

Legend Advisory's Artificial Intelligence, AANN, Advises an Increase in Exposure to Large- and Small-Cap Domestic Equities

—Bias Toward Cash Initiated in July, 2008 Wanes as AANN Tempers Bearish Bent—

Palm Beach Gardens, FL — In light of significant market volatility experienced over the past four months, Legend Advisory Corporation, a registered investment adviser, announced that its Asset Allocation Neural Network (AANN), a form of artificial intelligence aimed at forecasting the relative strength of global market sectors, has recommended an increase in exposure to domestic equities, primarily large capitalization stocks, with some increased exposure to small capitalization stocks. The recommendation was taken into consideration by Legend Advisory's Investment Committee and a reallocation was advised. The move was facilitated mainly by a decrease in domestic and foreign debt.

"Market volatility, as measured by daily total returns of the S&P 500 Index, has recently reached a high not seen since 1933*," said Shashi Mehrotra, Chartered Financial Analyst and Legend Advisory Corporation's Chief Investment Officer. "Excess volatility is typically indicative of fear, which is historically correlated with a market bottom. This move positions our managed account assets in a manner that we believe will put clients' money to work near the bottom, in an effort to enhance performance over the long-term."

"I believe we are nearing the bottom of a short-term bear market cycle within a longer-term neutral cycle, similar to the period experienced between 1966–1982 when the markets were basically flat*," noted Mehrotra. "While I don't expect sustained market appreciation in the next several years, over the next 12 months I believe the financial markets could see a nice upturn, and this reallocation is our attempt to take advantage of that possibility."

"The market environment I'm anticipating over the next several years is encouraging to a dynamic asset allocation discipline such as that of Legend Advisory Corporation," added Mehrotra. "We will continue to monitor market movements in an effort to capitalize on the series of bounces we expect to occur, and to attempt to minimize the effects of market downturns on our managed portfolios."

The artificial intelligence program, AANN, is designed to look four-to-twelve months ahead. Essentially, AANN is a computer-based model that thinks and learns much like a human brain, but at much faster speeds. AANN is a form of artificial intelligence known as a "neural network." A neural network is an analogy to human brain cells, called neurons, with connected neurons referred to as a neural network. Neural networks, such as AANN, sift through data using highly interconnected processes and, similar to brain cells, are designed to learn the structure of data and detect patterns. AANN is able to scan thousands of pieces of data at a time at very fast speeds, examining their interrelationships and making predictions as to the relative strength of asset classes in domestic and international stock and bond markets.

Every month, AANN ranks the relative strength of seven asset classes: large and small capitalization domestic stocks, investment grade and high-yield domestic debt, international debt and equities, and cash. After an evaluation of AANN's output by Legend Advisory Corporation's Investment Committee, recommendations are fed into a separate optimization program, which creates weightings to suit the individual risk tolerances of up to five managed portfolios. Mutual funds and variable annuities are then researched and evaluated to fill the designated asset allocations.

Legend Advisory Corporation, www.legendadvisorycorp.com, is a registered investment adviser headquartered in Palm Beach Gardens, Florida. Legend Advisory Corporation is a subsidiary of Waddell & Reed Financial, Inc. (NYSE: WDR), one of the oldest mutual fund complexes in the U.S. with over \$47.5 billion under management (as of December 31, 2008, including all investment managers within the organization). Legend Advisory Corporation has over \$1 billion in assets under management (as of December 31, 2008) from public and private retirement plans, endowments, foundations, institutions and individuals. AANN's *Investing with Intelligence* is available to clients through Legend Advisory Corporation's national network of brokers and financial advisors.

Advisory Services offered through Legend Advisory Corporation, a registered investment adviser.
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* *Source: Bloomberg*

Investing involves market risk, including the possible loss of principal. Past performance is no guarantee of future results.

There is no guarantee that the recommendations made by AANN in the future will be accurate. AANN is a computer-based modeling tool which utilizes artificial intelligence to formulate its results. Output from AANN's results are then used by Legend Advisory Corporation's Investment Committee to make investment decisions in managing their portfolios. AANN does not, in and of itself, make any investment decisions.

Opinions expressed herein are those of Shashi Mehrotra, Chartered Financial Analyst and Chief Investment Officer of Legend Advisory Corporation. These views are as of February 2, 2009 and are subject to change at anytime, without notice.

To the extent that Legend Advisory Corporation makes or publishes forward-looking statements, a variety of factors, many of which are beyond Legend Advisory Corporation's control, could cause actual results and experiences to differ materially from the expectations and objectives expressed in these statements. No predictions or forecasts can be guaranteed. Moreover, this material does not constitute a recommendation to buy or sell any security.

The S&P 500 Index is an unmanaged index, which is widely regarded as the standard for measuring U.S. stock market performance. Direct investment cannot be made into an index.

Information contained herein has been obtained from sources believed to be reliable, but is not guaranteed.