

The
Family Wealth
Alliance

Dear Colleague:

Your firm is invited to participate in our 2nd Annual External Chief Investment Officer Study, a research project focused on the growing group of firms that serve as an outsourced-CIO solution to single-family offices, multifamily offices, and other private families and investors. Whatever your firm's business model or industry background, if you provide External CIO services on an outsource basis to family offices and other private clients, we would encourage you to participate.

The purpose of our study is to identify External CIO firms active in the marketplace and offer a snapshot of these firms and their capabilities, both in aggregate and individually, in a comprehensive study report. The study is also intended to provide single-family offices, multifamily offices, private investors, industry observers and the trade media with information they can use as a starting point in evaluating providers of External CIO services.

The Family Wealth Alliance is a research and consulting firm known as an innovator with adherence to its core value of Placing Families First. Our annual Multifamily Office and Single-Family Office studies have been widely acclaimed as the leading sources of information and data in their respective fields. We were the first organization to list multifamily offices with our ground-breaking research in 2004 that chronicled a nascent field. Our External Chief Investment Officer Study is also becoming an industry standard.

Included with this questionnaire is a copy of last year's report from our Inaugural External Chief Investment Officer Study, with the roster of participating firms on pages 12 and 13. As you can see, most of the information we seek is aggregated and not presented in the report on a firm-specific basis.

There is no charge for firms to participate in this pioneering research. Participants will each receive a complete study report, and will be invited to hear our findings unveiled at our annual Spring Event, May 7-9 in Oak Brook, Illinois. We will also be making the report available to those in the family wealth industry, as well as to the media and other interested parties.

Please return your completed questionnaire by February 15. Please see the next page for information and options for returning your questionnaire. This page also includes our Statement of Confidentiality and Nondisclosure. The Alliance appreciates your participation and we look forward to sharing our research results. If you have any questions, please do not hesitate to contact our offices.

Sincerely,



Thomas R. Livergood
Chief Executive Officer

The
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INSTRUCTIONS FOR RETURNING YOUR COMPLETED QUESTIONNAIRE

Please use one of these three methods to return your completed questionnaire.

1. Obtain an editable Adobe Acrobat version of the questionnaire by visiting our website at www.FWAlliance.com. Download the questionnaire, complete it on your own computer using Adobe Reader, and email it as an attached file to Kathy@FWAlliance.com.
2. Fill out printed questionnaire and mail to:
Kathy Harbke
The Family Wealth Alliance
240 E. Willow Avenue
Suite 102
Wheaton, IL 60187-5426 USA
3. Fill out the printed questionnaire and fax it to Kathy Harbke @ 866.410.5532.

If you have any questions regarding the questionnaire or the study, please contact Kathy Harbke at The Family Wealth Alliance at 630.260.1010 or Kathy@FWAlliance.com.

STATEMENT OF CONFIDENTIALITY AND NONDISCLOSURE

Family Wealth Alliance, LLC (The Alliance) acknowledges the importance and value of your firm's confidential information. The Alliance agrees to treat as proprietary and confidential all individual information that your firm provides, except for the responses found on pages one and two of the following questionnaire, which will be published as part of our study report.

Individual responses by your firm to questions after page two on the following questionnaire will be kept strictly confidential and will not be shared with anyone outside The Alliance's project team. However, our analysis and findings in aggregate and in peer groups will be shared with all firms participating in this study, as well as presented at our annual Spring Event. In addition, our findings in aggregate and in peer group analysis will be shared with select publications and media, as well as posted on The Alliance's website and those of our exclusive sponsoring partner firms.

Consequently, no individual firm's information or specific, individual responses, other than the responses to questions found on pages one and two of the following questionnaire, will be shared with anyone or any firm outside The Alliance's project team.

By participating in this research project and completing the attached questionnaire, your firm 1) acknowledges that the questionnaire constitutes valuable confidential business information of The Alliance, and 2) agrees not to disclose the contents of the questionnaire or related materials to any person outside your organization.



2012 EXTERNAL CHIEF INVESTMENT OFFICER STUDY

Information on this page will be disclosed as part of the study report.

FIRM INFORMATION

1a. Name of firm

1b. Street address/P.O. Box

1c-e. City, state, ZIP code

1f-g. Telephone number

1h. Name of chief executive or top officer

1i. Title

1j. Name of person completing this questionnaire

1k-l. Telephone number and email of person completing this questionnaire

FIRM BACKGROUND AND DATA

2. Year your firm was established.

3. Year your firm began offering external CIO services to private clients.

4. Briefly describe how your firm positions and differentiates its external CIO services to private clients such as family offices.

