Northshore Funds Investment Management

A Separately Managed Account program offered exclusively through Halliday Financial

Halliday Financial

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Since 1982, TSA Portfolio Management Inc. (a division of Halliday Financial) has been an expert resource for our clients' varied financial needs. As an independent and diverse financial services firm, TSA Portfolio Management Inc. has become the choice for thousands of individual investors seeking a personalized and meaningful relationship with a wealth advisor.

The Northshore Funds investment program allows for a personalized investment approach that fits your unique financial circumstance. In addition, your investments are diversified across multiple sectors and companies.

What Are Separately Managed Accounts?

Separately Managed Accounts (SMAs) are discretionary managed investment accounts that provide you with a personalized approach to investing, including direct ownership of individual securities, transparency and active investment management.

Northshore Funds Managed Account offers the following:

- A personalized portfolio with direct ownership of individual securities managed by a professional portfolio manager
- Transparency of cost basis and current value of portfolio holdings
- Institutional-quality asset allocation regardless of account size
- A well-diversified portfolio of investments in companies that represent different industries and sectors
- Fee transparency and possible tax deductibility of management fees
- Management fee coverage of all applicable trading expenses
- Professional management and ongoing appraisal of account holdings
- Systematic rebalancing to ensure true asset allocation
- Tax management opportunities that allow you to take advantage of tax gains and losses

Who is a candidate for a Northshore Funds Account?

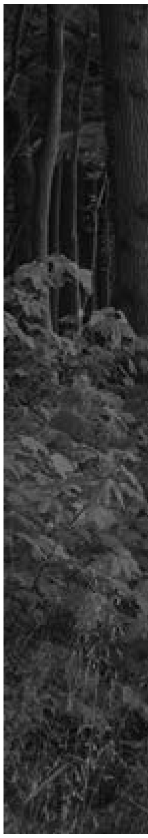
- More experienced investors seeking professional money management similar to that of institutional money managers
- Those with a specific investment style or financial goals that require individual equity management
- Investors that have a large lump sum to invest such as an IRA rollover or inheritance
- Clients who need retirement income and want to potentially grow their account values
- Individuals who may benefit from flexibility in managing tax liability
- If you are a fund of funds or institutional investor, our highly liquid, long-only strategy may be an excellent addition to your current holdings while satisfying an emerging manager mandate

STEP I Identify Goals & Objectives

By answering important questions about your financial life, you and your wealth advisor will uncover the details about your time horizon, your tolerance for risk and the financial objectives you hope to meet with your investments.

You may have a specific goal to achieve, such as accumulating a desired amount by a certain date. You may need income from your investments. You may seek to maximize and protect wealth for successive generations.

Whatever your goals are, your wealth advisor will help you define them and the amount of risk you are willing to accept to achieve them.



STEP II Building Your Portfolio

Your portfolio is carefully constructed based on a determination of which of our asset allocation models most closely matches your objectives. Then, an orderly transition of assets into individual equities and exchange-traded funds is executed.

