual funds with varying objectives. Investors generally enjoy an exchange privilege allowing them to transfer portions of their investments into other funds within the family as their needs change.

Simplicity: Minimum initial mutual fund investments can be as low as $500 and subsequent investments as low as $25, making it easy to start an investment program. ◀

[1] *The Wall Street Journal,* August 23, 2005
[2] Investment Company Institute, August 2005 (most recent figures available)

Making Your Savings Last



There are many factors to making retirement savings last, two of which are asset allocation and managing your stream of withdrawals. For most retirees, this is no small feat. How can you increase your own chances of retirement success?

Watch your withdrawals: experts advise that between 4-6% is acceptable. If you keep your annual withdrawals at or below this range, your money has a good chance of outlasting you.

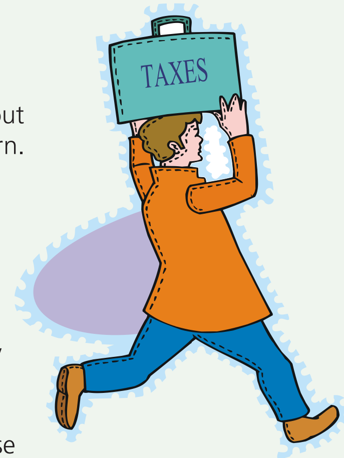
Work longer: if you don't think 4-6% will allow you to live comfortably, think about working longer. Just a few extra years in the workforce gives your portfolio added time to grow and reduces the number of years you will need to draw on that money.

Build a safety net: Two to three years of living expenses in a money market fund or cash equivalent means you probably won't have to sell investments when they are down.

Allocate wisely: Having 100% of your assets in stocks or 100% in bonds is not advisable. The ideal solution lies somewhere in between.

The best way to feel confident about your financial future is to implement and maintain a sensible investment strategy that is aligned with your long-term financial goals.

Five Potential Ways to Save on Taxes



Would you like to minimize the amount of taxes you pay, but aren't sure where to begin? These five strategies can be employed throughout the year to help you keep more of what you earn.

1. **Defer taxes by investing in a retirement plan.**
   The money contributed to tax-deferred retirement accounts (i.e. §403(b), §401(k), IRA) isn't taxed until you withdraw it—often at retirement, when you may be in a lower tax bracket. Account earnings are treated as tax-deferred as well. Making the maximum allowable contribution to these accounts can significantly reduce your current tax burden.

2. **Make tax-exempt investments.**
   Investors can potentially reduce their tax liabilities while generating income by investing in tax-exempt municipal bonds or municipal bond funds. Generally, interest earned on tax-exempt municipal bonds isn't taxed at the federal level, although interest income may be subject to state or local taxes or the federal alternative minimum tax. But keep in mind that municipal bonds are usually not an appropriate holding for your tax-advantaged accounts.

3. **Restructure debt in an effort to maximize allowable interest deductions.**
   Interest you pay on personal debt, such as personal loans and credit cards, isn't tax deductible. However, the interest on home equity financing can potentially be deductible. Consult your tax advisor regarding your individual circumstances.

4. **Keep track of capital losses.**
   Capital losses offset capital gains dollar for dollar. Each year you may deduct up to $3,000 of capital losses, in excess of capital gains, against ordinary income. Carry unused losses forward indefinitely to deduct them in later years.

5. **Make the appropriate charitable contributions.**
   Making tax-efficient donations to charities depends on whether the property you donate has appreciated or depreciated.
   - If your assets, such as stocks, have appreciated, donate the property itself rather than selling it and donating the proceeds. This way, you get a deduction for the full fair market value of the assets and avoid paying tax on the appreciation.
   - If your assets depreciated this year, liquidate first and then donate the cash. You can then deduct the capital loss and take a deduction for the charitable contribution as well.

Of course, tax considerations are only one aspect of a comprehensive financial plan. The tax information in this article is for informational purposes only. It is not intended, and should not be construed, as a recommendation, or legal, tax, or investment advice. ◂

Federal Bankruptcy Protection Extended to Qualified Retirement Accounts

Effective October 2005, Congress passed new legislation that extended federal bankruptcy protection to qualified plans, including Keoghs and §401(k)s designed for sole proprietors, §403(b)s, IRAs (traditional, Roth, SEP and SIMPLE) and §457(b)s/§457(f)s.

In traditional and Roth IRA accounts, protection is capped at $1 million for amounts attributable to regular IRA contributions. There is no cap on amounts rolled over from employer plans, or assets that remain in a qualified employer plan as listed above.

Complete protection from creditors (outside of bankruptcy—i.e., civil suits) is still determined by state law. ERISA plans are an exception as they are protected by ERISA law itself. Plans that are afforded this protection include:

- ERISA plans qualified under §401 of the IRS Code
- SEP IRAs if they benefit common law employees (i.e., the employee is not a relative of the owner)
- §403(b) employer-contributory plans ◂

Rollovers of Roth §403(b)s/§401(k)s to Roth IRAs

The Proposed Roth Regulations make it possible for a participant to roll his/her Roth §403(b)s/§401(k)s to a Roth IRA after separation from service. Actually, this is recommended since Roth IRAs are not subject to the required minimum distribution rules that apply to Roth §403(b)s/§401(k)s.

If you already have a Roth IRA set up and have satisfied the five year clock in that Roth IRA, the Roth §403(b)/§401(k) rollover will assume that Roth IRA clock, allowing you to commence tax-free distributions if you are age 59½ or more.

