



## PRIVATE INVESTMENT MANAGEMENT

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## The Right Relationship

Choosing someone to help manage your money is an important decision. You want someone who will guide you on your investments and understands your financial goals. That person should be someone you can speak with and who will be there for you with assistance and objective advice.

The Private Investment Management (PIM) program provides you with just this kind of service — and more. The PIM program is designed for investors who are seeking long-term capital appreciation through a diversified portfolio and the top-quality professional services that were once only available to high-net-worth individuals. This program gives you all that through your close, one-to-one relationship with your Investment Professional.

Achieving financial security means growing your assets and protecting what you have built. PIM Portfolio Managers are backed by an array of research analysts who have the skills

and tools to help you achieve your financial goals. The Private Investment Management program is an innovative way to put these resources to work for you. By working with your portfolio manager, you receive the benefits of objective advice and guidance based on your needs, your goals and your investing conditions.

## Personal Guidance

### An Investment Plan Tailored to Your Needs

As the foundation of a long-term investment relationship, your portfolio manager will develop and execute a strategy that is customized for you. Your portfolio manager will be your partner in an ongoing dialogue that is focused on your goals and based on objective advice and trust.

## The Importance of Consulting

### Understanding the Consulting Process

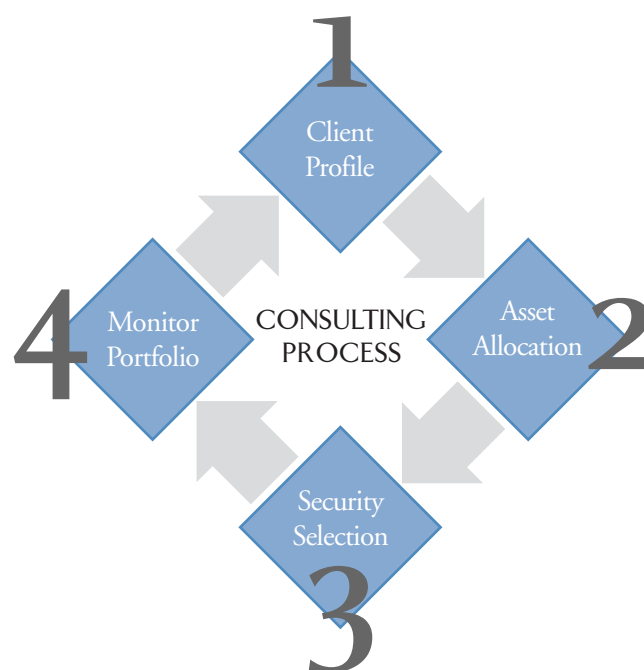
Your portfolio manager will oversee four critical steps in the development of your personal investment plan:

**1. Client Profile.** Your portfolio manager will begin with a comprehensive fact-finding session to develop an understanding of your reasons for investing, the length of time you have to reach your goals, and the level of risk you're willing to assume. That's because a portfolio management strategy is more than seeking the greatest return from your assets. It also requires an understanding of the potential pitfalls along the way, never forgetting the risk/reward tradeoff.

Your portfolio manager will ask specific questions to help you assess your portfolio, but your own questions and concerns are also revealing. So talk to your portfolio manager about the things that are really important to you: the care of an aging parent, college education or wedding plans for your children, or your own retirement. The asset allocation your portfolio manager recommends will reflect your unique needs and specific objectives.

**2. Asset Allocation.\*** Your portfolio manager will calculate the mixture of stocks, bonds and cash equivalents that is right for you. Asset allocation is more than deciding to invest in stocks and bonds. Asset allocation is balancing this mixture with changing market conditions and the level of volatility that matches your risk tolerance.

Determining an asset allocation to fit your needs is an important part of the investment process. Your portfolio manager uses an Investment Philosophy Statement, which should include the client profile dialogue establishing your investment guidelines, portfolio management constraints,



risk tolerance, and investment objectives. The Investment Philosophy Statement will provide a clear written description of the relationship with your portfolio manager.

**3. Security Selection.** Not every stock or bond is right for you. Through a detailed analysis of companies, industries and overall economic conditions, your portfolio manager identifies and selects specific securities for your portfolio. Once your portfolio manager determines an asset allocation suitable for your portfolio, the allocation can be completed by using a variety of securities: cash, equities, bonds, mutual funds, options, exchange-traded funds, and unit trusts — all within one portfolio, eliminating the need for multiple accounts.

**4. Monitor Portfolio.** Because market and economic conditions are ever-changing, your portfolio manager will monitor your investments on an ongoing basis and make changes to your portfolio as necessary. You will receive a comprehensive quarterly report detailing your accounts' performance and meet with your portfolio manager periodically for a formal review.

\* Asset allocation does not eliminate the risk of fluctuating prices and uncertain returns.

