

**Tiburon Strategic Advisors
CEO Summit XIX
October 6-7, 2010**



Tiburon CEO Summit XIX
October 6-7, 2010

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Tiburon Toolkit

Upcoming CEO Summit: Tiburon CEO Summit XIX

Tiburon CEO Summit XIX will officially start at 7:45am on Wednesday, October 6, 2010 at the Ritz Carlton Hotel in San Francisco, CA include a group dinner that night at a water front restaurant in Tiburon, CA and finish at 1:00pm on Thursday, October 7, 2010.

More casually, Tiburon CEO Summit XIX will begin with a cocktail reception the prior evening Tuesday October 5, 2010 at 6:00pm at the Ritz Carlton Hotel.

Meeting Agenda

The planned agenda is as follows:

Tuesday, October 5, 2010

6:00pm-9:00pm: Cocktail Reception

- Tiburon will host a casual cocktail reception at the Ritz Carlton Hotel

Wednesday, October 6, 2010

7:00am-7:45am: Continental Breakfast

- Attendees should feel free to bring breakfast foods to the opening session

7:45am-8:15am: Tiburon CEO Summit XIX Welcome

- Presented by Skip Schweiss (President, TD Ameritrade Trust Company) & Chip Roame (Managing Principal, Tiburon Strategic Advisors)

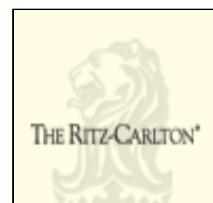
8:15am-9:15am: Opening Keynote Presentation

- State of the Financial Services Industry
- Presented by Chip Roame (Managing Principal, Tiburon Strategic Advisors)

9:15am-9:30am: Cell Phone Break

9:30am-10:30am: Tiburon CEO Summit Award Presentation

- Joe Mansueto (CEO, Morningstar) & Don Phillips (President, Fund Research, Morningstar)
- Facilitated by Chip Roame (Managing Principal, Tiburon Strategic Advisors)



Tiburon's Managing Principal Chip Roame will kick-off Tiburon CEO Summit XIX



CEO Summit XIX Award Recipient Joe Mansueto (CEO, Morningstar)

10:30am-10:45am: Refreshments & Cell Phone Break

10:45am-11:45am: General Session Guest Presentation

- Presented by Jeff Maggioncalda
(CEO, Financial Engines)
- Facilitated by Chip Roame
(Managing Principal, Tiburon Strategic Advisors)



CEO Summit XIX
Award Recipient
Don Phillips
(President, Fund
Research,
Morningstar)

11:45am-1:00pm: Lunch & Break-Out Sessions

- Five break-out session choices:
 - Retirement Income: Success Models?: Stephen Langlois (Executive Vice President, LPL Financial)
 - Post Financial Reform Legislation: How Does the Dodd-Frank Act Impact Investment Advisors, Hedge Funds, Private Equity Funds, & Other Private Funds from a Legal, Regulatory, & Operational Perspective: David Baum (Partner, Alston & Bird) & Randy Moore (Partner, Alston & Bird)
 - The Fiduciary Opportunity: Succeeding in a Changing Advisory Landscape: Bill Crager (President, Envestnet Asset Management)
 - Getting the Right People on Your Bus (and Keeping Them There): Jamie Ziegler (Partner, AUM Partners)
 - Regulatory Trends: The Key Impacts: Skip Schweiss (President, TD Ameritrade Trust Company)
- Please take lunch to your choice of break-out sessions



Guest Speaker
Jeff Maggioncalda
(CEO, Financial
Engines)

1:00pm-2:00pm: General Session Guest Presentation

- Presented by Harold Evensky
(President, Evensky & Katz)
- Introduction by Chip Roame
(Managing Principal, Tiburon Strategic Advisors)

2:00pm-2:15pm: Refreshments & Cell Phone Break

2:15pm-3:15pm: General Session Guest Presentation

- Presented by Meir Statman
(Professor, Santa Clara University)
- Introduction by Chip Roame
(Managing Principal, Tiburon Strategic Advisors)



Guest Speaker
Harold Evensky
(President, Evensky
& Katz)

3:15pm-3:30pm: Cell Phone Break

3:30pm-4:30pm: General Session Presentation

- Presented by Dale Brown
(CEO, Financial Services Institute)

- Introduction by Chip Roame
(Managing Principal, Tiburon Strategic Advisors)



Guest Speaker
Meir Statman
(Professor, Santa Clara University)

4:30pm-6:05pm: Free Time & Tiburon Transportation

- Tiburon Ferry Option #1: Start walking about 5:00pm to catch the 5:25pm ferryboat (you will arrive early at 5:45pm)
- Tiburon Ferry Option #2: Start walking about 5:50pm to catch the 6:15pm ferryboat (you will right on time at 6:35pm)
- Tiburon Bus Option: Depart from front of hotel at 6:05pm, to arrive at 6:35pm in Tiburon

6:30pm-9:30pm: Tiburon CEO Summit XIX Group Dinner at Servino's Restaurant in Tiburon, CA

- Servino's Restaurant is located at 9 Main Street, Tiburon, CA 94920 (415-435-2676)
- 6:30pm-7:30pm: Cocktail Hour
- 7:30pm-9:30pm: Dinner



Guest Speaker
Dale Brown
(CEO, Financial Services Institute)

Thursday, October 7, 2010

7:00am-7:45am: Continental Breakfast

- Attendees should feel free to bring breakfast foods to the opening session

7:45am-8:00am: Tiburon CEO Summit XIX Day #2 Kick-Off

- Presented by Randy Moore (Partner, Alston & Bird)

8:00am-9:00am: General Session Presentation

- Presented by Mark Yusko
(CEO, Morgan Creek Capital Management)
- Introduction by Chip Roame
(Managing Principal, Tiburon Strategic Advisors)



Guest Speaker
Mark Yusko
(CEO, Morgan Creek Capital Management)

9:00am-9:15am: Cell Phone Break

9:15am-10:15am: General Session Guest Presentation

- Presented by Ron Carson
(CEO, Carson Wealth Management Group)
- Introduction by Chip Roame
(Managing Principal, Tiburon Strategic Advisors)

10:15am-10:30am: Refreshments & Cell Phone Break

10:30am-11:30am: General Session Guest Presentation

- Presented by Judy Barber
(CEO, Family Money Consultants)



- Introduction by Chip Roame
(Managing Principal, Tiburon Strategic Advisors)

Guest Speaker
Ron Carson
(CEO, Carson Wealth
Management Group)

11:30am-12:00pm: Box Lunch & Cell Phone Break

12:00pm-1:00pm: General Session Panel Discussion

- Tiburon CEO Summit XIX Insights
- Facilitated by Chip Roame
(Managing Principal, Tiburon Strategic Advisors)
- Client Panelists:
 - Dennis Clark (CEO, Advisor Partners)
 - Jeffrey Dunham (CEO, Dunham & Associates)
 - Gerry McGraw (President, Fidelity Institutional)
 - David Smith (Publisher, Charter Financial Publishing Network)



Guest Speaker
Judy Barber
(CEO, Family Money
Consultants)

Sarah Sage is responsible for all logistics, photography, & media relations; feel free to contact her with any questions at 415-789-2540 or SSage@TiburonAdvisors.Com

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Tiburon Toolkit
Attendee List

Tiburon sends invitations to its semi-annual CEO Summits exclusively to C-level executives, executive vice presidents, & other business heads at its 300+ corporate clients. Other managing directors and senior vice presidents are not invited in order to keep the discussion focused on CEO-level issues and to try to manage the size of each CEO Summit to 150 client attendees.



