



A family business for the business of families.



*“We know we have
to start saving
for college now.
But how?”*



Life is easy. It's planning that's hard.

Building your family is a long and wonderful journey, but the financial aspects can be intimidating. As a young couple, you know it's important to start saving early, but hard to justify taking anything out of that starter salary. In the heart of your working years, when you're at your very busiest running a business and household, you suddenly need to understand a million new details about taxes and insurance, college funds and retirement accounts. And as the years roll on, and your focus shifts to inheritance, healthcare, retirement, and the financial legacy you'll leave

your children, there's a constant background level of stress, as you wonder whether or not you're doing it right.

Of course you know you don't have to go it alone, but it's hard to know whom to trust with your family's fortunes. And there sure is a lot of noise out there: Analysts, portfolio managers, and pundits flood the airwaves and the Internet with an endless flow of ideas and commentary. The infamous 24/7 news cycle only seems to encourage extremely short-term thinking—a risky mindset where trying to make outsized returns now,

now, NOW can overshadow the long term financial security of your family.

It doesn't have to be that way. A sound long-term portfolio strategy is about much more than maximizing annual returns. The normal costs of running a family, like mortgages, college tuition, and insurance aren't drains on your portfolio—they're the reason it exists. Great investment advice is only part of the picture: You need investment and family financial planning to work seamlessly together.

You need a solid, well-informed plan tailored to your life.

Time to rise to the challenge.

“We’re in the middle of our working years—and working really hard. How do we know we’re doing the right things to retire in comfort?”

To build that plan, you need a partner with a long history of dealing with issues like these for families like yours. A partner who can help you not just maximize returns, but maximize opportunity, minimize stress, and build confidence for you and your loved ones by giving you a clearer picture of what to expect at each stage of your life.

A partner who can tailor a strategy that prepares you for all those family costs you know are coming, and helps you avoid making costly portfolio mistakes.

A partner who can balance risk and reward to your comfort level along the way, so you can coast into retirement knowing you did it right.





Financial planning is forever.

At McRae Capital, we've always believed that successful investing is about planning for the future—not merely reacting to the present. Moving investments around every time something happens in the news or the stock market moves up or down is a recipe for stress. That's not how you get to confidence and security.

