



THE FREEDOM ACCOUNT

*Institutional-Quality Portfolios
for Individual Investors*

RAYMOND JAMES®
FREEDOM ACCOUNT



Freedom

It's what every investor wants: freedom of choice, freedom to **pursue your goals in the way that is right for you.**

Now Raymond James makes freedom attainable through the Freedom Account, a diversified portfolio that incorporates every step of the investment process and is maintained by Raymond James' professionals. **We will guide you to an allocation constructed from a broad range of asset classes and select and monitor mutual funds for that allocation, working to make sure the portfolio is well-managed, forward-thinking and sound.** You'll receive clear, informative statements that show performance details and progress. Your account will automatically be rebalanced annually to your selected portfolio asset allocation to ensure that your account matches your original asset allocation target.

Why the Freedom Account?

- Comprehensive investment process captured in a range of fully allocated mutual fund portfolios
- Expertise of the professionals in the Raymond James Asset Management Due Diligence and Mutual Fund Research Departments, known for their fundamental research
- Annual rebalancing to keep the asset allocation in line with your objectives
- Advice from a financial advisor who has a vested interest in the success of your portfolio

Further information on the funds selected for the Freedom Portfolios is available by prospectus, which can be obtained through your financial advisor. Investors should carefully consider the investment objectives, risks, charges and expenses of the Freedom Portfolios before investing. The prospectus contains this and other information about the funds and should be read carefully before investing.



*Freedom to use time
as YOU want:
that's the goal of
the Freedom Account.*



Unbiased analysts at Raymond James focus on monitoring the funds in your portfolio.

Comprehensive Investment Process: Four Essential Steps

We lay the groundwork by evaluating your objectives and assessing your tolerance for risk. We follow a disciplined process designed to ensure that you receive an institutional-quality portfolio. Our process is founded on the investment techniques used by some of the largest, most sophisticated institutional investors.

Step 1 | In step one, we develop forward-looking risk and return assumptions based on economic data and indicators. These forward-looking capital markets assumptions make it possible to move beyond simply using history as a guide.

Step 2 | Next, we construct portfolios designed to maximize return potential at each level of risk. Asset allocation choices are very important because every investor has a unique risk comfort level and we have developed portfolios that target a broad range of risk levels. The forward-looking capital markets assumptions are used in a sophisticated optimization process that seeks to offset the volatility of individual asset classes, potentially resulting in lower overall portfolio volatility. It's a great way for us to help you to stay on track toward your investment goals. Note that asset allocation has been shown to be responsible for approximately 90% of the volatility in a portfolio over time. (Source: Brinson, Beebower and associates, "Determinants of Portfolio Return", 1986, updated 1991 & 1995).

Step 3 | To fill these portfolios, we do more than just examine a manager's total returns. We select and hire mutual fund managers who we believe have demonstrated the ability to add value through skill. Because we treat portfolio construction as a distinct piece of the process, we can combine these managers in ways that help maintain the integrity of the asset allocation by avoiding unintentional biases in the portfolio (e.g., towards growth or value).

Step 4 | We proactively and continuously monitor each element of the program. Our ongoing research of the asset allocation process and mutual funds themselves is intended to ensure that your Freedom Account stays true to the original investment philosophy over time. We constantly monitor all managers to proactively identify whether there are any changes to their situations or investment processes that could impact performance. Finally, we automatically rebalance your portfolio annually to the original asset mix. All of these features help you to invest with the confidence that your portfolio is designed and maintained in accordance with your goals.

With the Freedom Account, you can set your financial future in the right direction and know that Raymond James will be there to help keep your goals on track.

Selection for Your Portfolio

In 1998, Raymond James & Associates, a member of the New York Stock Exchange, became the first brokerage firm to publish independent, specific recommendations on individual load and no-load funds. Our research is distinctive because it offers investors our opinions about what may lie ahead for an individual fund or fund group. In the past, investors had to rely primarily on rating services which analyzed past performance, but not necessarily what may lie ahead. We believe that making buy and sell decisions based on past ratings is like driving forward while looking only in the rearview mirror.

Today, the Raymond James Freedom Account is managed by the Asset Management Services (AMS) Investment Committee. The AMS Investment Committee's decisions will be driven by AMS Manager Research and Due Diligence, and may include "Highly Recommended" funds from the Raymond James Mutual Fund Research coverage list. AMS Manager Research and Due Diligence continually monitor the funds in the Freedom Account.





