CANTON HATHAWAY
PALM BEACH • PROVIDENCE

BUILDING UPON LEGACIES, PRESERVING FOR GENERATIONS.

CAPITAL PRESERVATIC

A laddered portfolio of bonds held in separately managed accounts, not comingled.

TACTICAL RISK MANAGEMEN

Macro/Sector Strategies utilizing Low cost ETFs.

CAPITAL APPRECIATION

Equity Portfolio for long term growth.*

Canton Hathaway is a boutique SEC Registered Investment Advisor built to manage the generational wealth of the Chace and Procaccianti families.

Building, growing and protecting, our Firm's unique name serves as the backdrop and tribute to our proud lineage. 'CANTON' is derived from the first real estate investment firm established by Jim's parents, Armand & Eve Procaccianti, and 'HATHAWAY' stems from the legendary global company whose origins trace back to the early 1800's and four generations of the Chace Family.

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The unique team is dedicated to this great responsibility and extends this service to a select group of like-minded families.

The simple mission to be aligned, conflict free and steadfast in the risk management of assets that are entrusted to us.

We believe a rules-based, disciplined approach is essential to being good fiduciaries, and is evident in all aspects of our process.

WHY JOIN US

Trusted, aligned team with over 110 years of collective investment experience.

The partners of the firm are invested in the same strategies and securities as clients.

As a boutique investment firm, clients are given full access to portfolio managers, partners and all resources of the firm.

Disciplined, model-based investment management process.

Hyper focused on cost, utilizing only the lowest cost investment products and structures.

Full transparency with detailed performance and risk reporting.

Access to alternative investments.

THE EDGE

Our proprietary models are time tested across multiple cycles. Our head of equity research, Ken Goodreau, employed these strategies with great success during his tenure as CIO of the $8 billion RI employees' pension fund.

Portfolios are customized for each individual client, per their investment policy statement, however risk management rules apply to everyone. Risk management is paramount to capital preservation so when our models signal to reduce risk, we reduce risk for everyone.

As a boutique investment firm, we strive to deliver the highest level of service to our select group of clients. While investment management is our core competency, we work closely with our client's other financial professionals to optimize their asset allocation.

ALLOCATION / STRATEGY

We listen to the message coming from the building blocks of the economy.

Sectors and Industries give us signals to add or reduce exposure.

If a sector is green, we want exposure. The positive signal also allows us to seek satellite positions in specific industries. If the sector is Red we will not look for a good house in a bad neighborhood and the allocation will default to short term bonds.

For example, if the Healthcare sector is green we will get exposure to the broad group. This signal also allows us to look for satellite positions in industries such as Biotech for example. These industries also need to be registering green and will be smaller positions.

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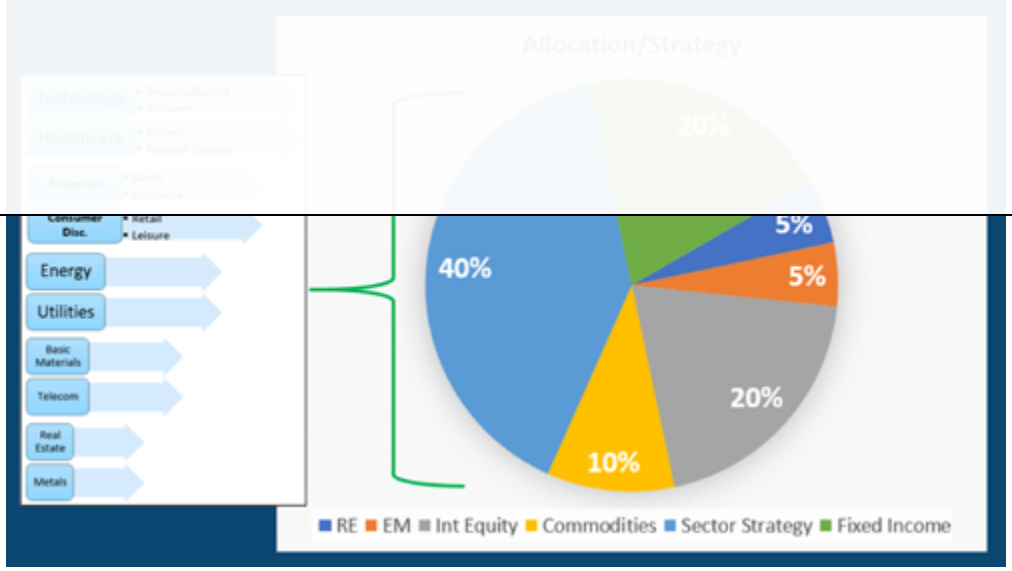

OUR GOAL: WINNING WITHOUT LOSING

How? Manage risk by using principles.

Markets do trend over the long term • Every major market correction and economic recession has been led by industry deterioration.

By listening to the message of the sector components of the market, we can better manage risk and opportunity.

