

### New Professional - Alan Henning, CFA

We are excited to announce the newest addition to Madison's professional team, Alan Henning. Alan joins us with over 18 years of experience in the financial services industry in commercial and investment banking in New York, Vienna, Austria and Cincinnati.



Alan started his career on Wall Street (literally). His first job was with Irving Trust Bank at One Wall Street behind the New York Stock Exchange (NYSE) where he completed Irving's management training program. From this vantage point Alan witnessed first hand the investment cycle from the "fear" of the 1987 market crash to the "greed" of the go-go '90's. However, according to Alan, the most important lesson he learned about the market was from his hard working parents. They taught him the timeless value of "saving and investing for the long term" and the principle of compounding interest.

In 1988, Alan joined an Austrian bank, Creditanstalt-Bankverein where he worked with investor groups, private equity firms and high net worth individuals to structure and provide financing for mergers and acquisition (M&A) transactions. After eight years in New York (with a stint in Austria) he joined Provident Bank in 1994. At Provident Bank he built a profitable lending and investment portfolio de nova to over \$150 million. He was responsible for soliciting new business, structuring loans and investments and managing client relationships. It was also at Provident he first met and worked with Jim and Cern.

We expect Alan to supplement the MFA team in all aspects of our business, including marketing, new business development, managing client relationships and investment management. Specifically, Alan will be responsible for developing new channels of business and supplementing the firm's client service capabilities. Alan also adds to the depth to our investment team and joins Cern as a Chartered Financial Analyst (CFA) charter holder. The CFA charter is the globally recognized standard for measuring the competence and integrity of financial analysts.

Alan, grew up in Lincoln, Nebraska, lives in Cincinnati, Ohio, and is happily married to his wife of eighteen years, Jo. They have four children, ages five to 13. Alan stays active in his children's activities coaching indoor and outdoor soccer, basketball, baseball and Destination Imagination (a competitive creative problem solving program). He is also involved with Boy Scouts, church and various community volunteer activities. Besides spending time with his family, Alan enjoys skiing, cycling and an occasional Nebraska football game (when they are winning!). He looks forward to being of service to our clients.

**"Achievement is largely the product of steadily raising one's levels of aspiration and expectation." - Jack Nicklaus**

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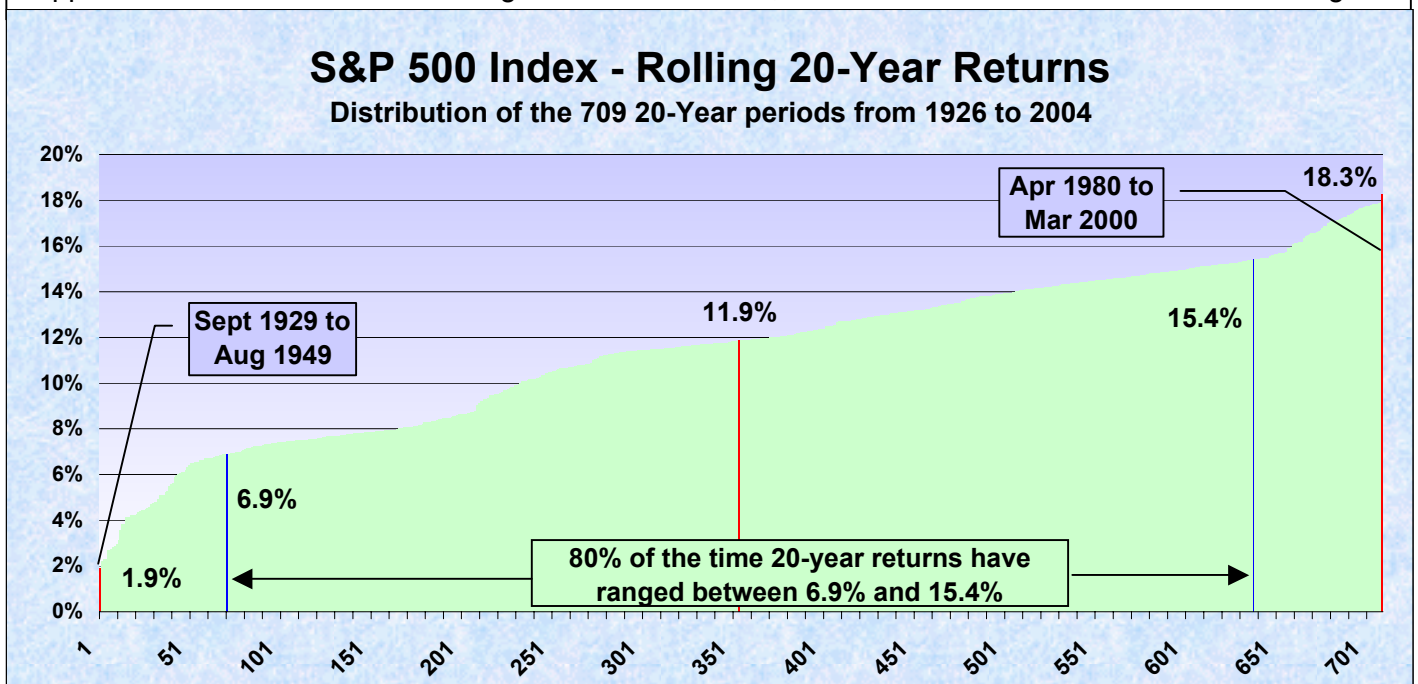
## Code of Ethics

The Securities and Exchange Commission recently adopted a new rule requiring all SEC-registered investment advisors to adopt and enforce a strict code of ethics. We have happily done so. As a fiduciary, Madison has a duty of utmost good faith to act solely in the best interests of each of our clients. Our clients entrust Madison with their funds, which in turn places a high standard on our conduct and integrity. Madison's fiduciary duty is the core principle underlying the Code of Ethics and compels all of our employees to act with the utmost integrity. Our Code of Ethics consists of the following Standards of Conduct:

1. The interests of our clients will be placed ahead of Madison's or any employee's own investment interests.
2. Employees are expected to conduct their personal securities transactions in accordance with Madison's Personal Securities Transactions and Records Policy and will strive to avoid any actual or perceived conflict of interest with the client.
3. Employees will not take inappropriate advantage of their position with the firm.
4. Employees are expected to act with honesty, integrity, independence, and professionalism and not harm the reputation of the Company.
5. Employees are expected to comply with all federal securities laws. Strict adherence to Madison's Policies and Procedures Manual will assist our employees in complying with this important requirement.

## What are "long-term" stock returns?

Since 1926 the annualized return on stocks (as measured by the S&P 500 Index) is 10.4%. Few investors, however, have 79-year investment time frames. Perhaps 20-year time periods might be a better measure of long-term returns for the typical investor. Since 1926 there have been 709 rolling 20-year periods (i.e. Jan 1926 - Dec 1945, then advancing one month at a time to Feb 1926 - Jan 1946, etc.). The chart below displays the returns of all 709 rolling twenty-year periods. Historically, investors have earned good returns over most of these time periods. For example, 80% of the time, investors have earned between 6.9% to 15.4% per year over 20-year periods. The median return was 11.9%. The lowest 20-year period ran from Sept 1929 to Aug 1949, posting a return of only 1.9% per year, while the best ran from Apr 1980 to Mar 2000, producing a return of 18.3% per year. While the historical results do show a good deal of variability, it appears that for investors with a long investment horizon, the returns on stocks have been rewarding.



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