5. Is your firm a registered investment adviser with the SEC under the Investment Advisers Act of 1940? Yes No

6. Which best describes your firm's ownership structure? Check one.
Owned by principals/management
Owned more broadly by employees
Owned by larger/parent organization

Other (please describe)

7. Which most closely describes your firm's approach to providing investment services to family offices and private families? Firm functions as:

- An investment consultant
- A manager of managers
- A separate account manager
- A multifamily office

Other (please describe)

8. How many offices does your firm have?

Please give the number of employees by category as of these two dates:

9. Number of principals/senior management
Dec. 31, 2011 Dec. 31, 2010
a. b.

10. Other professionals/specialists not included above
Dec. 31, 2011 Dec. 31, 2010
a. b.

11. Client service staff
Dec. 31, 2011 Dec. 31, 2010
a. b.

12. Administration staff
Dec. 31, 2011 Dec. 31, 2010
a. b.

13. Total number of employees
Dec. 31, 2011 Dec. 31, 2010
a. b.



2012 EXTERNAL CHIEF INVESTMENT OFFICER STUDY

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SERVICES OFFERED

14. Which of these services does your firm offer?

	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>% of Clients Using This Service</i>
a. Investment consulting for taxable clients	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
b. Investment consulting for institutions/nonprofits	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
c. Asset allocation	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
d. Investment policy development	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
e. Portfolio construction	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
f. Manager selection/evaluation	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
g. Performance reporting/evaluation	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
h. Tax overlay management	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
i. Pension consulting services	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
j. Financial planning	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
k. Portfolio management for taxable clients	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
l. Portfolio management for institutions/nonprofits	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%
m. Portfolio management for hedge funds or funds of funds	Yes <input type="checkbox"/>	No <input type="checkbox"/>	_____%

15. What has your firm done recently to expand or improve the services it provides to family offices and private families?

ASSETS UNDER ADVISEMENT AND CLIENT DATA

Please provide external CIO assets under advisement as of December 31, 2011 on a discretionary and nondiscretionary basis. If your firm has other types of assets under advisement or management, i.e. assets from clients other than external CIO clients, please do not include them. Assets under advisement should include (1) external CIO assets reported as assets under management on Form ADV, and (2) any additional external CIO assets not listed on Form ADV for which your firm receives an ongoing advisory fee. Please list assets in millions of dollars and provide at least four significant figures. Examples: \$401.2 million, \$1,563 million.

16. Briefly describe how your firm works with private clients such as family offices to develop an asset allocation policy.

17. External CIO assets under advisement as of December 31, 2011

	<i>Discretionary</i>	<i>Nondiscretionary</i>	<i>Total</i>
	\$ _____	\$ _____	\$ _____
17a. Taxable assets under advisement	\$ _____	\$ _____	\$ _____
17b. Nontaxable assets under advisement	\$ _____	\$ _____	\$ _____
17c. Total assets under advisement	\$ _____	\$ _____	\$ _____



2012 EXTERNAL CHIEF INVESTMENT OFFICER STUDY

Information on this page will be kept confidential.

18. Please list total assets under advisement (comparable to 17c on previous page) as of these dates.

Discretionary	Nondiscretionary	Total
\$ _____	\$ _____	\$ _____

18a. Total assets under advisement 12/31/10

\$ _____	\$ _____	\$ _____
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18b. Total assets under advisement 12/31/09

\$ _____	\$ _____	\$ _____
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18c. Total assets under advisement 12/31/08

19. Please provide a percentage breakdown of external CIO assets under advisement by client type. Totals should add to 100%.

% Total Assets 12/31/10	% Total Assets 12/31/11	Expected % Total Assets 12/31/12
%	%	%

19a. Single-family offices/private families

%	%	%
---	---	---

19b. Multifamily offices

%	%	%
---	---	---

19c. Other taxable private clients

%	%	%
---	---	---

19d. Foundation or endowment

%	%	%
---	---	---

19e. Other nontaxable including pension

100%	100%	100%
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20. How many single-family offices/private families did your firm have as clients on these dates?

Dec. 31, 2011	Dec. 31, 2010
_____	_____
Clients	

21. What changes has your firm seen in its private-client business from the new rules brought by the Dodd-Frank financial reform legislation regarding family offices?

21a. No changes prompted by Dodd-Frank _____

21b. Some discussions but no new external CIO clients _____

21c. Have added clients as a result of Dodd-Frank _____

21c. If yes to 21c., how many clients added? _____
Number of clients

22. As external chief investment officer for a single-family office/private family client, what is your typical arrangement in terms of investment discretion? Check one only.

- No investment discretion
- Partial investment discretion (e.g. only at manager level)
- Full investment discretion

Other (please describe)

23. For what percentage of all your single-family office/private family clients does your firm have full investment discretion? _____%

24. For what percentage of single-family office/private family clients added within the last couple years does your firm have full investment discretion? _____%

CLIENT MINIMUMS AND FEES

25. What is your minimum level of assets under advisement for new external CIO clients? Please list assets in millions of dollars.

\$ _____
25a.

26. Please indicate the asset-based fees your firm would charge for external CIO services at these breakpoints in basis points.

26a. _____ bp up to \$10 million

26b. _____ \$10-\$20 million

26c. _____ \$20-\$50 million

26d. _____ \$50-\$100 million

26e. _____ \$100-\$500 million

26f. _____ over \$500 million



2012 EXTERNAL CHIEF INVESTMENT OFFICER STUDY

Information on this page will be kept confidential.

27. What are the three top challenges facing your firm today in your external CIO business?

27a.

27b.

27c.

28. Briefly describe your firm's approach to investment manager research.

29. Does your firm have a team of professionals dedicated solely to manager research?

29a. Yes No

29b. If yes, please give number of professionals dedicated solely to manager research.

Number of professionals

30. How many investment managers are currently on your approved list?

Approved Managers

Traditional equity managers

Passive (e.g. index ETF) equity managers

Traditional fixed-income managers

Passive (e.g. index ETF) fixed-income managers

Hedge fund managers

Private equity managers

Real estate managers

Tax overlay managers

Total approved managers

31. In your experience, what is the most common investment mistake made by your external CIO clients? (Please describe.)

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