

Borthwick Associates, Inc.

A STEADY AND BALANCED
APPROACH TO EQUITY INVESTING



WE DO ONE THING, AND WE DO IT WELL

Since 1981 Borthwick Associates has specialized in equity investing. That's because we firmly believe that the best way to build wealth over the long term is through a diversified portfolio of individual stocks and exchange traded funds. History has proven that equities clearly outperform bonds, CD's and real estate over longer periods of time. We focus our efforts on doing one thing well, making your money grow. As a result you won't find us trying to sell you ancillary products such as insurance or annuities.

Unlike some of our competitors, Borthwick Associates does not adhere to the "one-size-fits-all" philosophy. Clients who have similar objectives may share some of our favored core holdings, but each portfolio is personalized based on such variables as start dates, income, cash needs and risk tolerance.

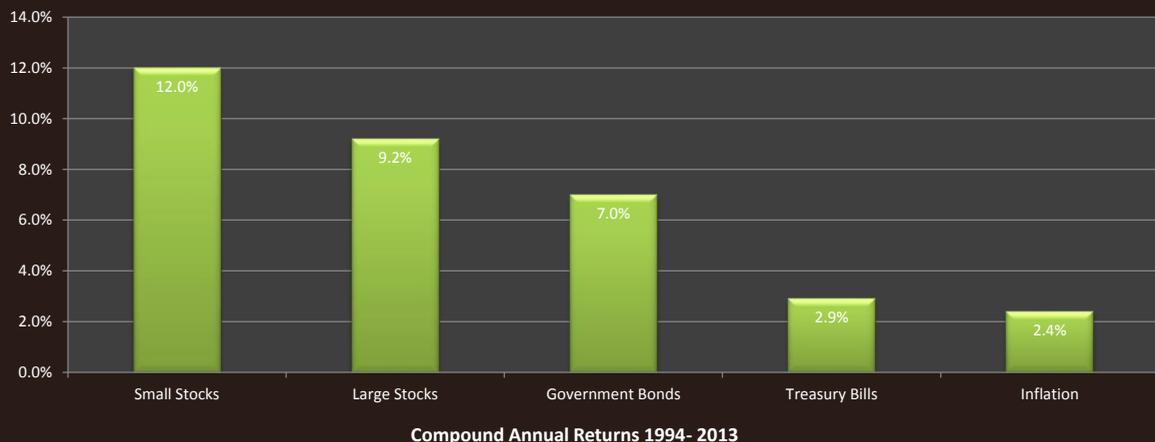


PERSONAL ATTENTION

Clients have trusted Borthwick Associates with their equity portfolios for over three decades.

Patient investors who are willing to stay the course have been well rewarded. With over 20 years of data it is clearly evident that stocks outperform other major asset categories. Additionally, stocks provide the best hedge against inflation.

Long-Term Performance for Stocks and Bonds



THE LONG AND SHORT OF INVESTING

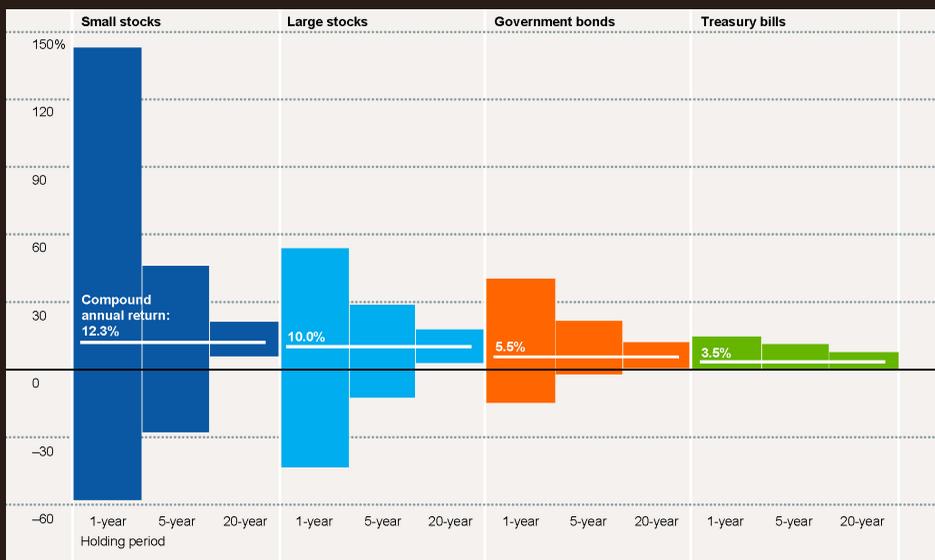
Patience is a virtue when it comes to investing in the stock market. While the market can be volatile over the short term, it has proven to be quite rewarding over the long term. As illustrated in the chart below, adopting a time horizon of five or more years can greatly mitigate market volatility. Those willing to stay the course are generally rewarded.

A professional manager can simplify the investment process and help alleviate many of your fears. Our experienced portfolio managers are readily available to answer all of your questions and keep your investment portfolio on the right track.

IT'S FUNDAMENTAL

Active management is essential in today's rapidly moving markets. Our 24 hour news cycle can often whip equity prices around in the short term, but the steady progression of corporate earnings is what ultimately moves stock prices over the long term.

