

INVESTMENT MANAGEMENT



Whitnell

connection. comfort. continuity.

Are you comfortable with your investment plan?



Investment Management

Helping Our Clients Navigate Toward Their Desired Investment Goals

The Situation

Over the last several years, the world of investments has become much more complex. Investors have never before had so many choices with so many potential outcomes. The proliferation of information and ideas for investing can sometimes mask the underlying complexities and challenges of being a successful investor.

When new clients come to Whitnell, they often have specific investment goals, some ideas about how to achieve those goals but usually little time. Most of our clients are deeply involved with their families, their careers, their businesses and the charities that drive them passionately forward. Managing their investments is important to them, but not at the top of their priority list.

Many new clients come to us because it has become increasingly difficult to sift through the range of available information and develop a sound long-term strategy. They realize that they don't have an effective plan and don't know how to build one. They struggle to align their investment portfolio with their objectives.

Most of our clients simply don't have the time to become investment managers. They realize that even with Internet tools, this is not enough to make sound investment decisions.

Many people watch investment-oriented television and read articles and then manage their portfolio based on this general advice. But they soon realize this strategy is inadequate and they need advice from investment professionals who understand their unique situation and goals.

Other clients come to us because they've become deeply frustrated.

While they may have set some goals, they've come to realize that their expectations about returns were unrealistic. In other instances, they've recognized that their portfolio structure does not represent the reality of their goals. Because they haven't thoroughly completed the process of setting goals and objectives, their portfolio doesn't match their goals.

This is not made any easier by the popular media. The investing world seems to emphasize short-term results and risks, and this endangers the likelihood that investors will accomplish their goals. We believe it is fair to say that today there is so much information, yet so little knowledge.

Other clients come to us because they've lost confidence in their ability to make good long-term decisions. Far too often, investors do the opposite of what they should do. They buy when they feel good and sell when they shouldn't.

Unfortunately, professional advisors are not immune to the kind of emotions that drive the market generally. Fear and greed are the culprits. Far too many professional investors fear that they may be missing out on the next hot item. Or they get greedy when they should be conservative.

Another way the popular media has made it difficult for investors is by making it seem easy and painless to be a professional investor. This sometimes raises expectations that investment management, as a professional service, should be free or very inexpensive. Some people believe they should not have to pay for investment management and counsel. But wise investors have realized the value of a disciplined and controlled process being managed by a third-party professional.

The right long-term investment plan aligns a client's objectives with a properly structured portfolio. But without this plan, it is nearly impossible to achieve goals.

The Whitnell Investment Management Solution

Whitnell's investment management service aligns our clients' goals for preserving and building their wealth with a structured investment process managed by objective professionals.

We bring a specific discipline to bear in how we build our clients' investment plans and manage their money. We have the controls in place to execute the investment plan.

We know we are not immune to irrational impulses and have learned to control those impulses.

Our investment management service is designed to increase the likelihood that our clients will achieve their investment goals so they can be consistent with their strategic plan.



The Whitnell Investment Management Approach

At Whitnell, we practice a seven-step approach to building and executing our clients' investment plans:

- Discovery
- Identification
- Advisement
- Analysis
- Recommendations
- Implementation
- Ongoing Monitoring

Discovery:

In the discovery phase, we get to know our clients deeply. We ask questions about their relationships and who is important to them. They never fill out a questionnaire. We really want to understand the reasons for the decisions they've made regarding their investment portfolio.

We take the necessary time to gather their investment documents so we have an overview of their entire portfolio. We gather statements from all of their investment accounts to understand their current portfolio. We ask questions about risk and volatility and come to understand why they have made certain decisions in the past.

Identification:

During identification, we help our clients identify their risk and return objectives. We come to understand how they want their wealth to support the ones they love, the lifestyle they want to live and the charities they want to support.

Advisement:

We advise our clients on different approaches and options for portfolio construction and Whitnell's investment philosophy. We discuss return expectations based upon the level of risk taken. We answer all of our client's questions and make sure they understand the reasoning behind our approach.