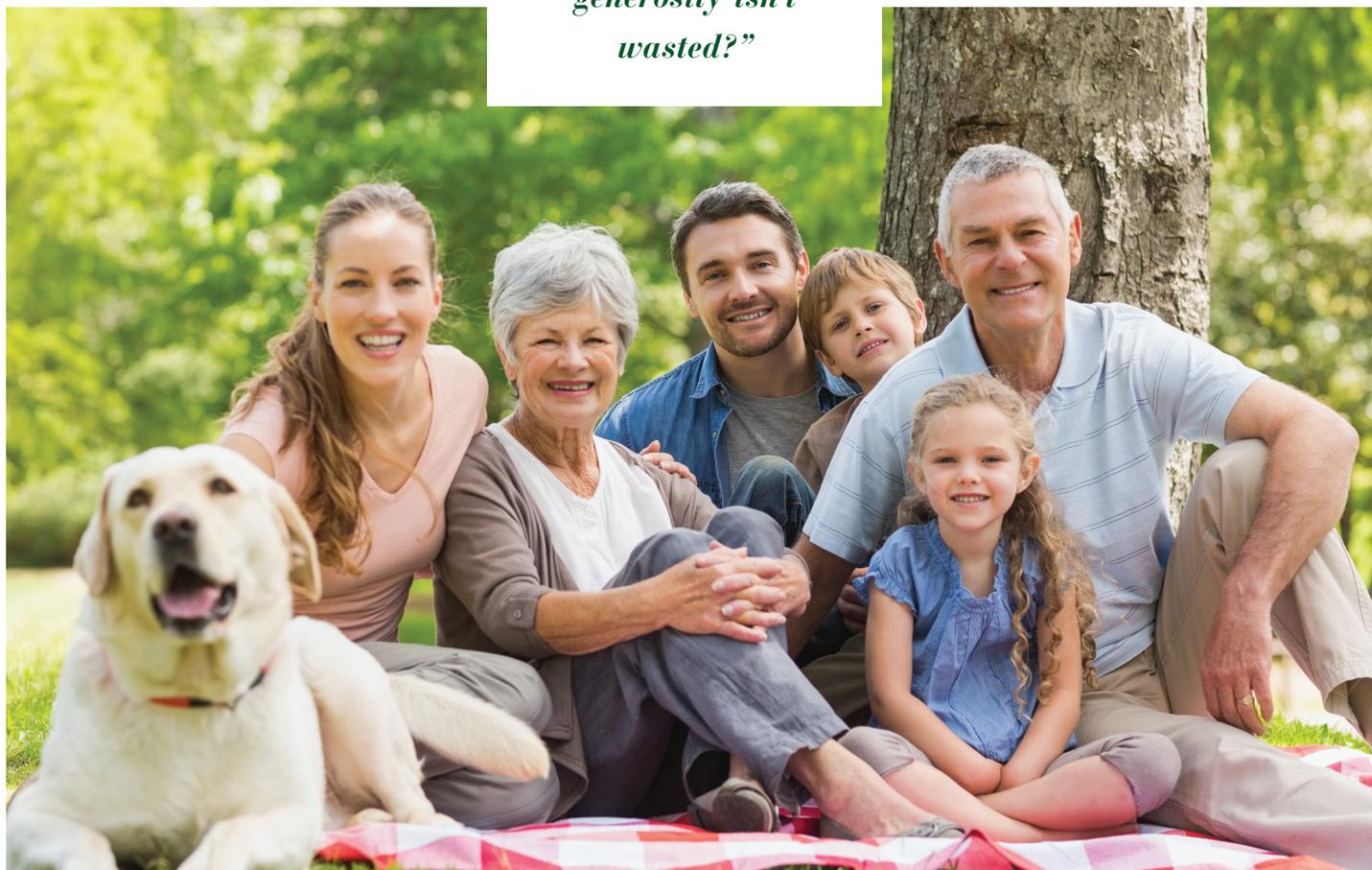
Our approach starts with taking a step back and looking at the big picture with you. Our clients often find that their life paths, while specific to them, share some common stepping stones—

similar lifetime events worth thinking about and planning for. Events like marriage, inheritance, philanthropy, retirement, and sending kids to college. Incorporating prudent planning for these future events is about maximizing returns while keeping

long-term goals—life goals—top of mind at every stage.

We believe investors who concentrate solely on short-term results are making a mistake. If you're interested in investing thoughtfully, with an eye toward making sure money's available when you need it for all of life's wonderful (and expensive!) moments, if you're interested in bringing your investments and your family financial planning together in one efficient overall strategy, read on to find out more.

“Mom and Dad saved hard to help our kids. How can we make sure their generosity isn't wasted?”





McRae Capital Management has been helping families like yours for 40+ years.

We'd love to show you what smart, thoughtful investing can do for your family. At McRae we know that life is long, and full of expensive realities. Our approach to portfolio management maximizes long-term value while preparing you, at every stage, for the costs the real world extracts along the way. We are seasoned investment professionals with a specific focus on guiding families—our clients know they can pick up the phone and call us at any time. That's the McRae way.



“No matter how many clients we have, each one deserves personalized attention. And they're going to get it.”

—Peter McRae



Sang Sporer, Bill Keefe, Heather Nemeth, Rod McRae, Lydia Wasik, Lotta Wahl-Kattner. Seated: Roddy McRae, Peter McRae.

Who We Are

Rod McRae founded McRae Capital Management, in 1981, as an independent registered investment adviser to provide investment advice for families, private foundations, and company retirement plans. His vision: A registered investment counsel firm whose objectives would be in total accord with those of its clients. Compensation would come solely through an annual fee based on a percentage of the assets under management, and the emphasis would be on personal service, with all accounts handled on an individual basis.

McRae Capital Management has grown much in the decades since Rod McRae outlined this idea, and we now provide services for hundreds of individuals and families. But over all that time, we have never wavered from Rod's core values. Meet the McRae team that's on call to help you every day.