Tiburon CEO Summit Guest Speaker: Ken Fisher (CEO, Fisher Investments)

**Tiburon
CEO Summit XIX
Confirmed Attendee List**

Tiburon is pleased to announce that the following 118 Tiburon clients have confirmed their attendance for Tiburon CEO Summit XIX:

- Chip Roame (Managing Principal, Tiburon Strategic Advisors)
- Gurinder Ahluwalia (CEO, Genworth Financial Wealth Management)
- Mike Apker (Business Head, Reporting & Data Aggregation Services, Envestnet Asset Management)
- Chuck Baldiswieler (CEO, TCW Funds)
- Judy Barber (CEO, Family Money Consultants)
- Tony Batman (CEO, 1st Global Capital Corporation)
- Dave Baum (Partner, Alston & Bird)
- Dale Brown (CEO, Financial Services Institute)
- David Brown (Partner, Alston & Bird)
- Sal Capizzi (Chief Sales & Marketing Officer, Dunham & Associates Investment Counsel)
- Mitch Caplan (CEO, Jefferson National Financial)
- Ron Carson (CEO, Carson Wealth Management Group)
- Peng Chen (President, Ibbotson Associates)
- Bernie Clark (Executive Vice President, The Charles Schwab Corporation)
- Dennis Clark (President, Advisor Partners)
- Eric Clarke (President, Orion Advisor Services)
- Todd Clarke (President, CLS Investments)
- Craig Cloyed (President, Calvert Distributors)
- Ron Cordes (Co-Chairman, Genworth Financial Wealth Management)
- Bill Crager (President, Envestnet Asset Management)
- Peter Crenier (Business Head, Information Systems, Fiserv Corporation)
- Ben Cukier (Partner, FTV Capital)
- Pete D'Arrigo (Chief Financial Officer, Envestnet Asset Management)
- Dick Davies (Senior Managing Director, Alliance Bernstein Investments)
- Stuart DePina (CEO, Tamarac)
- Jim Duca (CEO, M&I Financial Advisors)

- Jeffrey Dunham (CEO, Dunham & Associates Investment Counsel)
- Steve Dunlap (President, Pershing Managed Account Solutions)
- Mike Durbin (President, Fidelity Institutional Wealth Services)
- Ric Edelman (CEO, Edelman Financial Services)
- Cynthia Egan (President, Retirement Plan Services, T. Rowe Price Group)
- Harold Evensky (President, Evensky & Katz)
- Tom Florence (Principal, 361 Capital)
- Jon Foster (President, Carson Wealth Management Group)
- Joe Gil (Managing Director, Morgan Creek Capital Management)
- Dave Goerz (Chief Investment Officer, High Mark Capital Management)
- Craig Gordon (President, RBC Correspondent Services)
- Bill Goslee (Business Head, Sales & Marketing, Fund Evaluation Group)
- Larry Greenberg (President, Jefferson National Financial)
- Barnaby Grist (Executive Vice President, Cetera Financial Group)
- Blake Grossman (Vice Chairman, Black Rock)
- Matt Grove (Business Head, RIA Business, New York Life)
- AJ Harper (President, BNY Mellon Managed Investments)
- Bill Harris (Chairman, My Vest Corporation & Personal Capital Corporation)
- Pete Hess (President, Advent Software)
- Gary Holland (Publisher, Barron's)
- David Holmes (Chief Investment Officer, Dunham Trust Company)
- Paul Hondros (CEO, Alpha One Capital Partners)
- Bob Huret (Founding Partner, FTV Capital)
- Brian Jacobs (CEO, Hatteras Funds)
- Bryce James (President, Smart Portfolios)
- Steve Janachowski (CEO, Brouwer & Janachowski)
- Tif Joyce (President, Joyce Financial Management)
- Michael Kim (Executive Vice President, Genworth Financial Wealth Management)
- Jeff Lancaster (Principal, Bingham, Osborn, & Scarborough)
- Randal Langdon (President, Lindner Capital Advisors)
- Stephen Langlois (Executive Vice President, LPL Financial)
- David Lau (Chief Operating Officer, Jefferson National Financial)
- Chuck Lewis (CEO, My Vest Corporation & Personal Capital Corporation)
- Robert Lindner (CEO, Lindner Capital Advisors)
- Joe Luby (CEO, Jagen Investments)
- Matt Lynch (CEO, Capital Analysts)
- Jeff Maggioncalda (CEO, Financial Engines)
- Norman Mains (Chief Risk Officer, Forward Management)
- Frank Maiorano (CEO, Trust Company of America)
- Joe Mansueto (CEO, Morningstar)
- Jim McCool (Executive Vice President, The Charles Schwab Corporation)
- Gerry McGraw (President, Fidelity Institutional)
- Kirk Michie (President, Triton Pacific Securities)
- Sanjiv Mirchandani (President, National Financial Services)
- Vicky Mokkarala (Executive Vice President, Envestnet Asset Management)
- Jeff Montgomery (CEO, AI Frank Asset Management)
- Kevin Mooney (Executive Vice President, Jagen Investments)
- Randy Moore (Partner, Alston & Bird)
- Bruce Morris (Executive Vice President, Source Media)
- Ed Morrison (Chief Operating Officer, Albridge Solutions)
- Kathryn Morrison (CEO, Sun Star)
- Mike Mulcahy (President, Bridgeway Funds)
- Cheryl Nash (Global Business Head, Business Development, Investment Services, Fiserv Corporation)
- Christine Nigro (President, Axa Advisors)
- Harry O'Mealia (CEO, Legg Mason Investment Counsel)
- Terry Otton (CEO, RS Investments)
- Greg Pacholski (CEO, Albridge Solutions)

- Purna Pareek (Business Head, Advice America)
- David Perkins (Chairman, Hatteras Funds)
- Don Phillips (President, Fund Research, Morningstar)
- John Phillips (Executive Vice President, National Financial Services)
- James Poer (CEO, NFP Securities)
- Andy Putterman (CEO, Fortigent)
- George Riedel (Business Head, Intermediary Distribution, T. Rowe Price Group)
- Neal Ringquist (President, Advisor Software)
- Sharon Ritchey (Chief Operating Officer, US Wealth Management, The Hartford)
- John Rooney (Managing Principal, Commonwealth Financial Network)
- Andrew Rudd (CEO, Advisor Software)
- Paul Schaeffer (Business Head, Strategy & Thought Leadership, Forward Management)
- Skip Schweiss (President, TD Ameritrade Trust Company)
- Trista Shah (Executive Vice President, Corporate Sales, Morningstar)
- Sterling Shea (Business Head, Winner's Circle Advisor Rankings & Conference Program, Barron's)
- Babu Sivadasan (Executive Vice President, Envestnet Asset Management)
- David Smith (Group Publisher, Financial Advisor & Private Wealth Magazines)
- Cliff Stanton (Chief Investment Officer, Prima Capital Management)
- Meir Statman (Professor, Santa Clara University)
- Marie Swift (CEO, Impact Communications)
- Allen Thorpe (Managing Director, Hellman & Friedman)
- Frank Trotter (President, Ever Bank Direct)
- Mitch Vigeveno (CEO, Turning Point)
- Greg Vigrass (President, Folio Institutional)
- Kathy Wallman (Co-Founder, Foliofn)
- Steve Wallman (CEO, Foliofn)
- Jonathan Warmund (Chief Customer Acquisition Officer, Folio Investing)
- Gib Watson (CEO, Prima Capital Management)
- Amiee Watts (Executive Vice President, JCPR)
- Scott Welch (Senior Managing Director, Fortigent)
- Janine Wertheim (President, Securities America Advisors, Securities America)
- Emmett Wright (Chief Investment Officer, Northwestern Mutual Wealth Management Company)
- Kim Wright-Violich (President, Schwab Charitable, The Charles Schwab Corporation)
- Mark Yusko (CEO, Morgan Creek Capital Management)
- Jamie Ziegler (Partner, AUM Partners)

Attending Tiburon's CEO Summits

Attendance at Tiburon's CEO Summits is reserved for Tiburon's executive-level clients. If you are an existing executive-level Tiburon client and would like to participate in a future Tiburon CEO Summit, please [contact](#) Tiburon's Managing Principal Chip Roame. Prospective clients can also contact [Sarah Sage](#) about becoming Tiburon clients.

Tiburon CEO Summit XIX

*Welcome
San Francisco, CA
October 6, 2010*



Outline

- **Tiburon CEO Summit XIX
Moderator Welcome & Prior
Experiences, Agenda Highlights,
& Ground Rules**
- **Tiburon Overview, Tiburon CEO
Summit Vision, & Tiburon CEO
Summit XIX Introductions**



Tiburon CEO Summit XIX Moderator Welcome & Prior Experiences

Tiburon CEO Summit XIX Moderator Welcome & Prior Experiences

- ☐ Favorite past speakers
- ☐ Best memories
- ☐ Photo books
- ☐ Success stories
- ☐ Why I come back



Tiburon CEO Summit XVIII (Last April in New York, NY) – Guest Speakers

Tiburon CEO Summit XVIII Guest Speakers (April 2010 * Ritz Carlton Hotel * New York, NY)

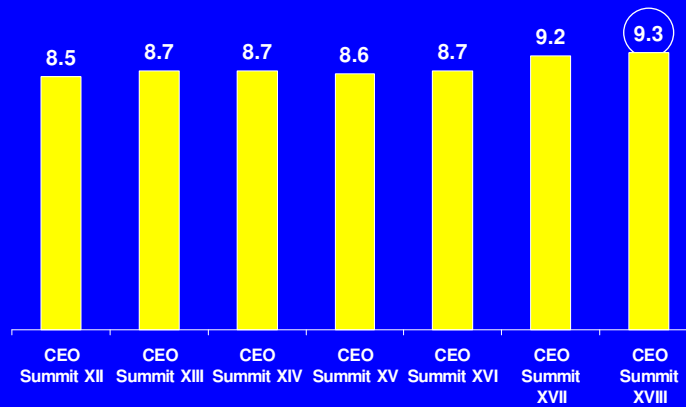
- Ed Bernard (T. Rowe Price Group)
- Abby Cohen (Goldman Sachs Group)
- Steve Forbes (Forbes Media)
- Jim McCool (The Charles Schwab Corporation)
- Jonathan Steinberg (Wisdom Tree)
- David Tittsworth (Investment Adviser Association)
- Fred Tomczyk (TD Ameritrade)