Analysis:

During analysis, we closely scrutinize their current portfolio for three things:

- How their current portfolio matches up to their goals and objectives.
- Inconsistencies between their stated goals and their current asset allocation.
- Opportunities that will increase the likelihood of achieving goals. This can include new investment opportunities or adjustments to existing investments.

Recommendations:

We present the findings of our analysis to our clients and provide them with a comprehensive investment plan for achieving the goals that matter most to them. We collaborate as a team in final decision-making.

Implementation:

We implement the details of the plan on their behalf. We provide our clients an investment policy statement and manage the investment choices that achieve the asset allocation plan. We also discuss with our clients how often they wish to meet with us and how they will receive regular reports about performance.

Ongoing Monitoring:

We consistently deliver comprehensive reports and check-in with our clients on a pre-defined basis of our clients' choosing. We meet regularly, on an ongoing basis, to review progress against goals. We come to understand what has changed in their financial and personal lives. We modify the investment plan to accommodate changes in their situation.

Clients benefit from our investment committee's thinking. Our investment committee meets on a regular basis to analyze macro economic conditions to take advantage of market opportunities. We are always seeking value-added investment opportunities. Every investment we make is approved and reviewed on an ongoing basis by our investment committee comprised of multiple professional advisors.

The Impact of This Service

One of the greatest impacts of this service is that **our clients finally have a reasoned and realistic investment plan** that aligns their investment objectives and the structure of their portfolio. This integrated approach brings clarity to their overall investment strategy.

Another important impact of this service is access. Because Whitnell is comprised of professional investors with long-standing relationships with a wide-array of financial institutions, **we have access to investment opportunities that most clients could not access on their own.**

We provide each client with a professional perspective on how their asset allocation strategy is currently structured and what changes we would recommend to increase the likelihood of achieving their goals.

They receive a disciplined approach focused on a balanced risk-return strategy.

Each client also receives regular feedback regarding investment performance and how it fits into their strategy. **We coordinate with outside advisors to ensure the details of their investment plan are fully considered** and in alignment with our clients' goals.

The Benefits of This Service

Many of our clients take comfort knowing that the decisions they make are meant to increase the likelihood of being able to live their desired lifestyle in years to come, through retirement.

The unity we help them create between their goals and their investments gives them **greater time to spend on loved ones**, careers and charitable activities.

Our **clients gain a sense of direction**, knowing what to do with the wealth they have accumulated and will realize from their investment returns.

Because the advice we offer is unique to each clients' situation and goals, **they may feel empowered to live life.**

This helps provide **peace of mind**, knowing that the details of their investment portfolio are managed on their behalf.

Whitnell Investment Philosophy

Whitnell is under no obligation to recommend the investment products of any financial institution. This benefits our clients in three important ways.

- First, we do not sell proprietary financial products. This means we have no vested interest in recommending certain financial products over others.
- Second, we are free to align our investment recommendations with our client's interests rather than with the interests of financial institutions. This position is quite different from those organizations in the financial services

industry who often sell their own proprietary products.

- Third, we give our clients access to investments from a wide range of managers across many asset classes. This means we are free to select appropriate investments for our clients based on their unique situation.

In these three important ways, our investment philosophy frees us to make the right investment recommendations for our clients.

About Whitnell

Whitnell is a wealth management organization based in Oak Brook, Illinois. For more than a quarter century we have protected and enhanced the wealth of affluent families, some of whom have been with us for three generations.

It is our mission to provide affluent families with comfort and peace of mind so they can focus their energies on what matters most to them: their families, their businesses and careers and the charitable causes they pursue with passion.

As wealth managers, our primary focus is to provide our clients with a wide range of services designed to reduce life's worries. Through deep and

meaningful conversations, we come to understand each client's unique position in life:

- Who they love.
- What they dream about.
- What they hope for the future.
- What they fear.
- What they want their wealth to do for them and their family.

Then we build a custom plan unique to each client. Over time, we execute that plan with and for our clients. This helps to ensure our clients' wealth is a source of freedom and joy.



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