*More than 5,000
financial advisors
in the U.S. have
chosen to work with
Raymond James.*

Plan Your Freedom

Freedom starts with your financial advisor. You'll talk about your current investments, your objectives for security and growth, your goals and desires. Together, you and your financial advisor will examine the six Freedom asset allocation portfolios and a seventh high income model, each consisting of mutual funds selected by Raymond James professionals. Freedom portfolios are not tied to any single family of funds, but tailored a range of risk tolerances, making your financial advisor a key part of your investment progress.

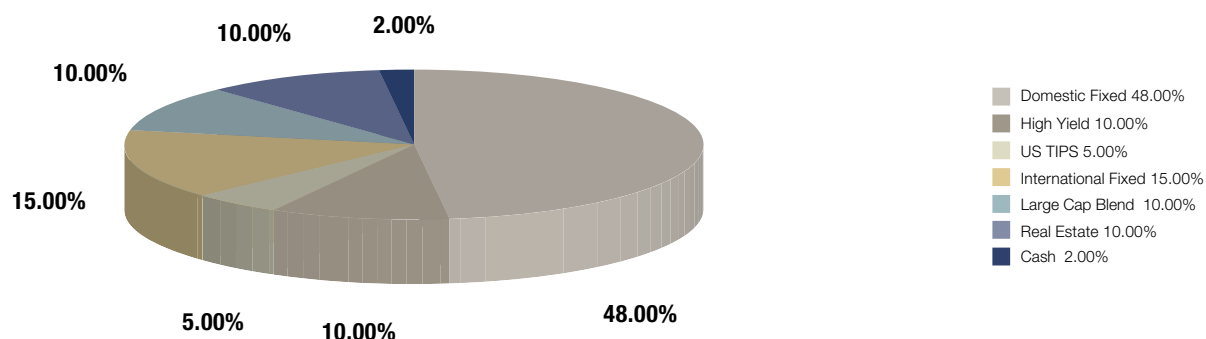
The Freedom Program offers:

- A comprehensive investment process,
- A stringent quantitative and qualitative mutual fund selection process,
- Ongoing review of portfolio holdings by the AMS Manager Research and Due Diligence team,
- Leverages the resources of the Raymond James & Associates Mutual Fund Research and Marketing Department,
- Annual rebalancing, and
- Comprehensive performance reporting.

After you and your financial advisor identify potential changes needed in your current allocation, you'll choose which Freedom portfolio best suits your needs.

As a Raymond James investor, you can feel secure knowing that your financial advisor, together with our mutual fund professionals, are working to help you achieve your dreams.

Income Strategy 20/80

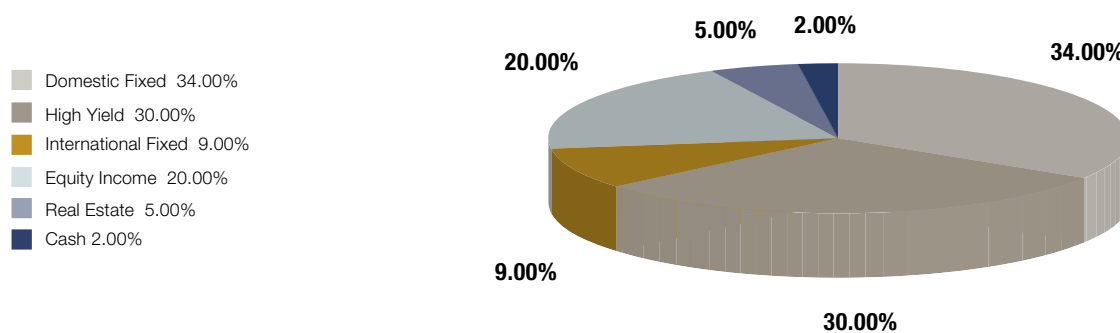


This more conservative income strategy focuses on preservation of capital with relatively low volatility. Intended as a low-risk investment that offers a slight hedge against inflation, this portfolio consists of 80% U.S. and international fixed income funds as well as Treasury Inflation-Protected Securities funds, high yield bond funds, and 20% equity and real estate funds.

Investors most likely suited for this strategy will likely be those whose main objective is preservation of capital with a slight hedge against inflation. Due to the low volatility and high liquidity sought in this portfolio, clients with a time horizon of two to three years may be strong candidates.

High-yield (below investment grade) bonds are not suitable for all investors. When appropriate, these bonds should only comprise a modest portion of your portfolio. International investing also involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility. Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Diversification does not ensure a profit or protect against a loss.