Tiburon CEO Summit XVIII Attendees Rated the Event a 9.3 on a 10.0 Scale, the Highest Rating the Event has Ever Earned Since Moving to the Ritz Carlton Hotels



Tiburon CEO Summits Overall Satisfaction (1-10; 10 = High)



Source: Tiburon Research & Analysis

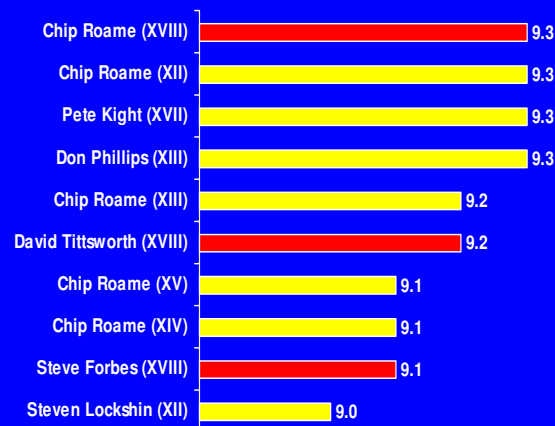
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Tiburon CEO Summit XVIII General Session Presenters Chip Roame, David Tittsworth, & Steve Forbes All Joined the All-Time Top Ten Speakers List

Tiburon CEO Summit XII - XVIII General Session Speakers Feedback Scores



Source: Tiburon Research & Analysis

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Tiburon CEO Summit XIX Agenda Highlights

Tiburon CEO Summit XIX Agenda Highlights

- ☐ Tiburon keynote opening presentation (Chip Roame)
- ☐ Award recipients presentation (Joe Mansueto & Don Phillips)
- ☐ Seven guest speakers
- ☐ Five break-out sessions at lunch today
- ☐ Dinner this evening in Tiburon



Tiburon CEO Summit XIX – Simple Ground Rules

Tiburon CEO Summit XIX Simple Ground Rules

- ☐ Media policy (Chip's opening & awards presentation)
 - ❖ And even then "right to declare off record"
- ☐ Feedback forms (required)
- ☐ Sessions to start on time
- ☐ State name & company when asking questions



Tiburon CEO Summit XIX - Process Tips

Tiburon CEO Summit XIX Process Tips

- ❑ **Lunch process**
 - ❖ No more group picture
 - ❖ Take lunch to break-out session of choice
- ❑ **Dinner transportation**
 - ❖ Ferries at 5:25pm & 6:15pm (plan 20-25 minutes to walk; can likely get there in 15)
 - ❖ Bus at 6:05pm



Outline

- **Tiburon CEO Summit XIX
Moderator Welcome & Prior
Experiences, Agenda Highlights,
& Ground Rules**
- **Tiburon Overview, Tiburon CEO
Summit Vision, & Tiburon CEO
Summit XIX Introductions**



Tiburon Strategic Advisors

Tiburon Strategic Advisors

- Focus on corporate-level strategy
 - Serve senior executives only at financial services companies
 - Key services: strategy consulting & market seminars
 - Served over 300 corporate clients and completed over 1,300 projects since 1998
 - Publish series of 75 off-the-shelf research reports (\$5K each; \$25K for access to all reports for all employees for a year)
 - Host semi-annual Tiburon CEO Summits
- Chip Roame background
 - McKinsey & Company
 - The Charles Schwab Corporation
 - Tiburon since 1998 (12+ years)



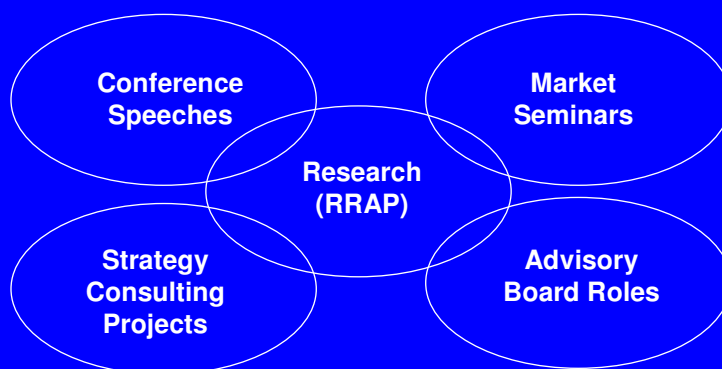
Source: Tiburon Research & Analysis

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Tiburon Strategic Advisors Services

Tiburon Strategic Advisors Services



Source: Tiburon Research & Analysis

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Tiburon CEO Summits - Vision

Tiburon CEO Summits Vision

"The financial services industry lacks a CEO level conference that runs across traditional industry lines. I have come to realize that CEOs from many segments are dealing with the same issues from different perspectives... I have benefited greatly from hearing these perspectives and Tiburon's clients would as well. My vision is probably most like Allen & Company's Media Summit, as I envision all CEOs attendees from across the financial services industry"



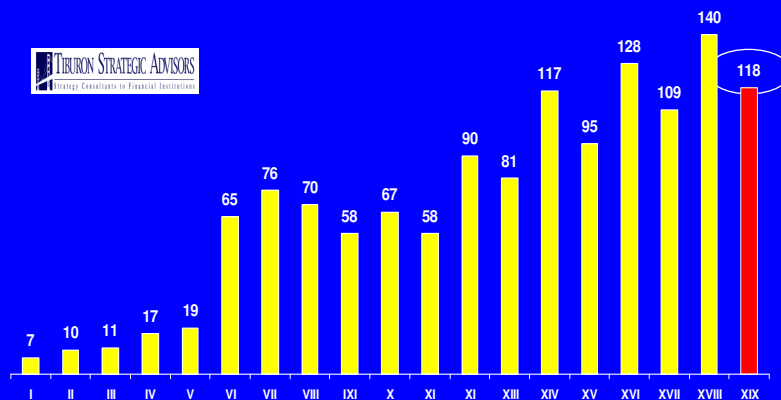
Source: Tiburon Research & Analysis

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Tiburon CEO Summit XIX Has 118 Confirmed Client Attendees, Making CEO Summit XIX the Largest Ever San Francisco CEO Summit

Tiburon CEO Summits Client Attendees



Source: Tiburon Research & Analysis

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Tiburon CEO Summit XIX - Awards

Tiburon CEO Summit XIX Awards

- ☐ **Focusing on Consumer
(& Other Client) Needs**
- ☐ **Challenging
Conventional Wisdom**
- ☐ **Taking Responsibility**

**Joe Mansueto &
Don Phillips
(Morningstar)**



Tiburon CEO Summit XIX - Guest Speakers

Tiburon CEO Summit XIX Guest Speakers

- **Jeff Maggioncalda
(Financial Engines)**
- **Dale Brown
(Financial Services
Institute)**
- **Ron Carson (Carson
Wealth Management
Group)**
- **Harold Evensky
(Evensky & Katz)**
- **Mark Yusko (Morgan
Creek Capital
Management)**
- **Judy Barber (Family
Money Consultants)**
- **Meir Statman (Santa
Clara University)**



Tiburon CEO Summit XIX Thanks

Tiburon CEO Summit Thanks

- ❑ Attendees (for your business)
- ❑ Speakers (it does not pay well)
- ❑ Volunteers (pays equally poorly)
- ❑ Sponsors (sounding board & the co-champions of this event)



Tiburon Strategic Advisors



Comments

- Focus on corporate-level strategy
 - Serve senior executives only at financial services companies
 - Key services: market seminars, market research, & strategy consulting
 - Served over 300 corporate clients and completed over 1,300 projects since 1998
 - Host semi-annual CEO Summits, offer free weekly research releases, and offer free business benchmarking tools for all types of advisors
- Chip Roame background
 - McKinsey & Company
 - Charles Schwab & Company
 - Tiburon since 1998

***The Future of Advice:
How the 2008-2009 Financial Crisis &
Related Financial Services Industry Stumbles
Have Reshaped the Financial Services Industry***

***Tiburon CEO Summit XIX
Keynote Opening Presentation
San Francisco, CA
October 6, 2010***

Outline

- **The Back Drop: The 2008-2009 Financial Crisis & Related Financial Services Industry Stumbles**
- **The Industry Impacts: A Reshaped Industry?**
 - **Consumer Wealth & New Attitudes**
 - **Legislative & Regulatory Agenda**
 - **Markets & Distribution Channels**
 - **Products & Services**
 - **Financial Services Investment Opportunities**



