

FAQs

Investment Management

1. My investments are all over the place.

Can you pull everything together?

A big part of what we do is helping people get organized. Sometimes assets were purchased years ago and individuals don't know whether or not they are locked into those investments. We'll research everything, help you understand what you have and then make appropriate recommendations. Perhaps some investments can't be moved. In that case, we put a system in place to help you monitor them. Sometimes it's best to leave an investment where it is until a better course of action appears. At that time, we'll discuss it with you and let you make the decision. For assets that can and probably should be changed, we'll offer a course of action to improve your holdings.

2. My brother-in-law and a friend of mine do pretty well with online trading. Why should I pay you for something I can do with their help?

It's a part of human nature for people to discuss their successes but subtly omit their failures. That may be the case with your family and acquaintances. We, however, choose to provide actual performance returns going back more than a decade – the great years and the not-so-great ones. The vast majority of online or day traders can't do that. If their performance was measured in the same way that we measure ours, you might

find that they didn't do all that well. With us, you have the benefit of knowing for sure.

3. How much say do I have on the kind of investments that are in my portfolio?

You have complete control in terms of selecting the appropriate asset allocation for your portfolio. At that point, however, you give us discretion to buy and sell assets on your behalf, without obtaining your approval each time. This allows us to make timely investment changes that benefit all of our clients. We always do so within the boundaries of the asset allocation that you have selected, however.

4. Everybody knows that banks are conservative when it comes to investing. How do I know I'll get maximum growth from my investments?

There might have been a time when bank trust departments – now known as wealth management groups – were more conservative, but that time has passed. We will build a portfolio as aggressive or conservative as you want, based on the asset allocation you select. We use sophisticated investment strategies with a goal of maximizing risk-adjusted returns. We are proactive when it comes to managing assets and we monitor our portfolios more closely than many other financial advisors.

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Investment Management (cont.)

5. Everybody tells me that I need to be diversified in my investments. Do you offer more than just stocks, bonds and a mutual fund or two?

Our portfolios may contain all of the above plus more sophisticated securities such as structured notes, preferred stocks, and closed-end funds. We use the same overall investment strategies for all investors, but the implementation method varies, depending on the size of the portfolio. To obtain the proper diversification for smaller portfolios, we use all mutual funds. For larger portfolios, we may use individual stocks and bonds. We agree that diversification is paramount so, depending upon the overall asset allocation selected, most portfolios will have exposure to domestic equities, international equities, emerging and frontier market equities, domestic bonds of all types, international and emerging market bonds, and commodities. When appropriate, we may gain exposure to non-U.S. currencies or add securities whose return is affected by the volatility of the markets.

6. There's always turnover. How do I know that my investments will continue to do well if you lose a key member of your investment team?

Our investment team truly works as a "team." While each member has a specific specialization, they all meet regularly to talk about strategies, the state

of the economy and the markets. The result is that everyone on the team understands the function of all the asset classes in the portfolios and how they work in concert. For instance, our bond expert has a good understanding of what is going on with stocks and how the bonds and the stocks have been selected to work together. This group meets regularly and members stay in touch with one another. If we were to lose one person, another can step in. They do not operate as islands.

7. At times, we've seen our investments take a real hit. When that happens, how do I know I will recover my losses and grow my investments?

You don't. We cannot in good faith make those kinds of promises. We can tell you that the markets are volatile and all investors experience ups and downs. And that, in the past, those who stayed the course were rewarded for their patience.

We can also guarantee you our best efforts, which are backed by an exemplary performance record. We have a history of being able to outperform market returns over the long-term and we have every confidence that tradition will continue.

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Investment Management (cont.)

8. What happens if I don't like the performance of my portfolio?

Our goal is to see to it that our clients receive high-quality personal service and strong investment returns. However, if you feel we have not achieved that goal, you can leave at any time. There are no surrender charges and most everything we invest in is marketable and liquid. We do not charge account closing or transfer fees and we will facilitate the closing process much more quickly than many of our competitors do. It's another example of our business philosophy our client focus.