Roderick McRae III, Managing Partner
CFA, CFP® joined McRae in 1996, leaving

Morgan Stanley in New York where he was responsible for large institutional accounts in the New Jersey / Connecticut area. He began his career trading fixed income derivative securities at the Bank of New York after graduating with honors with a degree in electrical engineering from Brown University. Roddy also holds an MBA from Duke University's Fuqua School of Business. Roddy served as Green Chairman at Baltusrol Golf Club and served on the Executive Committee for the 2016 PGA Championship. He currently serves as Vice President of the New Jersey State Golf Association and is slated to be President of the organization in 2024.

"I felt that with the right team I could build something that would last, and that is turning out to be the case."

—Rod McRae

Peter McRae CFP®, Managing Partner

Peter has a background in both the corporate and investment worlds. He started his career in corporate finance with Lucent Technologies, including an assignment in the Netherlands in which he worked extensively with teams from Europe, the Middle East, and Asia. He then joined Merrill Lynch as an equity analyst. At Merrill Lynch he developed strong research skills by teaming with the number one ranked utility industry analyst. Peter is a graduate of the University of Vermont, has an MBA from Columbia University and is a Certified Financial Planner™. Outside of work, Peter volunteers as a mentor with Big Brothers, Big Sisters of Essex, Hudson, and Union Counties. He also volunteers as a member of the Investment Subcommittee for the Foundation for Morristown Medical Center, and as a trustee of the Harding Land Trust.

Bill Keefe, Managing Director, CPA

Before joining McRae in 2016, Bill spent eight years as Senior Portfolio Manager at TSP Capital Management in Summit, N.J. He entered the Investment Advisory profession following a successful 25-year career in the banking industry, where he served as Executive Vice President and Chief Financial Officer for Morristown-based First Morris Bank & Trust Co, and was Senior Vice President and Treasurer for United Trust Bank. Bill also served as director to Somerset Hills Bancorp, located in Bernardsville, New Jersey. Bill graduated from Fairleigh Dickenson University and joined the board of Old Point Financial Corp. in 2016.

Heather Nemeth, Vice President, joined the McRae team in 2015 and is responsible for the administrative team. She focuses on operational efficiencies and the streamlining of internal processes, as well as client service. Before joining McRae, Heather spent 10 years as an Assistant Manager at TD Bank. In her leisure time, Heather enjoys traveling, kickboxing, and being outdoors, especially hiking in the Adirondack Mountains of New York State.

Sang Sporer, Investment Analyst

Sang Sporer joined McRae Capital Management in 2020, following a career break to raise her children. She has extensive experience in financial analysis, working as a bank credit analyst at Donaldson, Lufkin & Jenrette and as an economic and fixed income analyst at Credit Suisse. Sang graduated with honors in economics from Barnard College and received an MBA from NYU's Stern School of Business. She lives in Morristown, NJ with her husband Fred and two dogs Ellie and JimBob. Sang enjoys running, playing tennis/paddle/pickleball and listening to podcasts.

Lydia Wasik, Account Administrator,

joined McRae Capital in 2004. Lydia services our clients by reviewing transactions in our clients' accounts daily, and performs other tasks as needed including account openings, transfers, trading, and assisting clients with their needs. She also assists management in compiling various reports for internal and external purposes. She graduated from Rutgers University with a B.A. in economics and a concentration in finance. Prior to joining McRae, she worked at Bankers Trust Company in the Global Securities Services division for 20 years. Lydia lives in Little Falls, NJ with her husband, Peter, and they have one daughter, Stephanie. Lydia enjoys traveling, reading, and spending time with family and friends.

Lotta Wahl-Kattner, Account

Administrator Lotta joined the McRae family in July 2021 after spending over 20 years with Morgan Stanley and predecessor firms. She began her career in 1998 with Salomon Smith Barney, where she progressed through various roles in operations compliance, client service, and branch management. Lotta assists our company and clients with a variety of needs including trading, new account opening, transfers,

account reconciliation, and general account services. Lotta was born and raised in Sweden, where she attended two years of college before moving to the United States and obtaining a degree in Business Administration. Lotta and her husband Tom, a self-employed landscape contractor, have been married for over 25 years and live in Hardyston Township, New Jersey. They have a teenage daughter, Sofia, who is active playing soccer, skiing, and swimming competitively on the Sussex County YMCA swim team. Lotta enjoys traveling, especially to Sweden, to spend time with family and friends.