High Income Strategy

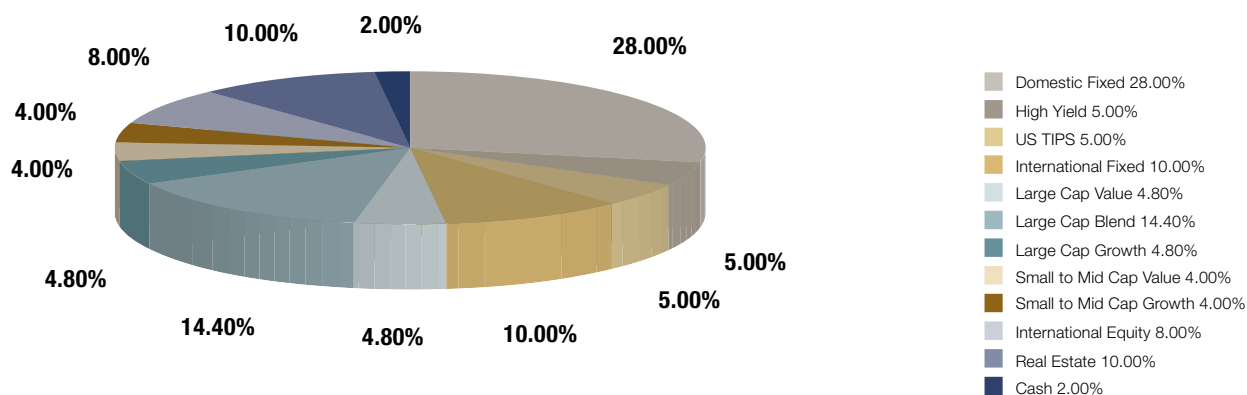


This strategy focuses on obtaining a high income stream from a diversified selection of income producing investments. Domestic and international fixed income funds, along with the cash component, supply a diversified base (45%) of funds focusing on investment grade holdings. The 30% allocation to high yield bond funds is intended to increase the portfolio's current income, while the allocation to equity income (20%) and real estate (5%) funds offer some growth opportunities.

Investors most likely to be suited to this strategy are those who seek higher income from investments while accepting a higher volatility than a classic fixed income portfolio. The portfolio seeks high income while maintaining liquidity, and may be suitable for investors with a time horizon of three to five years.

High-yield (below investment grade) bonds are not suitable for all investors. When appropriate, these bonds should only comprise a modest portion of your portfolio. International investing also involves special risks, including fluctuations, different financial accounting standards, and possible political and economic volatility. Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Diversification does not ensure a profit or protect against a loss.

Equity Income Strategy 50/50



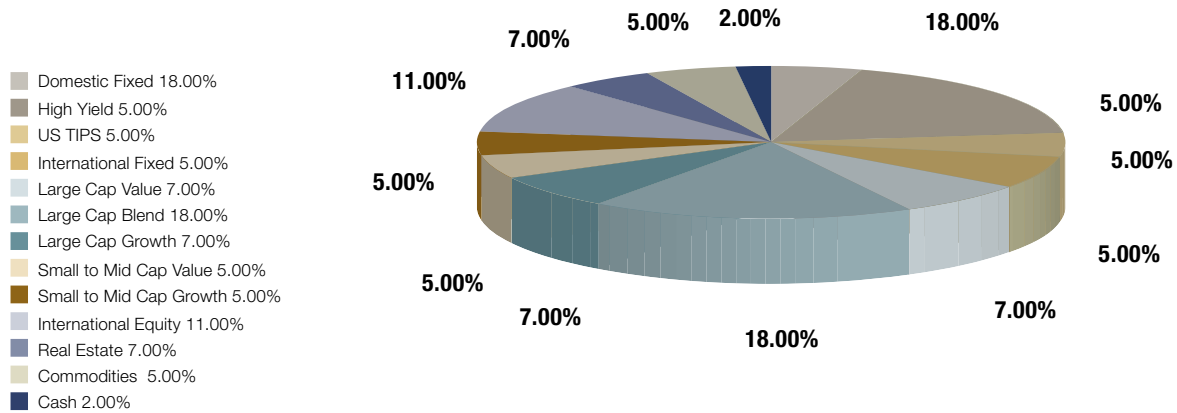
This relatively conservative strategy rests on a portfolio of domestic and international income and U.S. Treasury Inflation-Protected Securities funds, as well as high-yield bond funds and a 10% real estate equity fund allocation. But it also seeks to address the need for growth through a 40% allocation to small- to mid-cap funds in addition to a significant element of large-cap and international equity funds. The portfolios anticipated low volatility represents relatively low risk to principal, yet provides a moderate current income.