The 2008-2009 Financial Crisis & Related Financial Services Industry Stumbles (Page 1)

The 2008-2009 Financial Crisis & Related Financial Services Industry Stumbles

Economy & Markets

- ☐ **Unemployment remains high (9.5% or 14.6 million Americans) (16.5% when including discouraged workers)**
- ☐ **Three core stock market indices (DJIA, S&P 500, & NASDAQ) up 3%-4% in 2010**
 - ❖ **But... (for instance) S&P 500 down 23.4% for the decade**
- ☐ **Widely varying stock market projections (or not?) - the “new normal” versus the outlandish thought of 38,000 by 2025**
 - ❖ **Also widely varying views on future relative returns of stocks, bonds, hedge funds, & even gold (Yusko)**
- ☐ **Home prices at 2003 levels**
 - ❖ **Most expect slow recovery**



Source: Tiburon Research & Analysis

The 2008-2009 Financial Crisis & Related Financial Services Industry Stumbles (Page 2)

The 2008-2009 Financial Crisis & Related Financial Services Industry Stumbles

Financial Services Industry Impacts

- ☐ **285 bank failures since 2008 (3% of all banks)**
- ☐ **NYSE & FINRA registered brokerage firms revenue declines of 50% and 10% respectively**
- ☐ **325,000 financial services industry job losses (only 7,100 in mutual fund companies)**
- ☐ **Investment manager margins declined**
- ☐ **Financial institutions losses & write-offs exceeded \$1 trillion**



Source: Tiburon Research & Analysis

The 2008-2009 Financial Crisis & Related Financial Services Industry Stumbles (Page 3)

The 2008-2009 Financial Crisis & Related Financial Services Industry Stumbles

More Recession & Stumbles



❑ And it might still get worse...

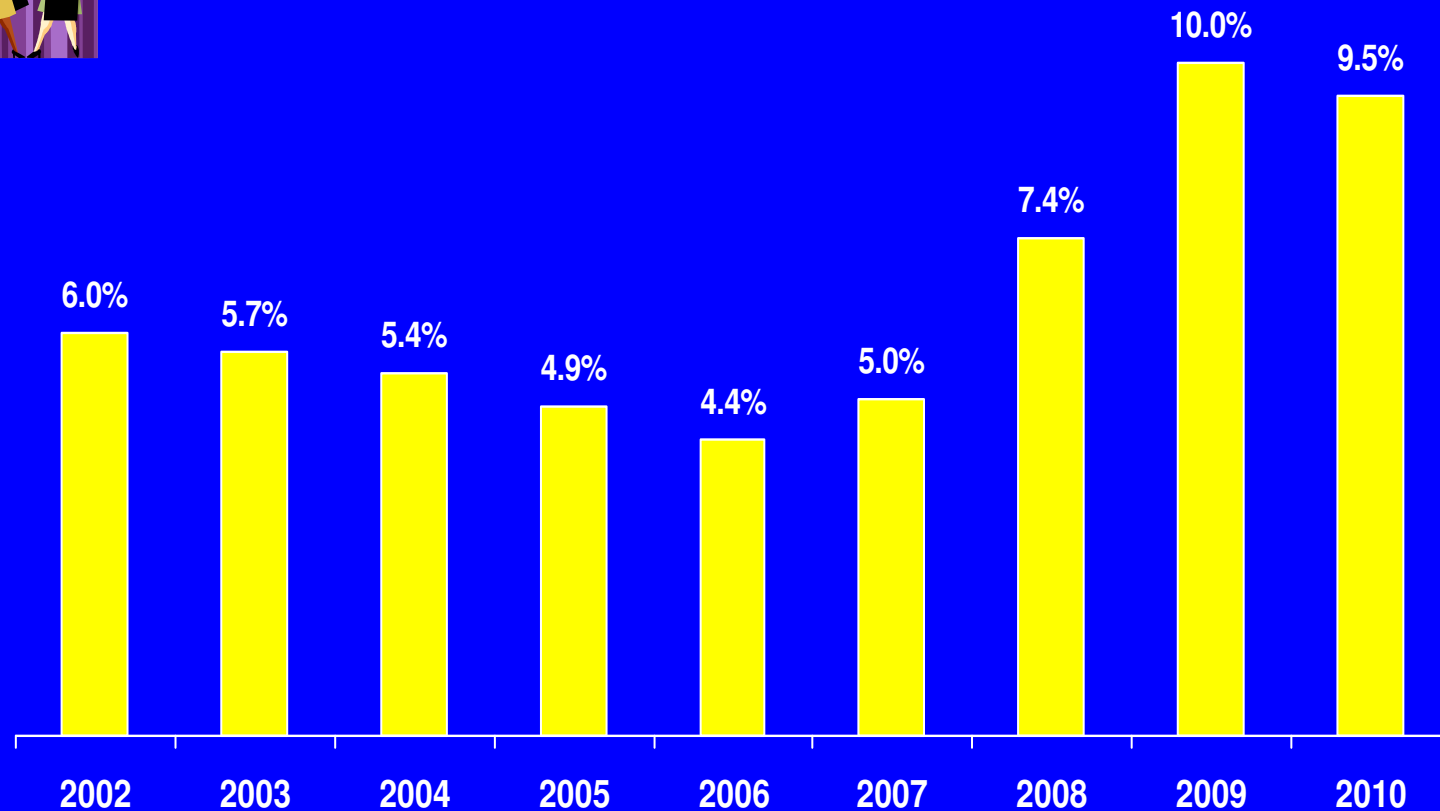
- ❖ Deleveraging continues**
- ❖ More baby boomers are reaching retirement age every day**
- ❖ Social Security & Medicare loom as serious issues**
- ❖ Home mortgage issues continue**
- ❖ Commercial real estate loan write-offs could still reach \$2 trillion**
- ❖ 600 banks still have \$65 billion of TARP funds outstanding**
- ❖ If marked to market, thousands of additional banks would already be insolvent**

Source: Tiburon Research & Analysis

The Unemployment Rate Remains at an Inflated 9.5%...



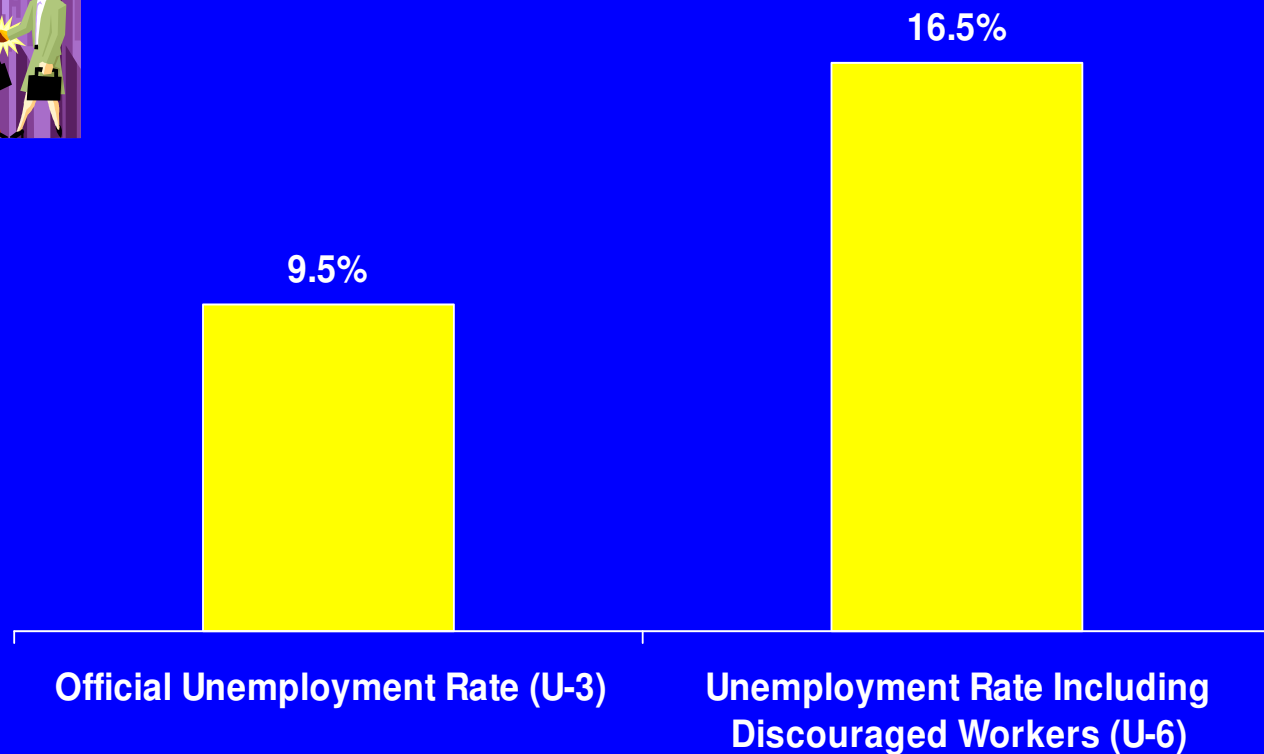
Unemployment Rate



Source: 9/7/10 Bureau of Labor Statistics Web Site; 9/7/10 Carson Wealth Management Group Presentation (Carson) (Bureau of Labor Statistics); 6/10 Morgan Creek Capital Management Presentation (Yusko) (Shadow Stats); 10/4/08 New York Times (Bureau of Labor Statistics); Tiburon Research & Analysis