Borthwick's time tested formula filters through the news of the day and adds some old-fashioned fundamental analysis to the decision making process. Hard analysis and objective thinking allows us to separate the facts from the rumors and identify who the ultimate winners and losers will be.



Reduction of Risk Over Time 1926 - 2013

While market returns fluctuate significantly from year to year, the risk of holding stocks is reduced over longer periods of time.

GROWTH, DIVIDENDS OR A LITTLE OF BOTH

Our Growth and Balanced Portfolios are tailor-made for each investor as they **strive to build and maintain their wealth**. We work with individuals, rollover IRAs, trusts and small corporations. Portfolios are comprised of a combination of small, mid and large cap stocks as well as Exchange Traded Funds (ETFs). Portfolios are built and adjusted as the investor's personal risk tolerance is first determined and then periodically reviewed. The suggested minimum for this product is \$250,000.

Our Dividend Portfolio is the answer for investors looking to **maintain or live off of their accumulated wealth**, as well as those who desire **less volatility**. Portfolios are built and managed based on the yield requirement and tax status of the individual account holder. Income may be reinvested or paid out on a monthly/quarterly basis. The suggested minimum for this product is \$250,000

Our ETF Portfolios focus on sectors. **History tells us that simply being in the right sectors (and avoiding the wrong ones) can greatly enhance performance**. This program creates a portfolio of five or more ETFs. ETFs are baskets of securities that offer investors good diversification with less volatility. Holdings are periodically reviewed and changed when deemed necessary. This product works well for both taxable and non-taxable accounts of \$100,000 or higher.

Our Borthwick Partners Fund focuses on the sweet spot of the market – **mid cap stocks**. It's also a good long term vehicle for parents or grandparents looking to set aside money for their children in trust. We welcome qualified, taxable investors looking to begin a new or first-time relationship with a professional money manager. There is no required minimum for this investment product. Offerings can only be made via a prospectus.



OUR FEE SCHEDULE IS STRAIGHT FORWARD

At Borthwick we believe in transparency. Accounts are charged a percentage of assets under management and are billed on a quarterly basis. You will always know exactly how much you are paying and what your performance is for each and every period. **Our performance results are reported net of management fees**, so what you see is what you keep.

Unlike mutual funds, which often times carry hidden marketing and sales charges, our fee structure is straight forward and easy to understand. We are a fee-only advisor and therefore we do not participate in commissions or sales charges. Add it all up and you will find that our fee structure is competitive with most mutual funds.

Quarterly fees can be deducted directly from your investment account or paid by check.

...AND EASY TO UNDERSTAND

For assets up to \$1 million, you pay 1.25% annually

For assets between \$1 million and \$2 million you pay 1.0%

For assets between \$2 million and \$3 million you pay .75%

For assets above \$3 million you pay .5% annually

The fee for Borthwick Partners Fund is 1.5% annually and is reflected in the current net asset value of the fund each quarter.



OUR CLIENTS

We have been building portfolios tailored to meet the investment objectives of individuals, families and small corporations since 1981. So whether you have a \$10 million trust fund or a \$200,000 401k rollover, our professionals will work closely with you to create a portfolio which is tailored to your individual goals and risk tolerance level.

BORTHWICK ASSOCIATES IS A “REFERRAL-ONLY” ADVISOR

We don't mass-market our services. Most of our new clients come to us through referrals from existing clients and relationships we have developed over many years with accountants and lawyers. Clients engage our service because they either lack the time, desire or ability to self-manage their financial assets.

CLIENT FRIENDLY QUARTERLY REPORTS

The investment world can sometimes be a pretty intimidating place. Our job is to cut through all the noise and tell it to you as we see it. Quarterly client reports are straight forward and easy to understand. Each period you will receive a timely portfolio summary and valuation report which lists all of your current security holdings. A performance summary report will show you how your account has performed for the quarter and since its inception date. Additionally, we provide benchmark comparisons against major market indexes, so you will always know exactly how your portfolio is measuring up.



WE ARE EMPLOYEE OWNED

Borthwick Associates is wholly owned by our two lead portfolio managers, Meg Davidson and Tom Flaig. Clients can take comfort in knowing that they can always speak directly with the portfolio manager who is responsible for overseeing their account. We believe that your assets are too important to discuss with some impersonal customer service representative. We respect the privacy of our clients and can assure you that we do not share any personal information with outside parties.

OUR PRIMARY CUSTODIAN IS FIDELITY INVESTMENTS

Borthwick Associates does not have access to client securities or cash. The safe keeper of the majority of our client assets is Fidelity Investments. **As part of Fidelity's Institutional Wealth Program**, we are able to utilize the vast resources of one of the most respected brokerage firms in the industry. We look forward to showing you how our clients benefit from the safety and low costs afforded by a large company without sacrificing the personal service and one-on-one relationship offered by a small firm like Borthwick.

To set up a personal consultation and have all of your questions answered, please call us at 630-581-5627. Also, please visit our website at www.borthwickassociates.com.





745 McClintock Drive, Suite 227
Burr Ridge, Illinois 60527
630-581-5627

www.borthwickassociates.com