August 6, 2002

Staying the course is an active, not a passive decision.

Economists point to good signs in our economy. National unemployment rates remain relatively low. Low interest rates continue to boost housing markets. We believe prudent Fed policy is in place. When these signs are all positive but "sentiment" is negative, what does a prudent investor do? Continue to focus on your plan. On many occasions we have told you that the kinds of corrections we're now experiencing are to be expected. We and SEI are prepared for them. You are better prepared than those who do not have a disciplined structure and a tremendously diversified portfolio. For long-term investments to "bear fruit" you must:

1) Stay fully invested in the proper asset allocation model
2) Continue to invest and dollar cost average into your model, at a time when some great companies are selling at significantly lower prices
3) Be mindful that down markets create great opportunities for institutional money managers, such as the ones you have, to sow the necessary seeds for long-term growth. Your managers are by no means in a "do nothing" mode. Staying the course is an active, not a passive decision.
4) Focus on the right mix (for you) of long-term ownership, bonds and cash, knowing that this is the best way to utilize financial markets to preserve the "utility value" of your financial resources
5) Contrary to what we're frequently told, remember that, with prices so attractive, now may be the best investment opportunity in the next 10 years

Now, more than ever, people need to plan. We can add value to your planning process. How? By reviewing and "re-validating" your asset allocation model. And by reviewing your various asset classes (your portfolio typically has 2,500-3,000 securities. It is not just the 30 stocks that make up the Dow, but broad holdings in large-cap and small-cap; and international securities as well). We can help you filter out unnecessary information and focus on useful information. We can help you sort out how your plan must account for short-term income needs as well as long-term investment objectives.

These things matter to the long-term success of your plan!

We hope your summer is going well and look forward to talking with you soon.

Sincerely,

Daniel O. Corrigan

Mark D. Wickman