... And if Discouraged Workers are Included, the Unemployment Rate is 16.5%

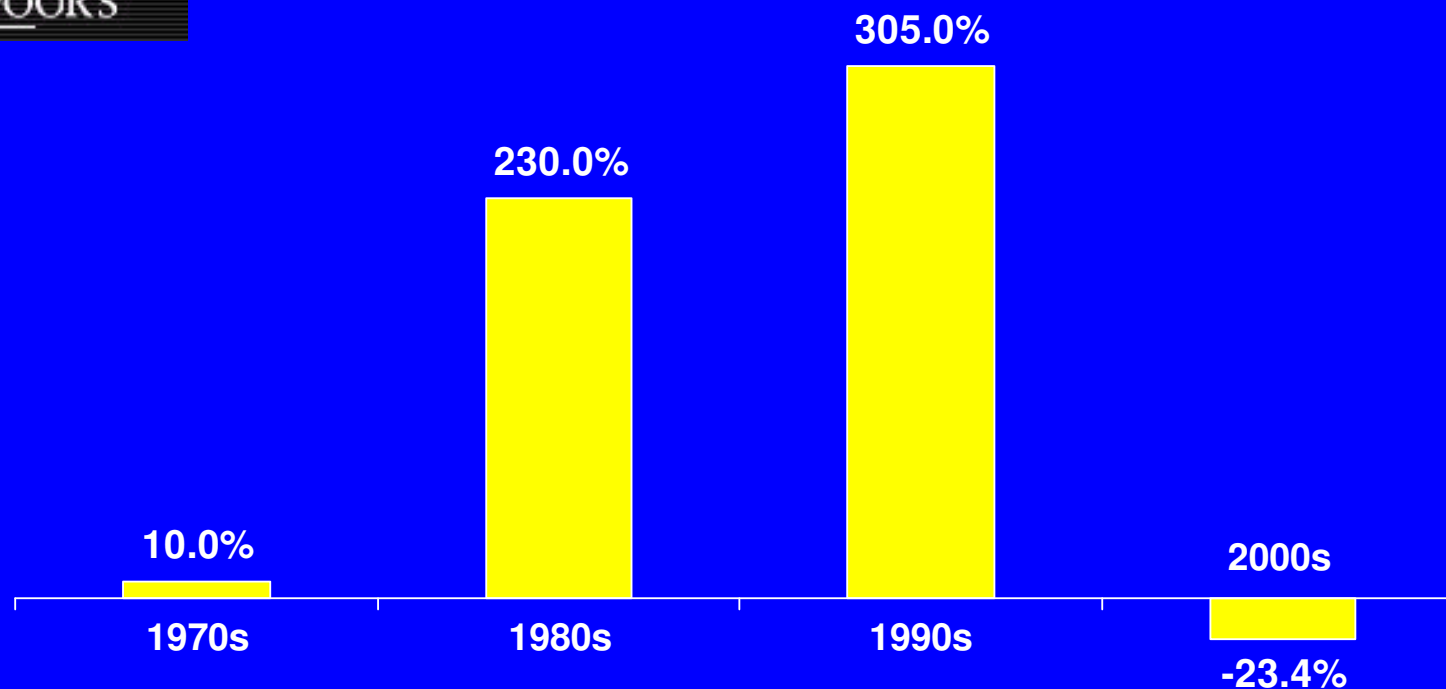
Adjusted Unemployment Rate



Source: 9/7/10 Carson Wealth Management Group Presentation (Carson) (Bureau of Labor Statistics); Tiburon Research & Analysis

The S&P 500 Has Lost 23.4% in the Decade

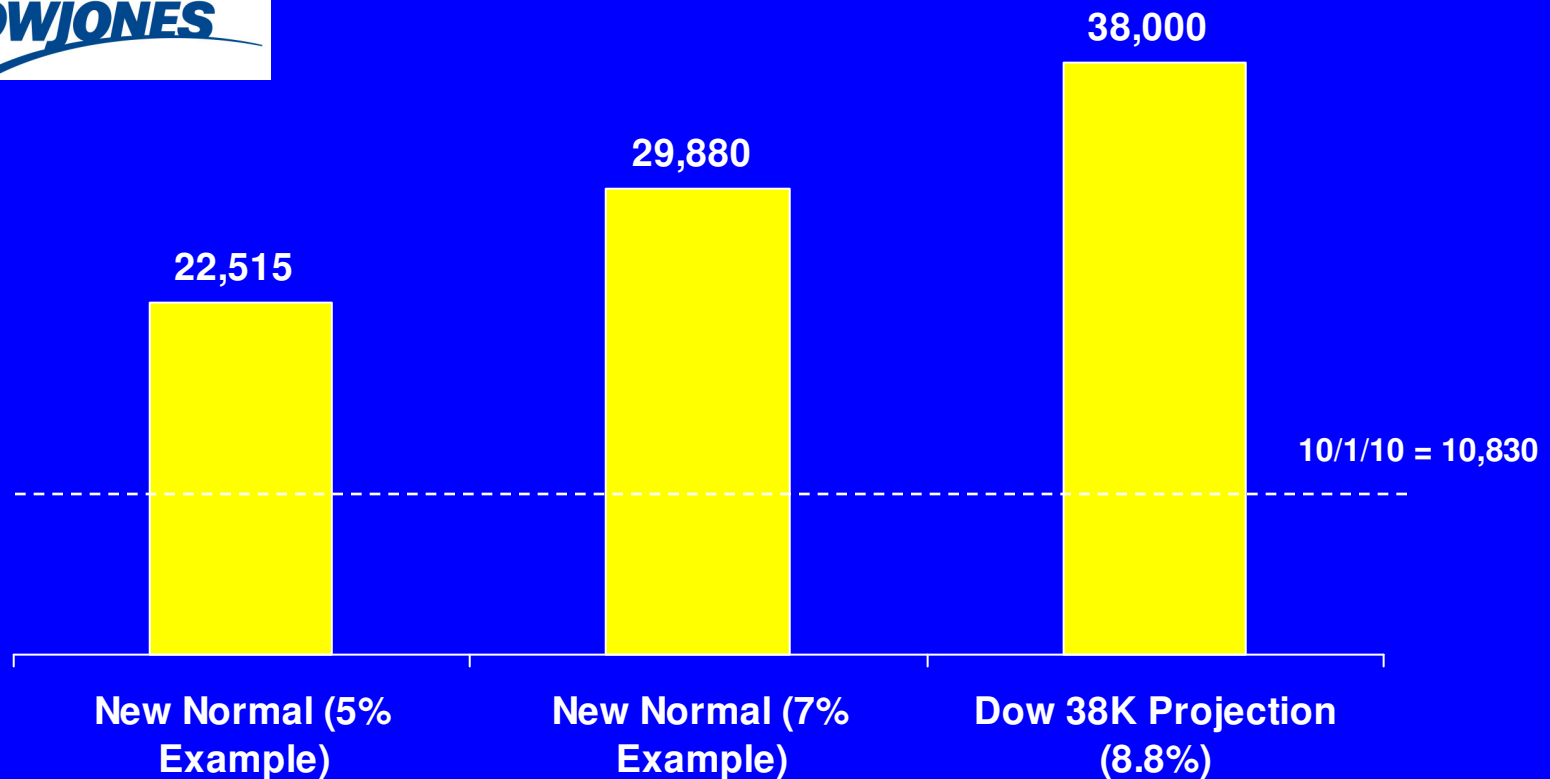
Standard & Poor's 500 Returns by Decade



Source: 9/27/10 Forward Management Presentation (Schaeffer) (Standard & Poor's); 6/10 Morgan Creek Capital Management Presentation (Yusko); Tiburon Research & Analysis

Widely Varying Predictions Exist for the Stock Market (Maybe)...