Rod McRae, President Emeritus, CFA,

founded McRae Capital Management in 1981, after previously co-founding Cheswick, McRae & Gillespie, Inc in 1970. He began his career as a security analyst with Irving Trust Company and then joined Glore Forgan Staats as an account manager and officer. He is a Chartered Financial Analyst and a graduate of Trinity College and holds an MBA from Columbia University's Graduate School of Business. Rod also served as the President of Baltusrol Golf Club. Rod is currently retired and enjoying the warmth of Florida during the winter months.



“People with portfolios to manage proceed through a fairly predictable—and manageable—series of life stages.”

—Roddy McRae



Our Investment Philosophy

At McRae Capital, we believe financial success is achieved through steady progress over time. We invest in quality companies with strong leadership, and position our clients to benefit from major economic trends and business themes that may take many years to play out. There are cyclical market downturns and corrections, but as a rule, good companies do better than weak ones when economic conditions slow, because they have the financial resources and superior management

to weather the storm and come out even stronger.

Media coverage of financial markets has exploded, and even the smallest minutiae and bits of company news are treated as earth-shattering events. But the fortunes of sound, well-managed companies don't change overnight. Investors considering a 'playing the market' solution leave themselves open not just to the whims of market fluctuations but to excessive commission costs and the short-term capital

gains taxes they'll have to pay if they do come out ahead. Most investors have long-term goals, and are better off playing a longer game.

The value of a balanced portfolio is well-known; it provides stability during volatile market conditions. What's less well-known is that your portfolio balance should change over time, and needs to be managed on an ongoing basis. Most younger investors benefit from investing in common stocks to maximize growth. Older investors normally "conservatize"



“We believe financial success is achieved through steady progress over time.”

—Bill Keefe

their portfolios, but slowly, so the purchasing power they’re trying to protect will not be gradually eroded. If you have long-term goals, our philosophy is to take a long-term approach, with a balanced portfolio carefully managed over time.

McRae Capital Management is a Registered Investment Adviser. We specialize in individual portfolio management and we receive no commission income. We don’t hold any client’s assets—they’re held by an independent, third-party custodian.

McRae is a place where relationships are valued above all else. What we offer is investment advice and counsel based on each client’s specific circumstances, needs and goals. We have no hidden costs quietly deducted from your assets. Our sole compensation is a percentage of the assets we manage, a fee structure that aligns our interests 100% with the interests of our clients. And there’s no separate charge for financial planning—that’s included.

When you invest in a mutual fund with one of the big firms, the “Wealth Manager” who signs you up may be managing hundreds or thousands of

clients like you. Normally this person isn’t the one making the investment decisions—you never get to talk to THAT person. Your money has been pooled with that of many other investors, a large group bound by the same investment decisions.

At McRae, client funds are not commingled, and each account is custom-designed. Our clients enjoy continual direct contact with the same individuals who actually make the investment decisions building their portfolios. If you call McRae Capital

Management during business hours, you won’t be sent to voicemail or detained in an endless loop of push-button phone tree options—you’ll speak to an actual person. You can sit down and talk with us at any time, over the phone, through email, in person, or whatever suits you. You never give up control—you know what you own and can see it clearly at all times. If you have questions or concerns, your voice is heard and you’re taken seriously.