STEP III Ongoing Portfolio Monitoring & Rebalancing

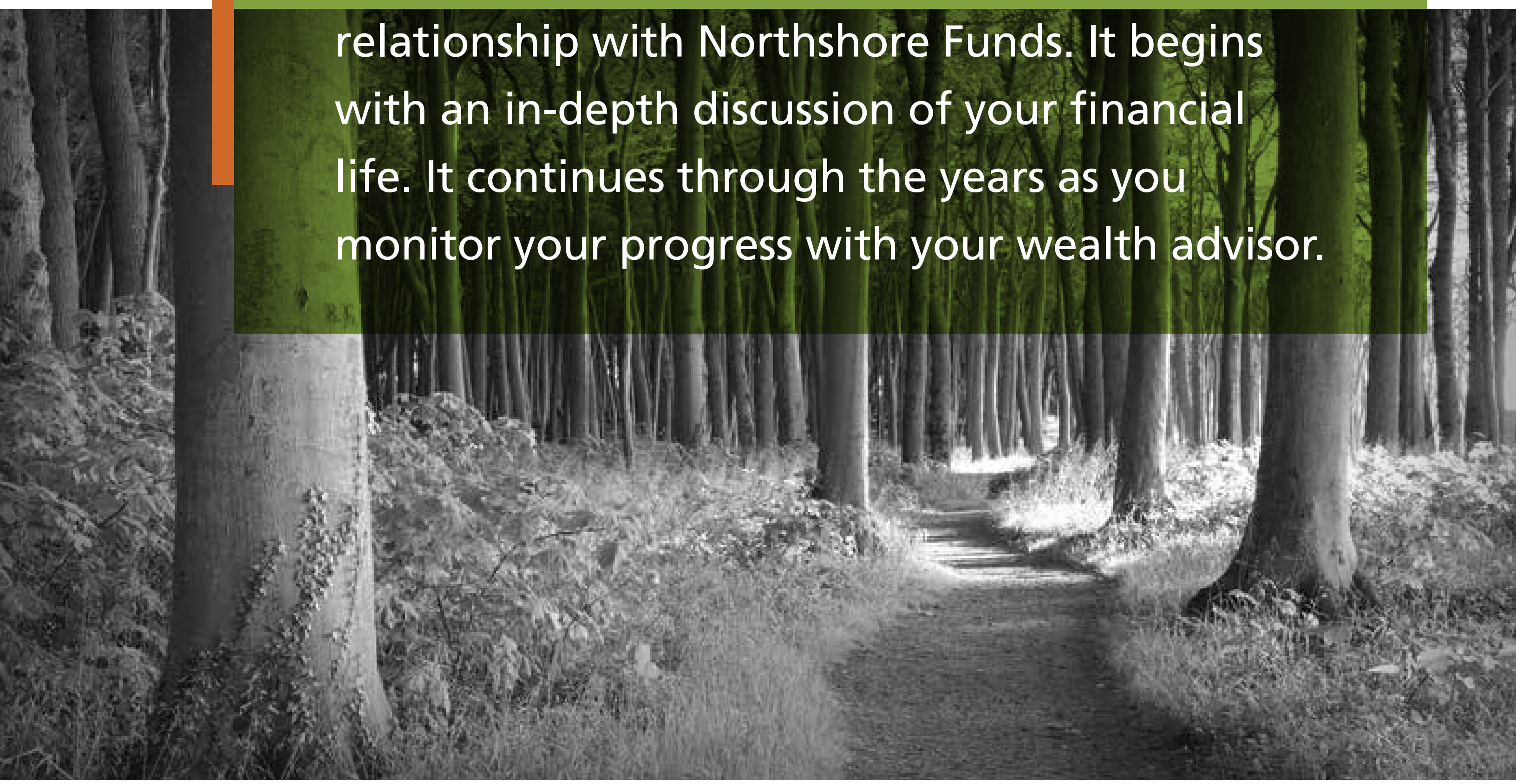
To make sure the portfolio stays on track to meet your stated objectives, Northshore Funds will monitor the individual holdings regularly. The Northshore Funds investment team may make changes in your investments based on market conditions and individual company analysis.

In addition, Northshore Funds believes in the discipline of rebalancing managed portfolios. Periodically, your portfolio holdings will be rebalanced as necessary to maintain the allocation that you and your advisor established. Rebalancing inherently sells securities that have risen in value and buys securities that have declined in value (on a relative basis), making it an effective investment concept.

Other than periodic rebalancing, your investments may change little, often for long periods of time. This is a positive result because it means that the investments originally chosen as part of your account are performing as projected.

Northshore Funds Investment Process

The investment process helps to ensure that you will enjoy the greatest benefit from your relationship with Northshore Funds. It begins with an in-depth discussion of your financial life. It continues through the years as you monitor your progress with your wealth advisor.



Importance of Rebalancing

Over time, the equities and bonds in your portfolio will inevitably shift. Some companies and bonds will perform better than others. A year or even months later, those results may reverse themselves. Your account is periodically rebalanced to help ensure that your holdings, taken together, do not stray too far from your targeted asset allocation and that any one holding does not represent a disproportionately large part of the portfolio.

A systematic rebalancing of assets causes an investor to sell good performers in rising markets while shifting assets to underappreciated sectors. Very rarely will equity and fixed-income markets rise or fall in tandem.

Northshore Funds Investment Approach

While many factors go into the selections of securities to be held in the Northshore Funds SMA, the investment management team is drawn to simple concepts that have stood the test of time.

