

Dear Investor:

The last three years' stock market meltdown has been a wake-up call for investors. Those who had diversified their portfolios between stocks and income securities fared much better than those who held only equities. Even if stocks recover in 2003, can you afford, or do you have enough working years left, to go through another market meltdown?

The *Forbes/Lehmann Income Securities Investor* newsletter will supply you with all the information you need to enter or expand your investment in the fixed-income market. We are the only independent publication dedicated to providing investment advice on Bonds, Preferred Stocks and Convertibles. The newsletter addresses the various fixed-income markets, not only with specific recommendations but also with specific guidance as to the level of risk each one of our picks entails. In short, we provide you with investment choices and ideas, suited to your long-term goals.

I have been investing in and following the fixed income markets for over 20 years. My newsletter is the most widely quoted source for information on fixed - income securities in the financial media. You may also have read my monthly columns in *Forbes* magazine.

Whether you want to establish a steady stream of interest and dividend income in low or medium risk securities, or take a more aggressive position in high risk and convertible securities, our model portfolios and monthly recommendations can fill your needs. Below is the performance track record for the last three years for each of our model portfolios:

	2002	2001	2000
Low Risk	11.1%	10.9%	10.5%
Medium Risk	2.4%	11.3%	11.4%
High Risk	7.1%	28.8%	5.1%
Convertibles	-0.07%	4.8%	-8.0%

You will find these results compare quite favorably to mutual funds with similar investment philosophies.

Are you looking for new ideas to add to an existing portfolio? Each month I recommend three new bonds, three preferreds and three convertible securities which currently look attractive to me. I also highlight my "Pick of the Month"-one bond, convertible or preferred that I have selected as a unique opportunity poised to generate a high return. And since my letter has been doing this for nearly two decades, we will keep you up to date on a large universe of securities of past recommendations, which may become attractively priced in the current month. If

there is an event in the credit markets or at any of the companies I have recommended, my letter will give you specific action-oriented advice on whether to buy more, sell, continue to hold or even tender your bonds, if that is an option. My newsletter is supported by our website with "Investor Alerts" to advise you of fast moving events affecting securities we have recommended. It also provides complete descriptive information on every security we have recommended and where the recommendation is still in effect. Our "Preferred Movers" service provides a daily update of what is currently in or out of favor to allow you to do your own research of the entire preferred market.

For those not familiar with fixed-income securities, I can tell you that they are not only about "boring" but safe returns of, say, 6% to 10%. Many of my recommendations return 20% to 150%. In January of 2001, I told my subscribers to buy the 4.75% convertible bonds of chipmaker Nvidia at \$65.50. Less than a year later, they soared to \$147 and I told subscribers to take profits. You don't hear much about such opportunities from your broker because they'd rather sell you a bond fund or, worse, whatever is in the brokerage house inventory.

If your interest is learning more about fixed-income investing as well as market trends, each month I give my views on the markets and how current and future events may affect them. I also provide educational articles on new products, as well as explanations of important economic and financial principles you may have forgotten about. For example, did you know that over the past eight years a new type of security has emerged which makes the purchase of bonds as easy as buying stock. I call these new hybrid securities, PET Bonds, for preferred equity traded bonds. My subscribers have already benefited from recommendations of these high-yielding, investment-grade securities since they hit the market last year. These new investment instruments are being created by Wall Street brokerage firms for companies like General Motors and Royal Caribbean Cruise Lines. They have all the safety and interest bearing features of bonds, only they are traded on the New York Stock Exchange much like preferred stocks, and are listed daily in the paper with bid/ask prices. Best of all these PET bonds can be purchased in denominations of as little as \$25 through any broker or e-broker.

I guarantee that a subscription to this newsletter will give you greater comfort with your fixed-income investments. I am sure you will profit from it. If you're not satisfied with my newsletter, you can cancel your subscription and receive a refund for any issues we have not yet mailed. Take this opportunity to expand your knowledge of income securities and what they can do to add growth and stability to your investment portfolio.

Thank you for your time.

Richard Lehmann
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