

Insight
Access
Expertise

While institutions have traditionally followed a disciplined approach to investing, individual investors have been less structured about achieving their goals.

This is changing.

Today, a disciplined process that identifies your unique investment needs and challenges, and then creates and implements a personalized investment plan to meet them is available to you.

Talk to your advisor to determine if separately managed accounts are right for you, or take a few moments now to discover for yourself.

WHAT IS A SEPARATELY MANAGED ACCOUNT?

Separately managed accounts provide access to globally prominent money managers who have traditionally managed the assets of large, prestigious institutions and the nation's wealthiest families. Unlike mutual funds, where your assets are pooled with those of other investors, separately managed accounts provide direct ownership of the securities in your portfolio. This structure provides substantial control, allowing you and your advisor to customize an investment solution that reflects your individual goals and objectives.

COSTS

Separately managed accounts include all services in a fee that is based on a percentage of the value of the account. The fee includes:

▪ Client profiling	▪ Trading and custody
▪ Customized asset allocation	▪ Ongoing portfolio management and rebalancing
▪ Continuous manager due diligence	▪ Investment consulting
▪ Access to Institutional investment managers	▪ Consolidated reporting

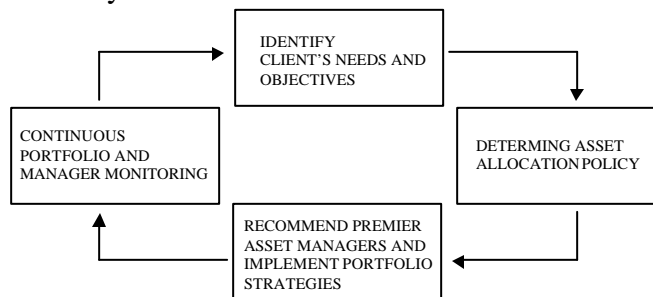
Most fees for separately managed accounts range anywhere from 2% to 3% depending on the size of the account — the larger the account, the lower the overall fees. Under a fee-based structure, your financial advisor and professional money managers share the same goal you do — to steadily grow the value of your portfolio.

Your fee also includes online access to account information and Web-based reporting capabilities, allowing you to continuously monitor your investment portfolio.

Separately managed accounts may not be the appropriate investment vehicle for you. Please consult your financial advisor to evaluate your financial situation. With any investment, there is the possibility that assets will depreciate.

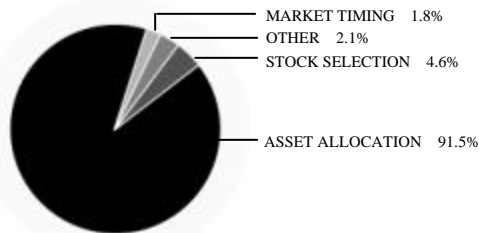
THE PROCESS

Identifying, constructing, and monitoring separately managed portfolios requires significant time, insight and resources. It employs the same disciplined approach that institutional asset managers have used to oversee large endowment and pension funds for decades, and encourages a team approach by the asset manager(s), financial advisor and you.



THE IMPORTANCE OF ASSET ALLOCATION

Asset allocation, or how your investments are diversified among multiple asset classes such as stocks, bonds, and cash, is a critical component of your overall investment plan. The market does not behave in a predictable way. Shifts in sentiment happen quickly so it is extremely important to be appropriately allocated to achieve optimum results. A separately managed portfolio will match your needs to an allocation based on investment return projections and your ability to tolerate volatility.



A landmark study published by Brinson, Singer and Beebower in 1991 (and expanded in 1993) determined that portfolio asset allocation is the most important long-term determinant of investment results. Past performance, stock selection and timing investments in and out of the market were far less influential in achieving long-term results.

Ask your advisor to build you a complimentary investment proposal utilizing separately managed accounts to determine if they are the right investment vehicle for you.

What makes separately managed accounts different from other investment opportunities?

1. GREATER CONTROL

The investment strategies implemented using separately managed accounts can be as individual as you are. Since you own the underlying securities in the portfolio, you and your advisor can customize a solution that suits your unique needs.

2. TAX EFFICIENCY

With a separately managed portfolio, you and your financial advisor have control over when you want to realize capital gains, allowing you to better manage gains and losses.

3. TRULY DIVERSIFIED PORTFOLIOS WITHOUT OVERLAP

Many investors have substantial holdings in one stock – either through company-sponsored retirement programs, stock options or inheritance of a family-owned business. With a separately managed portfolio, you can tailor your investment strategy to avoid further concentration of large holdings.

4. AN INVESTMENT STRATEGY THAT REFLECTS YOUR PERSONAL VALUES

Specific stocks and/or sectors can be excluded from your portfolio at your request.

5. A PORTFOLIO THAT IS CONTINUOUSLY VALUED AND VISIBLE

Separately managed portfolios are tracked in real time, based on the prices of the underlying securities. You will always know which securities you own, unlike with a mutual fund portfolio where holdings are disclosed on a quarterly basis.