Investors most likely suited for this strategy will be those whose main objective is stability of capital but who are also seeking moderate growth. While we view this as a relatively low-risk portfolio, we recommend that investors have a time horizon of at least three to four years.

A municipal bond allocation model is also available. Ask your financial advisor for details.

High-yield (below investment grade) bonds are not suitable for all investors. When appropriate, these bonds should only comprise a modest portion of your portfolio. International investing also involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility. Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Diversification does not ensure a profit or protect against a loss.

Balanced Strategy 65/35



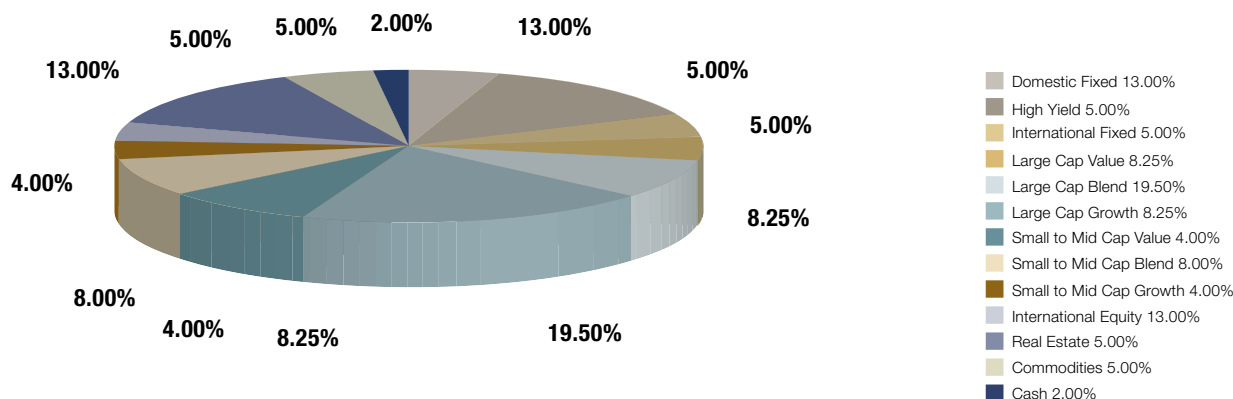
A municipal bond allocation model is also available. Ask your financial advisor for details.

This classic balanced portfolio has a 35% fixed income element that invests in both domestic and international funds, plus U.S. Treasury Inflation-Protected Securities and high yield bond funds. However, in an effort to increase diversification and growth potential, a greater portion is invested in equities, ranging from small- to mid-cap growth and value style funds, plus large-cap equity and real estate funds. It also contains a modest (5%) commodities allocation.

Investors most likely suited for this strategy will be those seeking growth while maintaining a fixed income element in an effort to enhance stability of capital in a market downturn. The portfolio may experience moderate volatility because of its greater portion of equity assets. We recommend clients have a minimum four- to five-year investment time horizon.

High-yield (below investment grade) bonds are not suitable for all investors. When appropriate, these bonds should only comprise a modest portion of your portfolio. International investing also involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility. Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. Commodities trading is generally considered speculative because of the significant potential for investment loss. Commodities are volatile investments and should only form a small part of a diversified portfolio. Among the factors that could affect the value of the fund's investments in commodities are cyclical economic conditions, sudden political events, and adverse international monetary policies. These portfolios may be subject to international, small-cap and sector focus exposures as well. Please read the accompanying descriptions of these strategies. Markets for precious metals and other commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Diversification does not ensure a profit or protect against a loss.