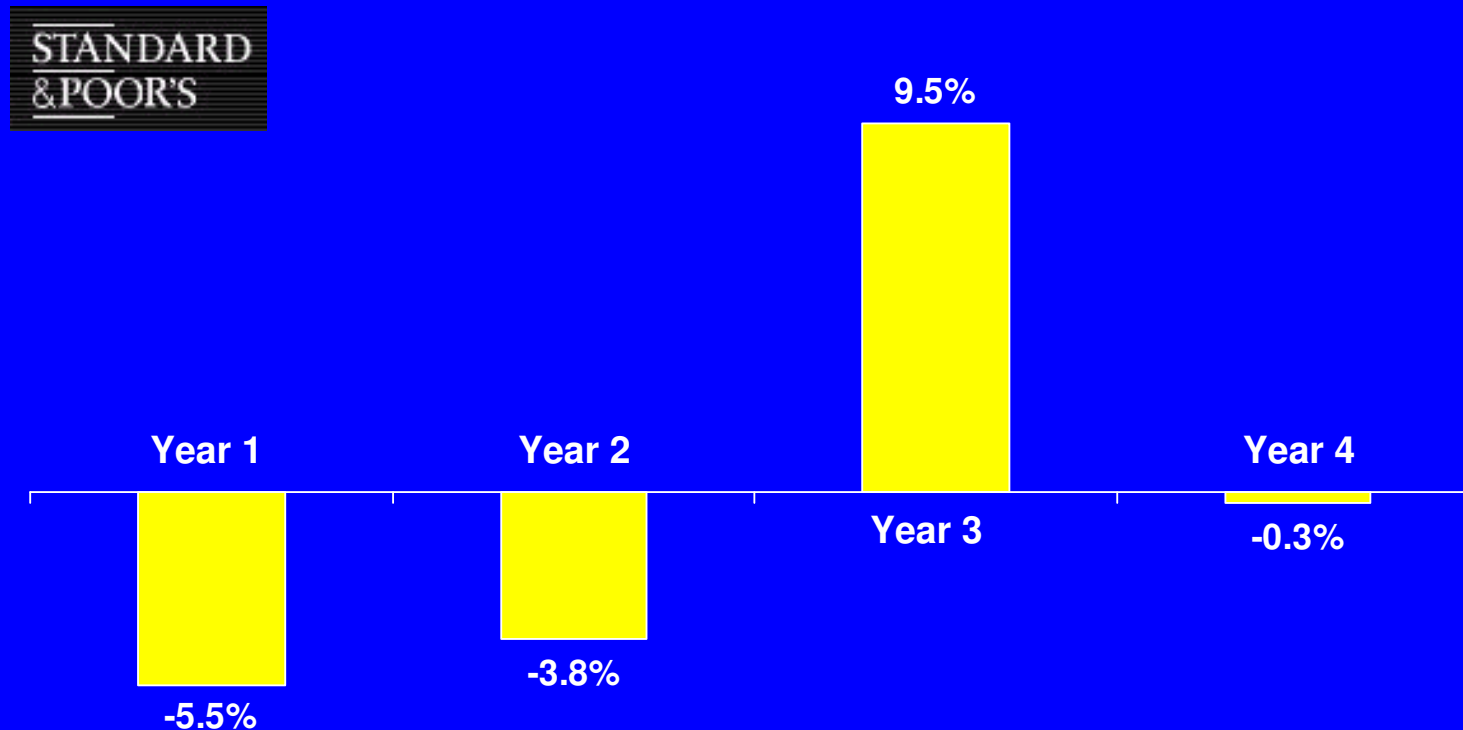
Dow Jones Industrial Average 10/1/10 -> 2025



Source: 10/4/10 Business Week; Tiburon Research & Analysis

If You are Seeking Some Hope... the S&P 500 Historically Performs Best in the Third Presidential Year

Standard & Poor's 500 Average Excess Real Returns By Presidential Cycle Year



Source: 2/06 Morgan Creek Capital Management Presentation (Yusko) (EMO); Tiburon Research & Analysis

The Financial Services Industry Has Added to its Own Problems with One Stumble After the Another...

Example Financial Services Industry Stumbles

Related Financial Services Industry Stumbles

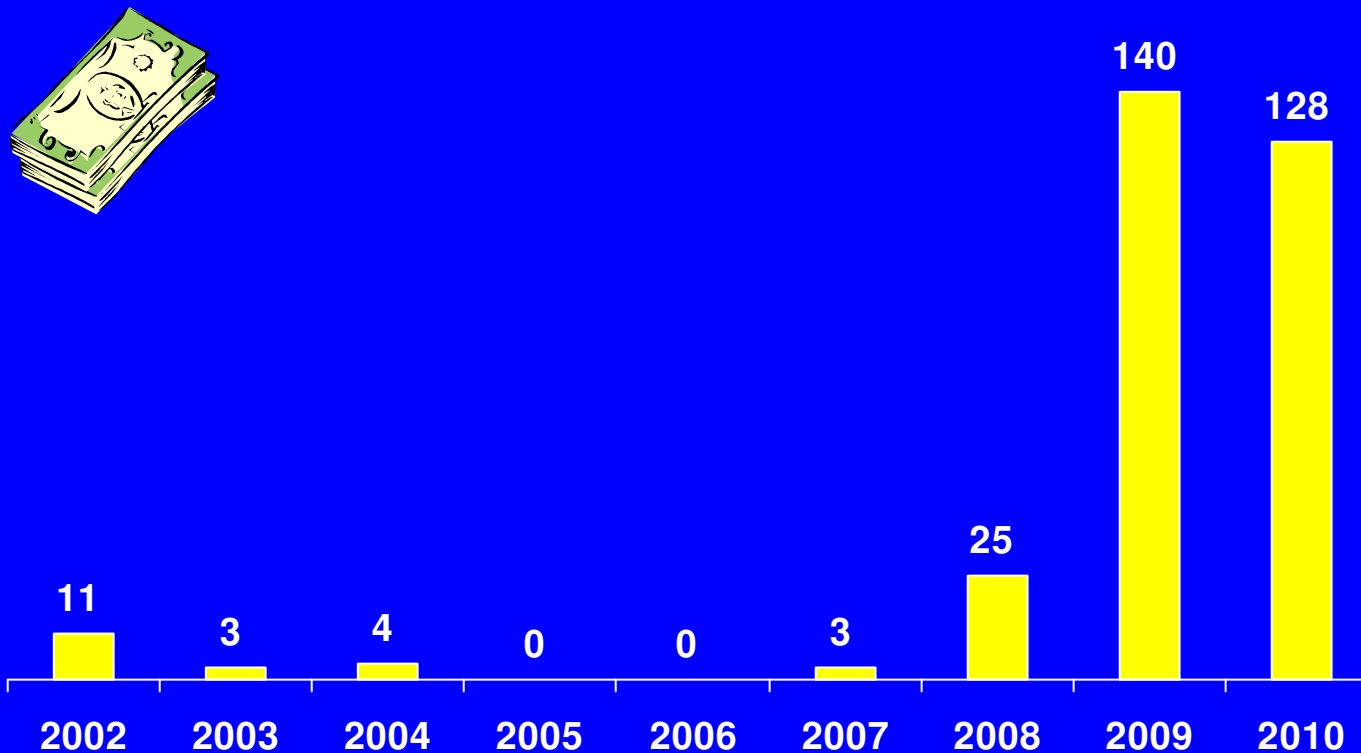
- ☐ **Year of the Ponzi (150 cases totaling \$16 billion in 2010 plus Madoff's \$19 billion) (Brown)**
- ☐ **Goldman Sachs Group bonuses hit record totals less than two years after taking \$20 billion TARP money**
 - ❖ **The Fabulous Fab seeks dismissal**
- ☐ **Lehman bankruptcy case estimates now exceed \$1 billion of direct costs (taxpayers paid?)**
- ☐ **JP Morgan seeking \$6 billion in FDIC claims after paying less than \$2 billion for WaMu**



Source: Tiburon Research & Analysis

285 Banks Have Failed Since 2008, which Equates to 3% of All Banks

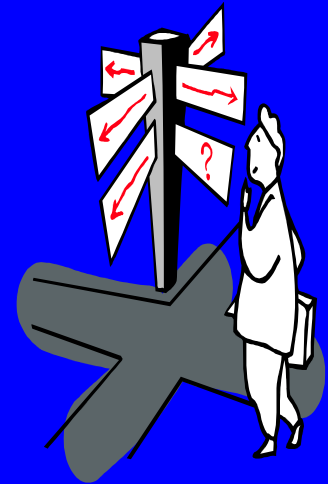
Bank Failures



Source: 9/27/10 Forward Management Presentation (Schaeffer) (FDIC); 9/7/10 Carson Wealth Management Group Presentation (Carson) (Wall Street Journal); Tiburon Research & Analysis