However, if you are establishing your first Roth IRA with the Roth §403(b)/§401(k) rollover, you must start a brand new five year clock for the Roth IRA. This means you cannot take tax-free distributions until the five years have elapsed, and you have attained age 59½. ◂

MARKET OUTLOOK

with Shashi Mehrotra, CFA, Chief Investment Officer, Legend Advisory Corporation

What is the best investment vehicle for the long term?

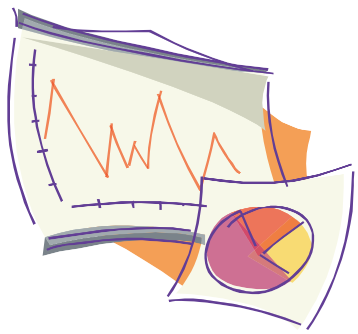
Over the past decade, the investment landscape has become far more comprehensive. But out of the multitude of investment choices available today, equities (stocks) are the only vehicle that has consistently outpaced inflation over the long-term. For example, over the last 80 years, the average inflation rate was 3.04%, while the S&P 500 Index (a benchmark for U.S. equity performance) has grown about 10.36%.[1] That being said, the importance of an appropriate asset allocation mix in an actively managed portfolio cannot be overemphasized in the development of a sound investment plan.

What do you mean by "appropriate asset allocation"?

An appropriate asset allocation addresses the full scope of the investment landscape (i.e. stocks and bonds, both domestic and foreign), rather than just a few sectors within a single asset class.

There is a common misconception among investors that they are "well-diversified" simply because they hold several different mutual funds—regardless of where the funds invest assets. For example, an investor may not be "well-diversified" by investing in five large cap growth funds, or even a few domestic equity funds. Over the last couple of years, our *Strategic Asset Management (SAM)* program has invested heavily in the overseas markets, which so far has been very beneficial to our clients' portfolios. During that time, an investor with a number of domestic equity funds would have underperformed an average global portfolio.

I believe the best way to stay ahead of the curve is to participate in a program that assesses an investor's risk profile and matches it with an appropriate portfolio. Furthermore, I believe the portfolio should be actively managed. In today's fast-paced global investment markets, it seems things change way too rapidly for a passive investment strategy to be effective. In my opinion, a sound investment program is one that attempts to achieve its objectives with as little risk as possible and this is usually accomplished



by constantly assessing the global markets and proactively moving assets into the most opportune investments—making the whole process a dynamic one. This is precisely how our money management system works.

What do you consider to be a sound investment strategy for those who are approaching retirement?

I recommend that pre-retirees work with their financial professionals to evaluate their positions and develop a roadmap for the years ahead. The plan should consider the investor's time horizon, risk tolerance, liquidity, tax situation and any legal consequences, and provide a solution that seeks to balance these unique circumstances with the investor's return objectives.

If this exercise points toward the need for reduced equity exposure, investors should consider decreasing their equity holdings as they get older. However, in my opinion, it is extremely important to maintain some exposure to stocks. Investors who abandon stocks altogether can leave themselves vulnerable to inflation risk, which may significantly erode their income over time. This is especially dangerous at the beginning of their retirement years, when they probably still have a long life ahead. Even after retirement, it is critical not to lose the long-term focus when it comes to investing.

What is your current outlook for the global economies?

The future appears bright for the US economy as it bounces off what we believe were artificially depressed levels established during the fourth quarter of 2005. While economic growth could ease off last year's pace, we should still finish the year with an average growth rate close to 3 percent.

Favorable economic circumstances exist outside the U.S. as well. China, India, Latin America and Eastern Europe are all enjoying impressive growth. Even slower-growing parts of the globe such as Japan and the Euro zone have been showing strength in demand. It appears that we may be enjoying a synchronized global expansion. This means that we expect investment to continue to flourish in order to satisfy a widespread and growing global demand. Just as demand necessitates investment; investment creates and drives demand. It's a virtuous cycle. History suggests that in such an environment, financial assets—particularly common stocks—do well.

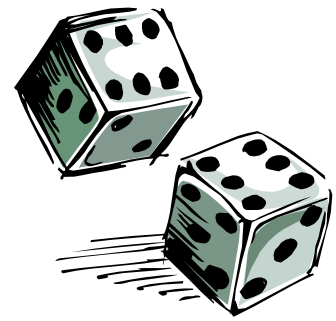
Global equity markets could consolidate for the next couple of quarters, but we believe that this should be viewed as a buying opportunity. Contrary to the media's focus on economic negatives, such as the deficit, weak dollar and short-term market activity, we feel that the outlook appears favorable over the long-term. We strongly believe that we could be at the beginning of a long and powerful cycle that could potentially benefit all free world economies. ◀

[1]Geometric average annual returns calculated by Ibbotson Associates since 1926.

Boomer BLURBS

Longer life expectancies mean that your retirement nest egg may need to last 20 years—or longer.

What Are The Odds?



What will longer life expectancies mean to you in terms of investment planning? If you reach age 65, how many more years are likely to be ahead of you?

Knowing the answers to these questions can help you determine how much you need to save for retirement, how to invest your savings and how much you can safely withdraw each year without running short later in life.

With the current life expectancy of a 65 year old male being nearly 82 and that of a 65 year old female being nearly 85, your retirement nest egg may need to last 20 years—or longer.[1]

The table on the right illustrates the probability of those who are age 65 living to each subsequent milestone birthday.[2]

Age	Male	Female
70	89%	93%
75	75%	83%
80	56%	69%
85	36%	50%
90	18%	29%
95	6%	12%
100	1%	3%

[1] US Department of Health and Human Services, Health, United States, 2004.
[2] US Department of Health and Human Services, "United States Life Tables, 2002," National Vital Statistics Reports.

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