## Expertise

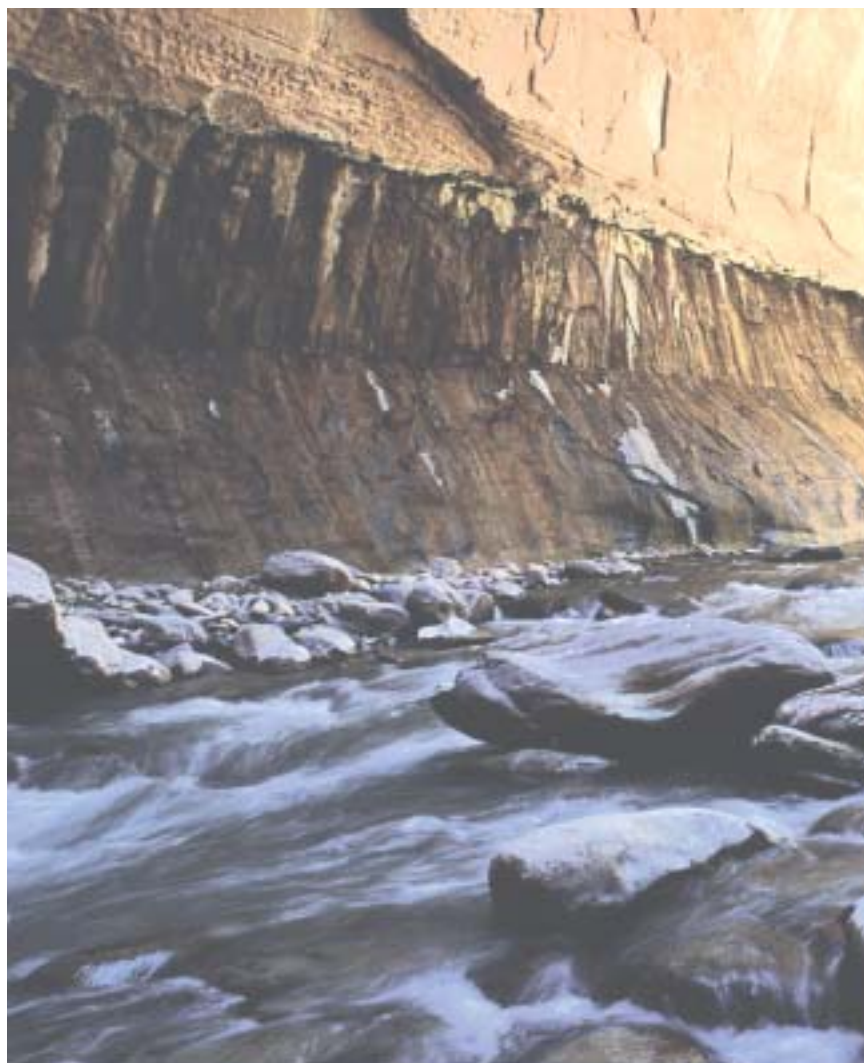
### Personal Service

The Private Investment Management program gives you professional portfolio management and the added benefit of your portfolio manager's personalized service. Your Investment Professional, who has proven through experience his or her ability to manage portfolios, acts as your personal portfolio manager. This gives you the added advantage of having someone who is intimately acquainted with your financial goals and concerns, and with whom you have already established a one-to-one working relationship. In short, you are dealing with someone you know and trust. There is no need to spend your valuable time bringing a portfolio manager "up to speed" on your financial goals.

To ensure that your Investment Professional is qualified for the task, he or she must meet high standards. Before being able to participate in this program, your Investment Professional must have:

- Met our firm's requirement for experience in the securities industry
- Completed our advanced training program
- Passed an examination reflecting some of the industry's most stringent standards

Only a small percentage of our Investment Professionals have met these standards and are eligible to act as PIM Portfolio Managers.



## Experience

### Put Our Experience to Work for You

Investors have been entrusting their investments to our firm for many years. Your portfolio manager draws on a wide array of services and resources to help direct your investments. He or she uses information from our research analysts, as well as other forms of analysis from many different sources.



## Staying Up-to-Date

### Keeping You Informed About Your Portfolio

Your portfolio manager and the Private Investment Management program will keep you well informed about the status of your portfolio and provide you with everything you need to monitor your investments. You will receive:

- Easy and convenient online access to your account information
- Prompt written or electronic confirmation of all transactions in your portfolio during the preceding month
- Quarterly performance reports that detail the value of your portfolio at the beginning and end of the preceding quarter; your net contributions and disbursements; and a comparison of your portfolio's performance to that of appropriate market indexes.

## Value

### The Value of Objective Portfolio Management

Active portfolio management in pursuit of superior performance can involve substantial trading activity. Unlike many portfolio management programs, the Private Investment Management program does not result in substantial commission charges.

Instead of paying traditional commissions based on your trading activity, the fee for your Private Investment Management account is based on the value of the investments in your account. This fee covers all eligible transactions and your portfolio manager's personalized services. Fees are subject to the trade agreement between you and your PIM Portfolio Manager; some transaction costs may still apply. See the disclosure document for a full description. The Private Investment Management program puts personal and professional investment expertise and experience to work for you at a reasonable cost.

You can always be sure that your portfolio manager's guidance is objective, based on your needs only, and linked to your goal of increasing your assets. You and your portfolio manager are truly seated on the same side of the table. You have a common goal: to grow and protect your wealth.

Fees for PIM cover advisory services, performance measurement, transaction costs, custody services and trading. The fees do not cover the fees and expenses of any underlying funds purchased in the account. Fees are based on the assets in the account and are assessed quarterly. Fee-based accounts are not designed for excessively traded or inactive accounts, and may not be suitable for all investors. During periods of lower trading activity, your costs might be lower if our compensation were based on commissions. A minimum annual fee may apply for this program. Please carefully review the advisory disclosure document for a description of our services and information on all fees and expenses. The minimum account size for this program is \$50,000.

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