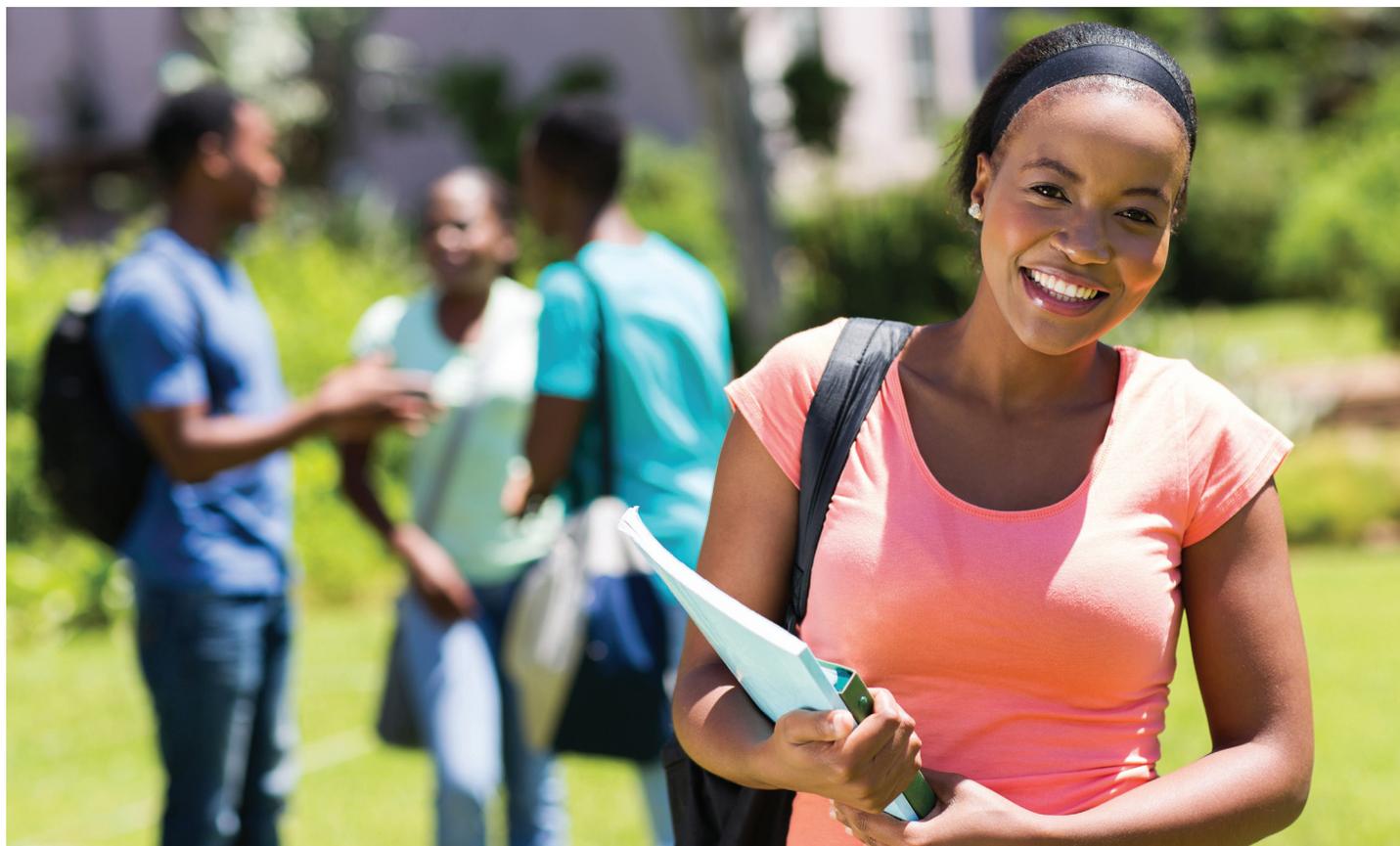
The bottom line: McRae Capital Management offers professional market wisdom and decades of experience managing the portfolios of people and families with needs and concerns just like yours, and those managers genuinely welcome the opportunity to actually speak with you and understand the specifics of your situation.

We think that makes a big difference.



“Managing a significant amount of money is a challenge for most people. A partner can help you develop a long-term plan that works.”

—Sang Sporer



Financial Planning for Lifetime Success

In our experience, people with money to invest proceed through a fairly typical series of life stages. Each stage has its own new costs, its own planning challenges, and specific strategies to help you avoid costly mistakes.

Let's start with **college**. Though not working full-time, and possibly living on your parents' dime, you still face long-term financial considerations at this stage, like establishing credit, setting up a bank account, and learning to budget. It's important to get these early steps right; building good money management habits early can be a big

head start on the road to success.

