

Dear Client,

Your first quarter First Affirmative generated report drafts have been reviewed here and you should have received them sometime within the past few days, along with the newsletter and market commentary. As part of your ongoing services, we monitor account asset allocation, activity, proxy voting policy, and of course performance. We then coordinate with First Affirmative and the custodian any needed changes and maintenance. Please let us know if you wish to review or update your investment policy which guides us in delivering your services and portfolio management.

The market recovery that started in Spring 2009 has continued through the first quarter of 2010, with the US stock market up a remarkable 50% over the past year. Here are the recent numbers for the FTSE KLD 400 Social Index (one of the benchmarks used for SRI stock portfolios), the S&P 500, and a taxable bond index:

| | <u>Q1 2010</u> | <u>YTD</u> | <u>1 Year</u> | <u>3 Year</u> | <u>5 Year</u> |
|-----------------------|----------------|------------|---------------|---------------|---------------|
| FTSE KLD 400 Index | 5.0% | 5.0% | 52.9% | -2.2% | 2.7% |
| S&P 500 Index | 5.4% | 5.4% | 49.8% | -4.2% | 1.9% |
| Barclays Cap Agg Bond | 1.8% | 1.8% | 7.7% | 6.1% | 5.4% |

Total annualized returns through Mar 31, 2010. FTSE KLD 400 inception May 1990. Source: www.kld.com

For more perspective, refer to First Affirmative's recent Market Commentary piece that arrived with your quarterly reports.

Proxy voting, giving shareowners a say in things

It seems astonishing to us, but most stock brokers and investment advisors leave the task of shareholder proxy voting to their clients. It sounds fine on the surface but the travesty is that most investors never get around to voting their shares. (If you don't vote, your voice is essentially overwritten by the company's directors.) Some broker and advisor offices are supposedly taking responsibility for voting their clients' shares, but then fail to follow through with the time consuming task. And in the vast majority of cases, they just vote with whatever the corporate directors recommended (such as giving the CEOs and chairmen raises or voting against social and environmental policies) rather than what their client would have wanted.

So here at Goodfunds Wealth Management, as you might guess, we take this responsibility seriously. First Affirmative maintains outstanding proxy voting guidelines that address the kinds of environmental, social, and governance issues that we all care so deeply about. You can view these guidelines at www.firstaffirmative.com/services.jsp. Every year, your First Affirmative managed account holdings proxies are diligently voted. This service saves you a ton of time each year and you can be confident that in most cases, your shares are being voted just as you would have, had you spent the many hours necessary reading the materials and voting your proxies in time. If you're personally involved with a foundation or other social purpose organization, let us know and we can help them, or we can provide you a 2010 proxy season preview guide that you can give them.

SRI panel at Seattle Green Festival

If you're in the area, please join us for the 2010 Seattle Green Festival session, "Money Matters: Retirement plans, congregations, orgs, and universities greening up their investing." I will be the moderator for this Saturday June 5 session. The panelists include Leslie Christian, CEO, Portfolio21 Investments; Maura Rendes, Northwest Student Organizer, Responsible Endowments Coalition; and Pam Rivers, Regional Vice President, Calvert Investments.

Your accounts and services

As you review your financial situation and accounts, please contact us with any questions or concerns. And be sure to let us know if you are interested in having your financial planning analysis and/or retirement planning updated. We are available to review your situation and your ideas, and if appropriate make adjustments to your accounts or services. It is our pleasure to serve you and we look forward to hearing from you.

Information is based on past performance and is not indicative of future results. Indices are unmanaged and do not reflect management or advisory expenses. Of course, investment decisions should be made *after* careful review of your individual financial situation, risk tolerance, investment objectives, and time horizon.