



NCM Client Notification

SEPTEMBER 29, 2008

A publication of Northern Capital Management, Inc.

To our clients;

As you are aware, today the House of Representatives accomplished the unthinkable, which was to defeat the bank bailout bill. We have already communicated our thoughts and views on this bill through an earlier advisory.

Please do not take our message lightly. Your representatives in Congress need to hear from you. Judging from their actions....or inaction, they must be listening to constituents. So, make yourself heard!

Cathy McMorris's e-mail contacts for those in Washington are: cathy@cathyforcongress.com, jared@cathyforcongress.com, amanda@cathyforcongress.com and jeff@cathyforcongress.com.

Send your email to all four addresses, as they include her Campaign Director and Staff.

Turning our attention to the markets, the news is not good. Due to the inaction of the House, what was an economic slowdown and financial crisis has now also become a market crisis. We are clearly at the point of capitulation with a handful of clients calling to request partial or full liquidations out of fear. While in normal times, this would represent the bottom or near bottom of the market, we must brace ourselves for additional losses in portfolios. We are witnessing panic selling and seasoned managers and successful investors will counsel that this is not the time to cut losses and run. The next critical phase of this event lies in Congress passing some kind of a bill. At that point, we expect to see a significant increase in stock valuations.

Consequently, our investment decisions now must be heavily influenced by the degree of confidence we have Congress will act and whether that action will be quick enough to avert a severe credit squeeze, financial market calamity and/or recession. It will be a calculated call.

We absolutely have no intention of selling into a panic or at the bottom of the market. Our Investment Committee will be conducting an impromptu meeting tomorrow morning to weigh options.

We will continue to communicate closely with you during these difficult times. Meanwhile PLEASE contact your representatives.

Sincerely,

Northern Capital Management, Inc. Investment Committee