A **first job** is another example of a life stage with unique challenges. For young people, this is often their first experience with insurance, with renting an apartment, and with taking saving money seriously. You may need help setting up a 401(k) the right way, figuring out your taxes, and paying attention to maintaining a good credit score that will keep loan costs low for a lifetime.

The life stage called **marriage** can get complicated quickly, from a financial perspective. In the whirlwind of wedding details it can be easy to miss some very

important changes that need addressing. As you and your spouse merge, what happens to your assets? Your tax situation? Your housing arrangement? How will you plan if there's an **inheritance**? This is also the right time to start thinking about a will and "end of life" plans, because life can be unpredictable. In fact, marriage sometimes ends in **divorce**, which can add significant financial complications at a very emotional time.

Having children is a joy...that brings a host of new complications and concerns, both immediate (new deductions at tax time) and long-term (setting up college

funds, adjusting your will, and planning eventual wealth distributions).

Similarly, **retirement** will introduce new issues, like figuring out the right time to begin collecting Social Security, IRA distributions, and other retirement benefits. You may want to downsize a home and otherwise limit your cost of living, switch from health insurance to Medicare, and/or establish living wills, and so on.

Making smart investment choices is critical. But that's only the beginning of the financial planning service we provide.

Finally, estate and end-of-life planning can lay the groundwork for a graceful—and fiscally responsible—exit. **Estate planning** makes sure your lifetime of hard work pays off, and that the bulk of your estate gets into the hands of your loved ones. **Charitable giving** is important to many people, and **philanthropy** should be considered across life stages but especially here. **End-of-life planning** ensures that the costs associated with your passing don't unduly burden your family.

Basically, a lifetime is full of valid financial questions and concerns, all of which deserve good professional advice to protect your portfolio and your loved ones. Fortunately, McRae's financial advisers have spent their entire professional lives guiding clients through all these stages and more. And nothing builds confidence like having seasoned pros in your corner, every step of the way.

Life's Complicated

A few of the many concerns worth discussing at each life stage.

BIRTH



With careful, professional planning, each of life's stages (in any order) can be joyfully appreciated, not dreaded as a new source of stress.

COLLEGE



- Living on your own
- Learning to budget
- Starting a bank account
- Buying a first car

FIRST JOB



- Understanding first paycheck
- Paying rent and bills
- Starting a 401(k)
- Buying health insurance

MARRIAGE



- Paying for wedding
- Commingling assets
- Changing tax status
- Crafting will/living will

HAVING CHILDREN



- Updating a will
- Expanding insurance
- Saving for college
- Budgeting for a new family

RETIREMENT



- Living off your assets
- Reviewing investments
- Controlling expenses
- Downsizing a home

ESTATE PLANNING



- Updating wills
- Setting up trusts
- Gifting to relatives
- Reviewing investments

END-OF-LIFE PLANNING



- Updating your living wills
- Updating healthcare representatives
- Paying for long-term care



Questions? You're not alone.

What is an Investment Adviser?

An Investment Adviser is an independent firm that provides professional and objective advice to clients for a fee. Most Investment Advisers are regulated by the U.S. Securities and Exchange Commission and are subject to its audits.

Who is a typical McRae client?

Mostly individuals and their families, profit sharing plans, 401(k) plans, foundations and nonprofit organizations.

How is my account set up?

The assets in your account—such as securities and cash—are held at an independent third-party brokerage firm or a

bank. We can recommend a custodian if you need one. It is important to note that your assets are always held in your name. McRae Capital Management never takes physical possession of a client's assets.

What if I have numerous accounts?

Most of our clients have more than one account, including personal accounts, traditional IRAs, 401(k) and 403(b) plans, 529 plans, family trusts, and charitable foundations, to name a few. Different accounts have different tax and estate planning ramifications. We take all of these factors into consideration and will manage all of your accounts on a combined basis to help you achieve your goals.

What are your investment strategies?

Our strategy is based on long-term investing in equities of high quality companies, U.S. government bonds, high grade corporate bonds and tax-free municipal bonds. We believe in investing in liquid assets and work to minimize taxes.

How do you decide asset allocation?