History doesn't repeat itself, but it does tend to rhyme.

TIMING IS EVERYTHING

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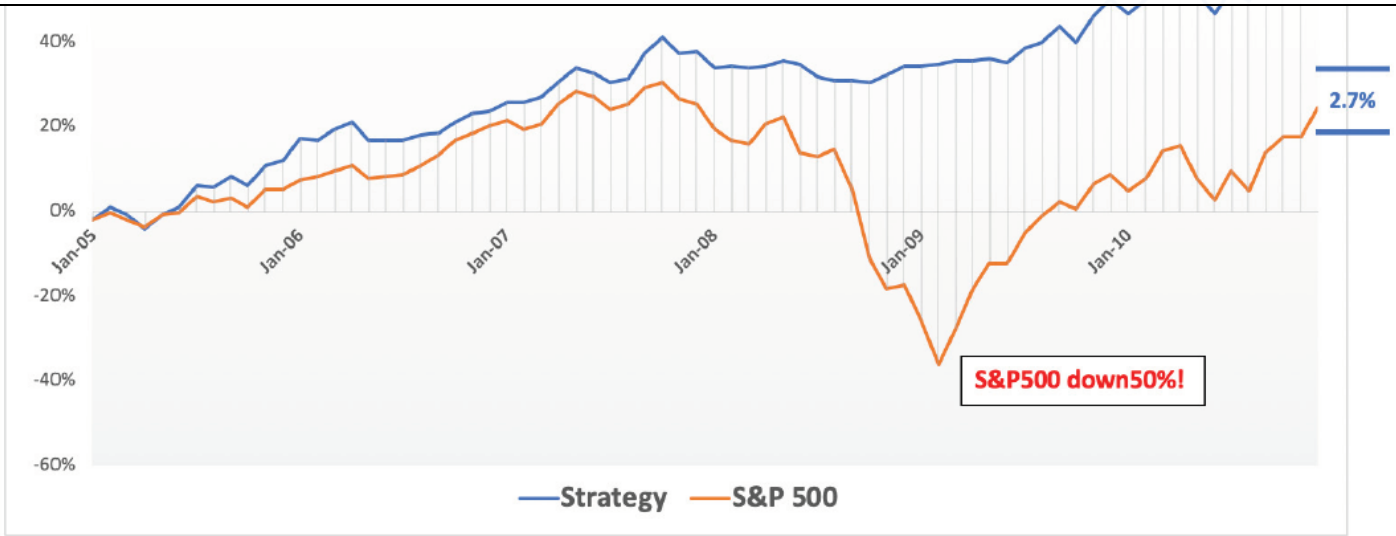
	CAGR	Stdev	Best Year	Worst Year	Drawdown	Sharpe Ratio	Sortino Ratio	Correlation
CH Strategy	9.44%	9.28%	29.18%	-3.15%	-13.70%	0.82	1.33	0.71
S&P500 ETF	7.21%	14.73%	32.31%	-36.81%	-50.80%	0.42	0.6	0.99

Arguably the best time to be in the S&P500



The worst time to be in the S&P500

Returns shown through 9/30/18 are model returns and therefore are hypothetical and do not represent actual portfolios. Returns shown are back-tested. Model results are shown as gross returns calculated daily (but not net of an advisor's fees, custodian's fees, and other fees that may apply). Returns include the reinvestment of dividends, capital gains, and other distributions. Actual fees may vary as each client account has a level of customization. The starting point of the data set was chosen due to the earliest available data on the underlying ETFs. Past performance is not a guarantee of future returns and data and other errors may exist. The results for the timing portfolio assume monthly rebalancing trades.

Risk free returns (out of market) are based on 1-month US treasury bill returns or the selected asset. The moving average signal is based on total return to account for splits and dividends. Additional trading costs and taxes for timing models are not reflected in the results. Drawdowns are calculated based on monthly returns. Monthly return series of the selected benchmark is used for results comparisons.

MEET OUR TEAM

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Malcolm G. Chace, Jr.

Managing Partner

Malcolm G. Chace Jr. is a co-founder and the Managing Partner of the firm. Malcolm graduated from Colby College with a BA in Economics and History in 1990. He has been an investment professional and portfolio manager for over 20 years, starting at Scudder, Stevens & Clark in Boston and later working at the Providence Investment Advisory Group. In 1999 Malcolm helped start the Providence office for Baldwin Brothers, Inc., managing over $500 million in assets for high net worth individuals and institutions. In 2008 he joined Oppenheimer & Co. Inc. as a Managing Director and Portfolio Manager and most recently was a Portfolio Manager at WhaleRock Point Partners, LLC. Malcolm is a board member of The Providence Center, Meeting Street School, and Dromoland Castle (Ireland). He is an overseer at Colby College, and serves on the Investment Committee at Sophia Academy.