Balanced with Growth Strategy 75/25



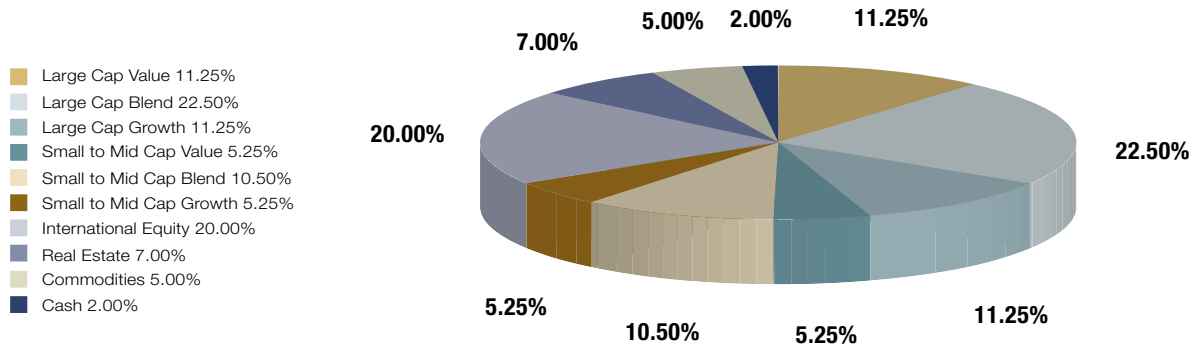
This balanced asset allocation strategy invests 75% of assets in equities for potential growth, while maintaining 25% in both domestic and international fixed income funds, including high yield funds. The well-diversified equity component is a mix of domestic large-, small- and mid-cap funds in various styles, plus real estate and commodity funds (each 5% of the total). Moderate volatility is to be expected.

Investors seeking primarily growth, while maintaining a fixed income element in an effort to enhance capital stability in the event of a market downturn, are most likely suited for this portfolio. Because a greater portion of the assets are invested in equities, clients may experience moderate risk. We recommend an investment time horizon of four to five years.

A municipal bond allocation model is also available. Ask your financial advisor for details.

High-yield (below investment grade) bonds are not suitable for all investors. International investing involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility. Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. Commodities trading is generally considered speculative because of the significant potential for investment loss. Commodities are volatile investments and should only form a small part of a diversified portfolio. Among the factors that could affect the value of the fund's investments in commodities are cyclical economic conditions, sudden political events, and adverse international monetary policies. These portfolios may be subject to international, small-cap and sector focus exposures as well. Please read the accompanying descriptions of these strategies. Markets for precious metals and other commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Diversification does not ensure a profit or protect against a loss.

Growth Equity Strategy

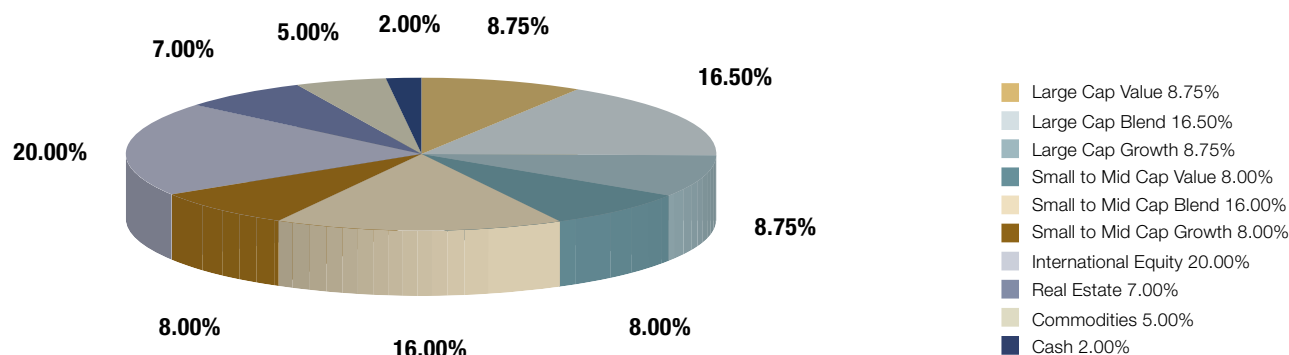


This portfolio attempts to achieve its market objective in a well-diversified, all-equity allocation that combines growth, value and blend disciplines that include large-, small- and mid-cap funds as well as a substantial component (20%) in international equity funds. The 7% real estate fund and 5% commodity fund elements are intended to increase diversification.

Investors primarily seeking growth of assets through a broadly diversified equity strategy are most likely suited for this model. Investors must be willing to accept the higher volatility associated with a 100% equity portfolio. However, because of this model's diversification, it is anticipated that the volatility will remain below market levels. A time horizon of five years or longer is strongly recommended to allow full participation in changing market cycles.

International investing involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility. Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. Commodities trading is generally considered speculative because of the significant potential for investment loss. Commodities are volatile investments and should only form a small part of a diversified portfolio. Among the factors that could affect the value of the fund's investments in commodities are cyclical economic conditions, sudden political events, and adverse international monetary policies. These portfolios may be subject to international, small-cap and sector focus exposures as well. Please read the accompanying descriptions of these strategies. Markets for precious metals and other commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Diversification does not ensure a profit or protect against a loss.