We determine the asset allocation based on numerous conversations with you, the client. Allocation is based on age, investment time horizon, income requirements, risk tolerance, and what you foresee happening in your life. It is also

very common to see a client's asset allocation change over time as his or her life changes. We have accounts that are all stock, some that are all bonds, and many that have a balance of stocks and bonds.

But what about brokerage commissions?

The client also pays brokerage commissions when we buy and sell. We have relationships with brokers with whom we have negotiated favorable commission rates.

To what metrics do you compare your results?

We track our results against the goals we set with each client. After many client consultations, we develop a portfolio that we believe best suits client needs. We then compare our results to that expectation.

Can I withdraw money from my account for living expenses?

Many of our clients live off their accounts. A client can have money electronically transferred from his or her brokerage account to their bank account on a periodic or one-time basis.

Do you offer financial planning?

We believe very strongly that your tax, legal and investment advisers should be independent of one another. We think there can be serious conflicts of interest if someone is being paid to give legal or accounting advice while also being paid a commission to sell products such as insurance or mutual funds. At the same

time, we also believe that investment decisions should be made within the context of our clients' overall financial situation and lifetime goals. Thus, we are qualified to provide planning services and we work closely with our clients' accountants and lawyers to develop an investment plan that is the most tax effective for them.

What additional fees are charged for financial planning services?

We spend a lot of time talking to our clients about financial planning issues, whether it's helping them develop retirement plans, setting up funding for college, establishing estates and managing inheritances, and many other challenges. At McRae, we feel that our financial planning expertise is an integral part of our investment product, and that's why there are no additional charges for financial planning services—everything is covered under your management fee.

How do you differ from a mutual fund?

McRae does not pool clients' assets, so your investments are not affected by the needs of other people. We tailor each portfolio to meet that client's individual needs, especially as it pertains to risk tolerance and individual tax situations.

If a client wanted to end the relationship, what would he or she need to do?

Each new client signs a contract with us. However, a client can cancel this contract

at any time and will be refunded any fees due the client at the time of termination. Since the client's account is held at an independent third-party broker, the client has immediate access to his or her account. Moreover, there are no termination fees or deferred charges.

Do you send quarterly, monthly or yearly reports?

McRae sends quarterly statements to clients, and your custodian will send reports monthly. Unlike many brokerage statements, our package includes performance reports. Performance reports will track the account since its inception at McRae. This allows the client to track the account versus the personal account goals discussed between the client and McRae.

Do you own the same stocks as your clients?

Yes, for the most part our investment managers own the same stocks as our clients. At McRae, we feel it is important that we share in the risk and reward of our investment decisions. However, we have developed strict guidelines on how an employee at McRae can trade in certain stocks; these guidelines are meant to ensure that clients' interests always come before ours.

If you have a question not answered here, feel free to give us a call at (973) 387-1080.



When you're ready to take the next step.

Life may not always be easy, but starting early with a holistic approach to investing and financial planning can smooth even the roughest patches. The first step is committing to a lifetime of thoughtful planning. The second step is to get some experience in your corner. Investing is complicated, with unexpected pitfalls and shifting regulations.

You really don't have to go it alone. Nothing builds confidence like working with an experienced financial partner

who understands the details of long-term investing inside and out, and whose advisers are themselves living through some of the same life challenges you're facing.

A partner whose compensation is a direct function of how well your investments perform...no hidden fees or churn charges. Who doesn't chase this year's "quick buck" returns at the expense of long term security. Who knows how to make sure you don't

spend more for college or on taxes than you have to, that parental gifts and inheritances are realized in full, that your portfolio is appropriately balanced for every life stage.

For many families like yours, McRae Capital Management is the solution. A family business for the business of family. When you're ready to explore the next step, give us a call...

It's as simple as that.

McRae Capital Management: Decades of investment expertise delivered with a personal touch.

Whether you have general portfolio management questions or specific concerns—about planning for college or retirement, marriage or divorce, an unexpected inheritance, or anything

else—McRae Capital Management is here to help. Call us anytime and we'll see what we can do to put you on the path to a lifetime of confidence and security.

**To set up a meeting or just find out more,
call us at (973) 387-1080.**



Or find us on the web, at www.mcraecapital.com, or on Facebook or LinkedIn.

McRAE



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