Outline

- **The Back Drop: The 2008-2009 Financial Crisis & Related Financial Services Industry Stumbles**
- **The Industry Impacts: A Reshaped Industry?**
 - **Consumer Wealth & New Attitudes**
 - **Legislative & Regulatory Agenda**
 - **Markets & Distribution Channels**
 - **Products & Services**
 - **Financial Services Investment Opportunities**



Consumer Wealth & New Attitudes



Consumer Wealth

- ❑ **Lost \$12.8 trillion net worth in 2008 (~20% of net worth); regained just \$2.9 in the 1¾ years since**
 - ❖ **Largest loss of wealth since tracking started after World War II (for comparison → technology bubble burst led to ~3% decline in net worth)**
 - ❖ **Double whammy - stock market & home values hit consumer investable assets (inverse of 1990s wealth effect)**
 - ❖ **May take until ~2015 to regain losses in investable assets**
 - ❖ **Potential for triple whammy if interest rates rise and bond principal plummets now**
- ❑ **Fewer high net worth prospects**
 - ❖ **Previous recessions had not impacted ultra affluent but this one did**

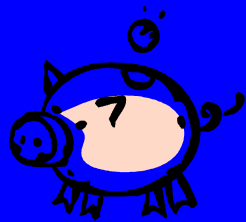
Consumer Wealth & New Attitudes

Consumer Attitudes

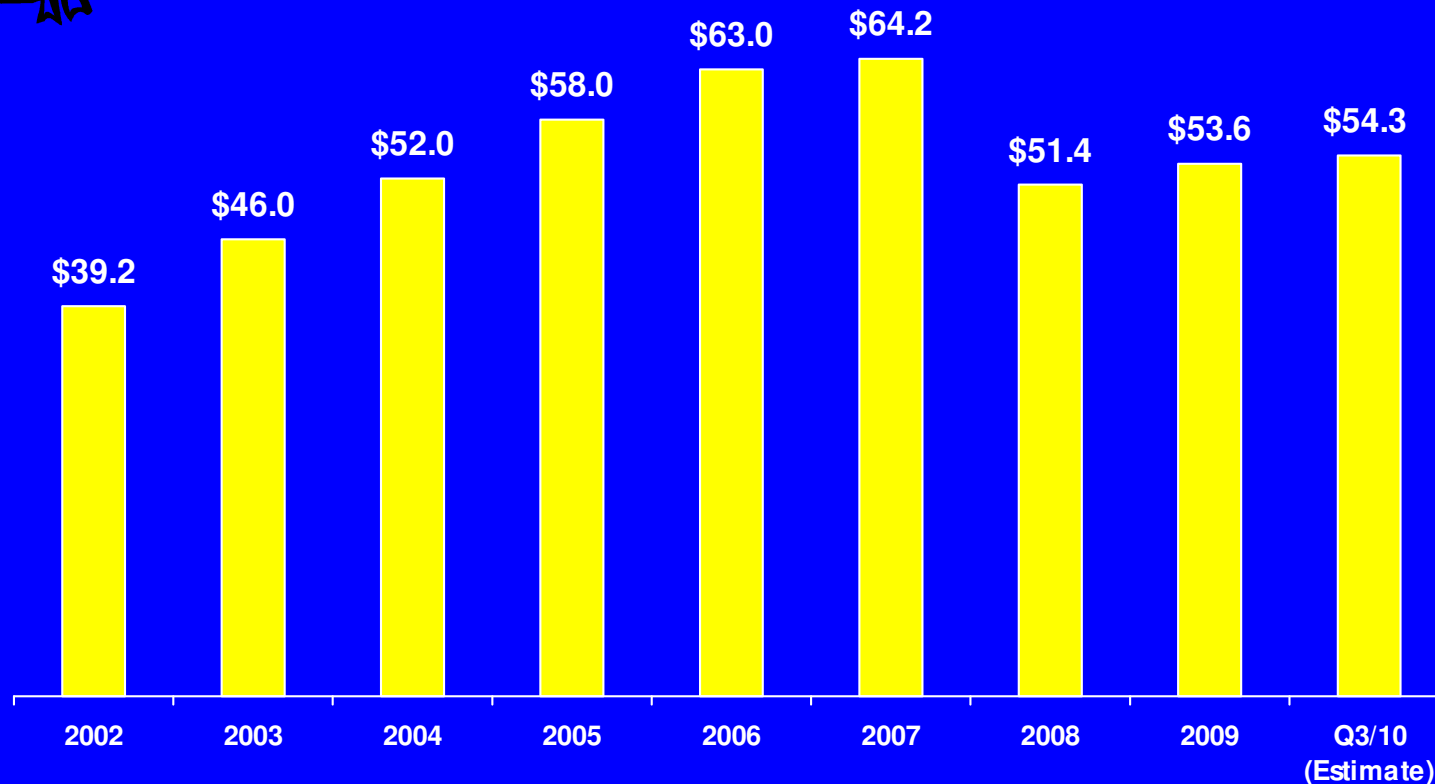
- ☐ **Some retirees forced back to work; some prospective retirees forced to extend their retirement dates**
 - ❖ **Potential for a lost generation of younger investors (or just an eschewing of financial advisors?)**
- ☐ **Liquidity at a premium**
 - ❖ **Deleveraging**
 - ❖ **Cash management & bonds both up (savings rate up to 6.0%)**
- ☐ **Trust lost in the financial services industry**
 - ❖ **Online tools & advice (Ever Bank Financial; Fidelity Investments; The Charles Schwab Corporation; TD Ameritrade)**
 - ❖ **Performance fees? (Dunham & Associates)**
- ☐ **More involvement expected**
 - ❖ **Service costs to increase for financial advisors**



Consumer Household Net Worth Fell \$12.8 Trillion in 2008 to \$51.4 Trillion Before Starting a Very Slow Recovery



Consumer Households Net Worth (\$ Trillions)

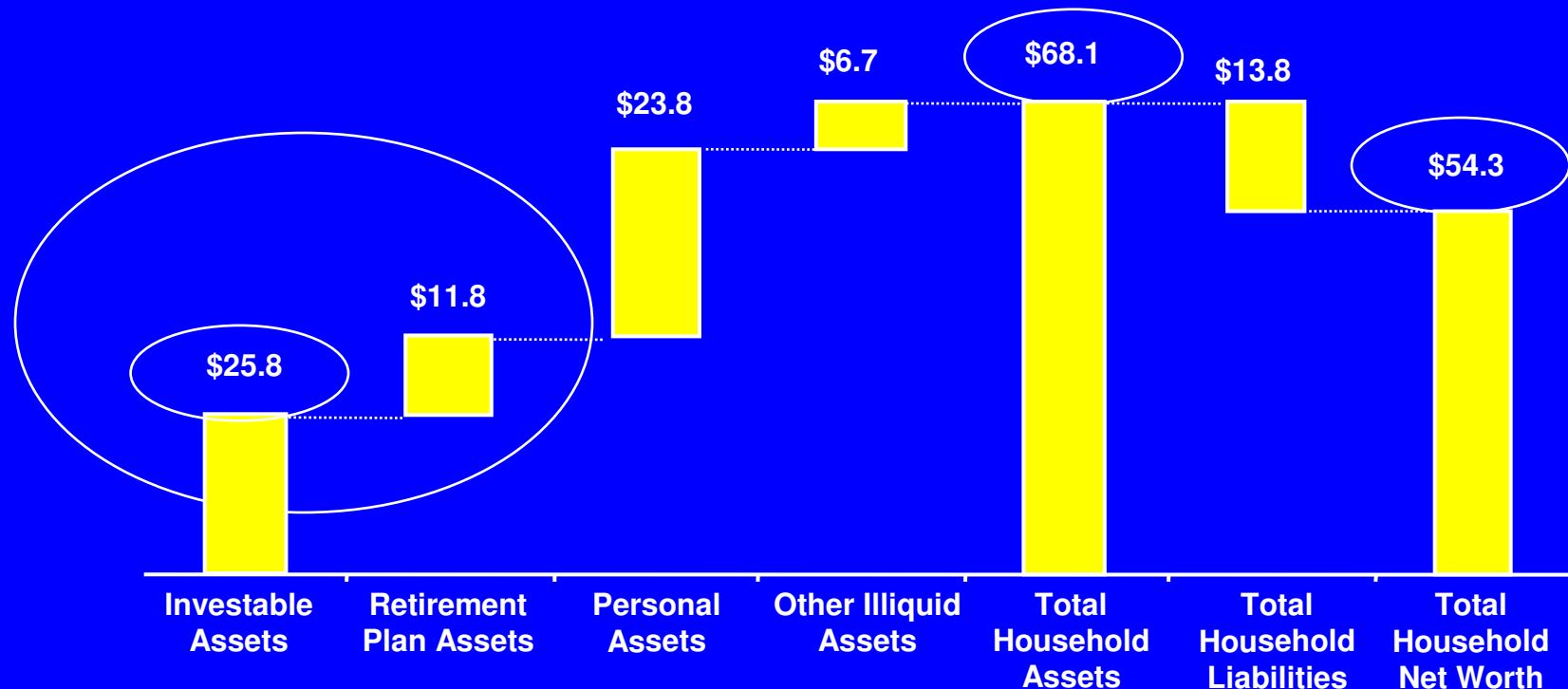


Source: 6/30/10 Federal Reserve Flow of Funds Report; Tiburon Research & Analysis