Equity Approach

When selecting stocks to include in Northshore Funds portfolios, the managers look for larger, well-established equities with strong dividend yields. A stock is even more attractive if it has a history of increasing dividends and is trading at a discount to its market value or to equity markets. In addition, Northshore Funds will look for companies with generous cash flow.

Fixed-Income Approach

Depending on the account size, fixed-income investments may consist of bond exchange traded funds (ETF) or individual bonds (for accounts in excess of $1 million). Fixed-income investments will typically be investment grade or better. Northshore Funds philosophy is that risk should be taken in the equity market, not in fixed-income allocation.

Understanding Fees

In exchange for the benefits you enjoy with Northshore Funds, a quarterly management fee will be collected.

This fee is charged directly to your account and may be income tax deductible.* It covers all trading costs, associated tax basis tracking and portfolio performance.

Accounts under $1 million are charged a maximum annual management fee (paid quarterly). Accounts between $1 million and $5 million are charged a 1.3% maximum annual management fee (paid quarterly). For accounts above $5 million, fees may be negotiated.

*Please consult with your tax preparer or advisor with regard to the deductibility of this management fee. Clients that already use Halliday Financial tax preparation services can receive deductibility information from their Halliday Financial advisor. All others must seek tax advice independently.

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Historical performance results for investment indexes and/or categories generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, the incurrence of which would have the effect of decreasing historical performance results.

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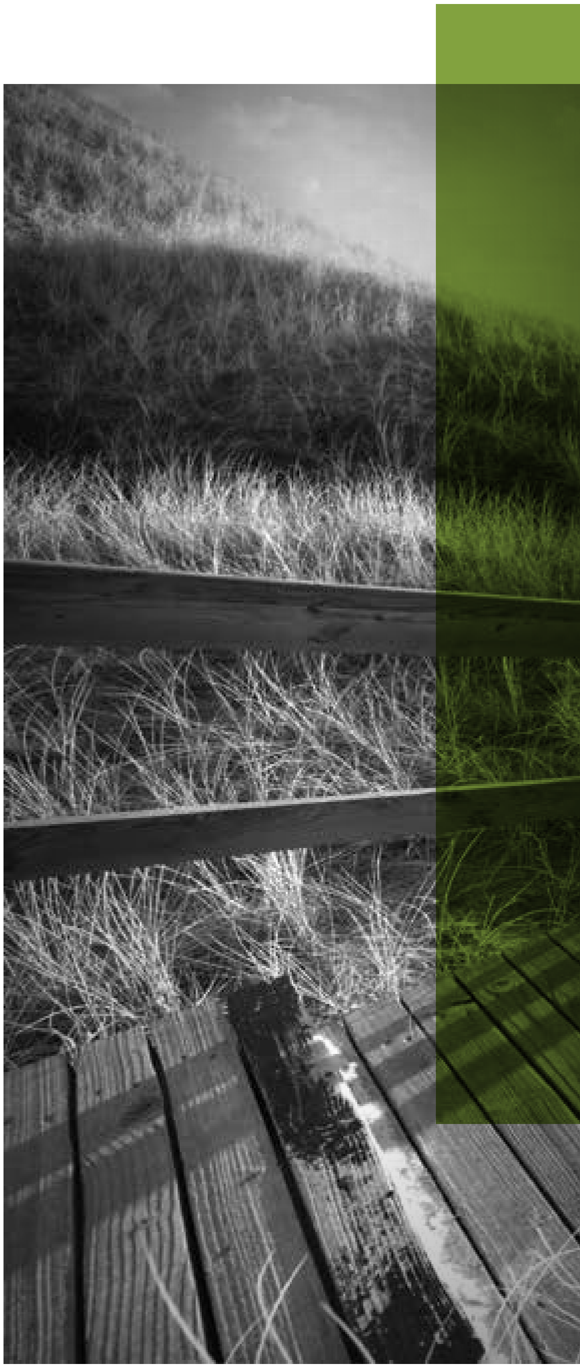
Portfolios that invest in fixed-income securities are subject to several general risks, including interest rate risk, credit risk and market risk, which could reduce the yield that an investor receives from his/her portfolio. These risks may occur from fluctuations in interest rates, a change to an issuer's individual situation or industry, or events in the financial markets. If sold prior to maturity, fixed-income securities are subject to gains/losses based on the level of interest rates, market conditions and the credit quality of the issuer.



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