Aggressive Growth Equity Strategy



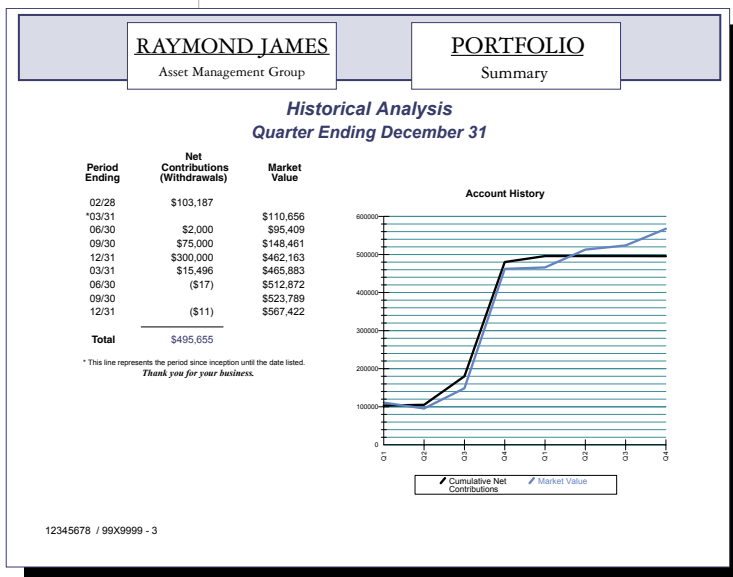
Investors seeking to maximize return potential through a well-diversified but aggressive strategy are most likely suited for this portfolio, which invests 98% in equities, including real estate (7%) and commodity (5%) funds as additional diversification factors. Investors must be willing to accept the increased volatility this portfolio may experience as a result of higher allocations to funds investing in small- and mid-cap securities (32%), though its broad diversification is intended to reduce its risk level to below that of the market itself. Equities include all styles of domestic small-, mid- and large-cap funds plus a 20% investment in international equities.

An investment time horizon of five years or more is strongly recommended for investors in this portfolio. That time frame should allow participation in various market cycles and may maximize growth potential.

International investing involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility. Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. Commodities trading is generally considered speculative because of the significant potential for investment loss. Commodities are volatile investments and should only form a small part of a diversified portfolio. Among the factors that could affect the value of the fund's investments in commodities are cyclical economic conditions, sudden political events, and adverse international monetary policies. These portfolios may be subject to international, small-cap and sector focus exposures as well. Please read the accompanying descriptions of these strategies. Markets for precious metals and other commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Diversification does not ensure a profit or protect against a loss.

Chart Your Progress

In addition to monthly brokerage statements, Freedom Account holders receive quarterly performance reports summarizing market activity, contributions and withdrawals from the day you open your account. These reports show your preferred asset allocation and time-weighted portfolio performance data. Annual tax information will be provided on the end-of-year brokerage statement.



With the Freedom Account, there are no traditional commissions. Rather, you pay a quarterly fee based on a percentage of the assets under management.* Freedom Accounts offer you an extra level of comfort knowing that Raymond James and your financial advisor have a vested interest in your success.

This chart is for illustration purposes only and is not intended to imply past or future performance of any portfolio.

Raymond James & Associates, Inc., member New York Stock Exchange/SIPC, and Raymond James Financial Services, Inc., member NASD/SIPC, provide comprehensive investment and financial planning services. Both Raymond James & Associates, Inc. and Raymond James Financial Services, Inc. are wholly owned subsidiaries of Raymond James Financial, Inc., a publicly traded company on the New York Stock Exchange under the symbol RJF.

*All investments are subject to risk. There is no assurance that any investment strategy will be successful. In a fee-based account clients pay a quarterly fee, based on the level of assets in the account, for the services of a financial advisor as part of an advisory relationship. In deciding to pay a fee rather than commissions, clients should understand that the fee may be higher than a commission alternative during periods of lower trading. Advisory fees are in addition to the internal expenses charged by mutual funds and other investment company securities. To the extent that clients intend to hold these securities, the internal expenses should be included when evaluating the costs of a fee-based account. Clients should periodically re-evaluate whether the use of an asset-based fee continues to be appropriate in servicing their needs. These additional considerations, as well as the Freedom fee schedule, are listed more fully in the Client Agreement and the Raymond James & Associate's Schedule H Brochure.

RAYMOND JAMES®
FREEDOM ACCOUNT

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