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Nicholas Trotman

Partner and Head of Fixed Income

Nicholas G. Trotman is a co-founder and Managing Director of the firm. Nick graduated from Tufts University in 1994 and received his MBA from Columbia Business School in 2000. After business school, he worked as an analyst at a Boston-based research boutique covering Technology and Business Services. He then went on to co-manage several long/short equity strategies, an equity income strategy, and several fixed income strategies. Most recently, he was Head of Fixed Income at WhaleRock Point Partners, LLC. Nick brings investment expertise across a broad range of asset classes to the team at Canton Hathaway.

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Kenneth Goodreau

Partner and Head of Equity Research

Kenneth E. Goodreau is a co-founder and Managing Director of the firm. Ken graduated from the University of Rhode Island with a BS in Business Administration. Since graduating he has spent the entirety of his career in the investment business, starting as a research analyst, moving to portfolio management and then the Chief Investment Officer role. Ken was the Chief Investment Officer of the $8 billion Rhode Island employees' pension fund (ERSRI). Following his success at the state pension, he became the CIO of two hedge funds and most recently worked as Director of Research at WhaleRock Point Partners, LLC. At Canton Hathaway, we leverage Ken's experience as an asset allocator and risk manager across all portfolios.

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Robert Cusack

Senior Advisor

Mr. Cusack is the Chief Financial Officer of EMB, LLC, the family office for members of the Chace family. At Canton Hathaway he is a member of the Investment Committee and routinely is involved in reviewing alternative investments. He also provides insight and strategic investment guidance to the Managing Partner. Mr. Cusack has been an investment professional for over 40 years, beginning in municipal investment banking in New York City, later in institutional and private client investment portfolio management in Boston and Rhode Island. He has been an advisor to a 5-star municipal bond fund, a trustee of a public pension fund, and led $1 billion of securitizations for the State of Rhode Island by appointment of the Governor. He holds a BA from Fordham University and did graduate study at the Tuck School of Business at Dartmouth.

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Jim Procaccianti

Founding Partner and CEO of TPG companies

Mr. Procaccianti is President and CEO of Procaccianti Companies and is a co-founder and Partner of Canton Hathaway.

Under his leadership since 1980, the TPG has grown to become one of the largest and most respected privately-owned real estate investment and management organizations in the United States. Mr. Procaccianti has directed the Company through thousands of transactions representing over $10 Billion of diversified real estate investments in more than 130 cities across 31 states coast to coast.
For nearly 40 years Mr. Procaccianti has been in the business of acquiring, renovating, managing and financing investment real estate. Mr. Procaccianti possesses the hands-on experience that can only come from having owned, managed, or developed over 60 million square feet of real estate —billions of dollars of commercial and residential properties.

Mr. Procaccianti is a highly active corporate citizen, serving on multiple executive boards, including the board of trustees for Rhode Island Hospital, the advisory committee for Hasbro Children's Hospital, and the board of directors for Crossroads RI, Rhode Island's largest homeless shelter. Additionally, Jim established the Procaccianti Family Foundation, which provides monetary and in-kind support for dozens of nonprofit organizations.

Mr. Procaccianti was recently recognized as one of the top 25 'Driving Forces' for his contributions to the Rhode Island business community for his efforts and success over the past twenty-five years. Mr. Procaccianti attended Bryant University in Smithfield, Rhode Island.

Board of Advisors

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Mr. Stanley S. Trotman, Jr. is a public company director and retired investment banker. He spent 34 years working on Wall Street leading Healthcare Investment Banking at Drexel Burnham Lambert and later Kidder Peabody. He also worked in the investment banking divisions of PaineWebber and UBS. During his career, Mr. Trotman advised on dozens of M&A transactions and helped clients raise billions through various public and private offerings. He has served on a number of public and private company boards including American Shared Hospital Services Inc., WebMD Corp., Ascend Health Corp., Charter Medical Corp., NSpired Natural Foods Inc., Patient Technology, Quality Care Inc., Salick Healthcare Inc., Sylvan Learnings Centers Inc., T2 Medical Inc., and Oncure Medical Corp. He earned an Undergraduate Degree from Yale University in 1965 and an MBA from Columbia Business School in 1967.

Mr. Helder M. Medeiros is a co-founder and partner at Restivo Monacelli LLP. With over 25 years of public accounting experience, Mr. Medeiros advises high net-worth individuals in sophisticated tax, estate, fiduciary compliance and administration and business succession planning strategies. He takes a proactive approach to his clients' unique situations in order to optimize their business, financial and accounting operations, with particular attention to issues of taxation. He has made estate planning and wealth preservation an integral part of the firm's clients' accounting and taxation engagements. As a result of his in-depth, comprehensive approach his tax and estate planning expertise is widely sought by individuals and corporations, locally and regionally, and is licensed and active in Florida. Mr. Medeiros's credentials include a B.S. from Rhode Island College and a Master of Science degree in Taxation from Bryant University. He also holds the Personal Financial Specialist designation by the American Institute of Certified Public Accountants (AICPA).