Consumer Households Have \$25.8 Trillion of Investable Assets, \$37.6 Trillion of Financial Assets, \$68.1 Trillion of Total Assets, & \$54.3 Trillion of Net Worth



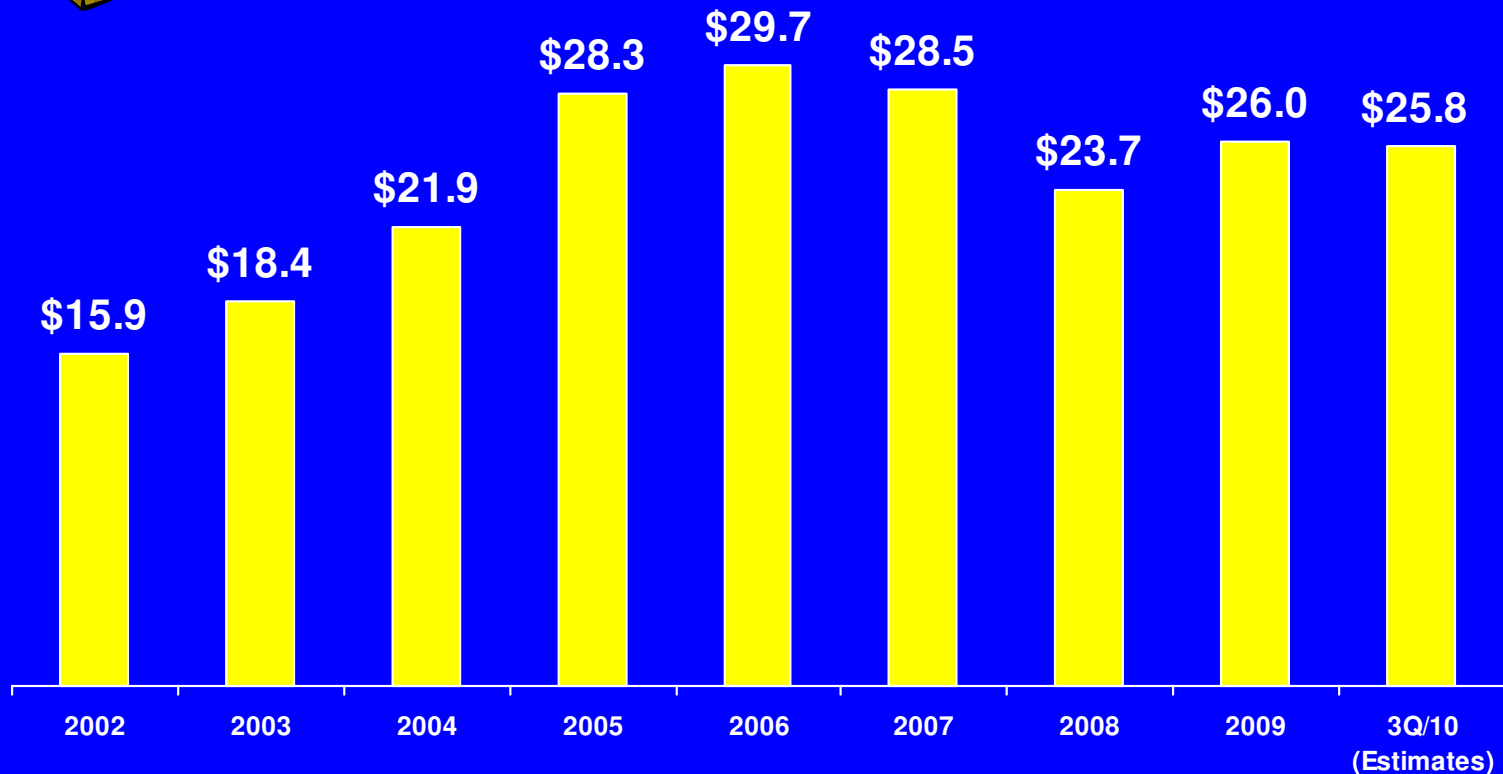
**Consumer Households Net Worth
(\$ Trillions)**



Source: 6/30/10 Federal Reserve Flow of Funds Report; Tiburon Research & Analysis

Consumers Households Have \$25.8 Trillion in Investable Assets, Up 60% Since 2002, But Still Below the 2005-2007 Peak

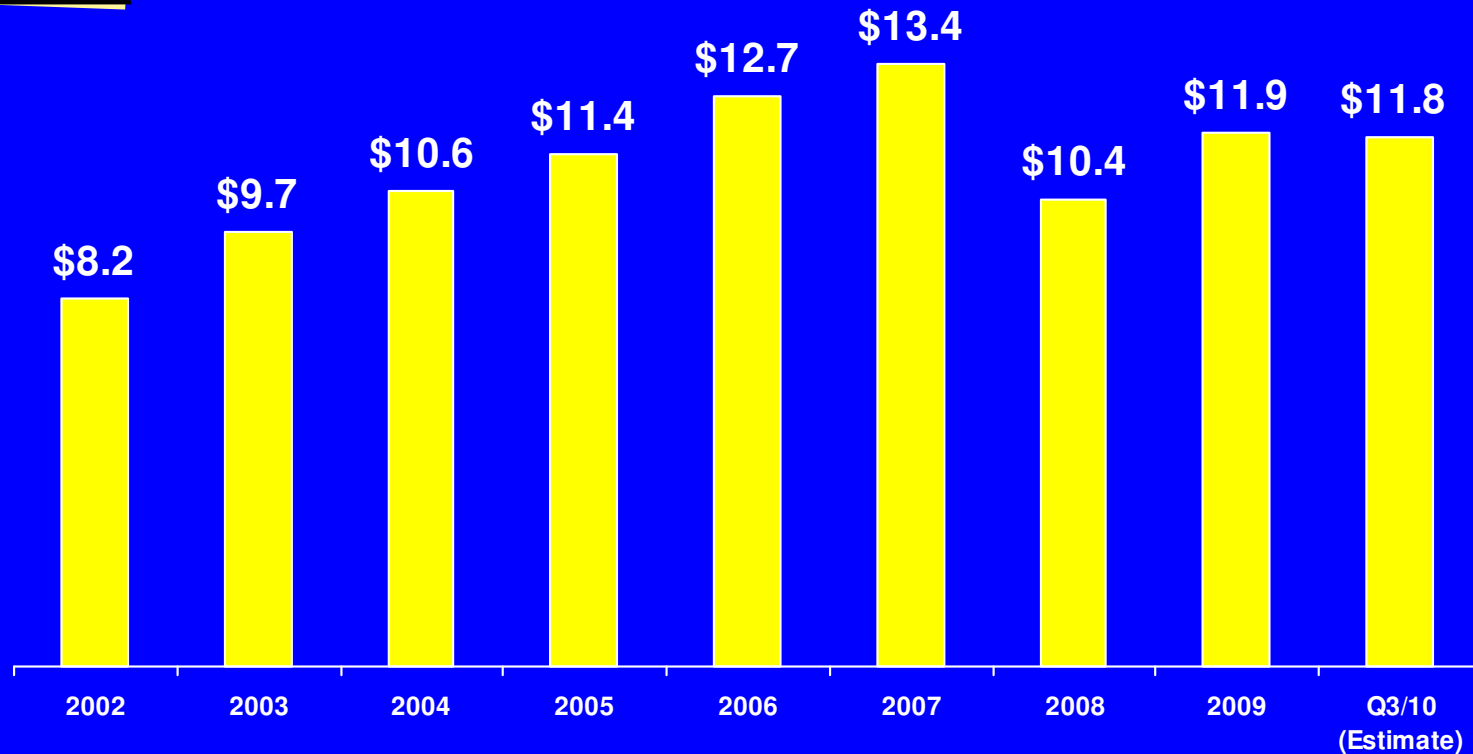
Consumer Households Investable Assets (\$ Trillions)



Source: 6/30/10 Federal Reserve Flow of Funds Report; Tiburon Research & Analysis

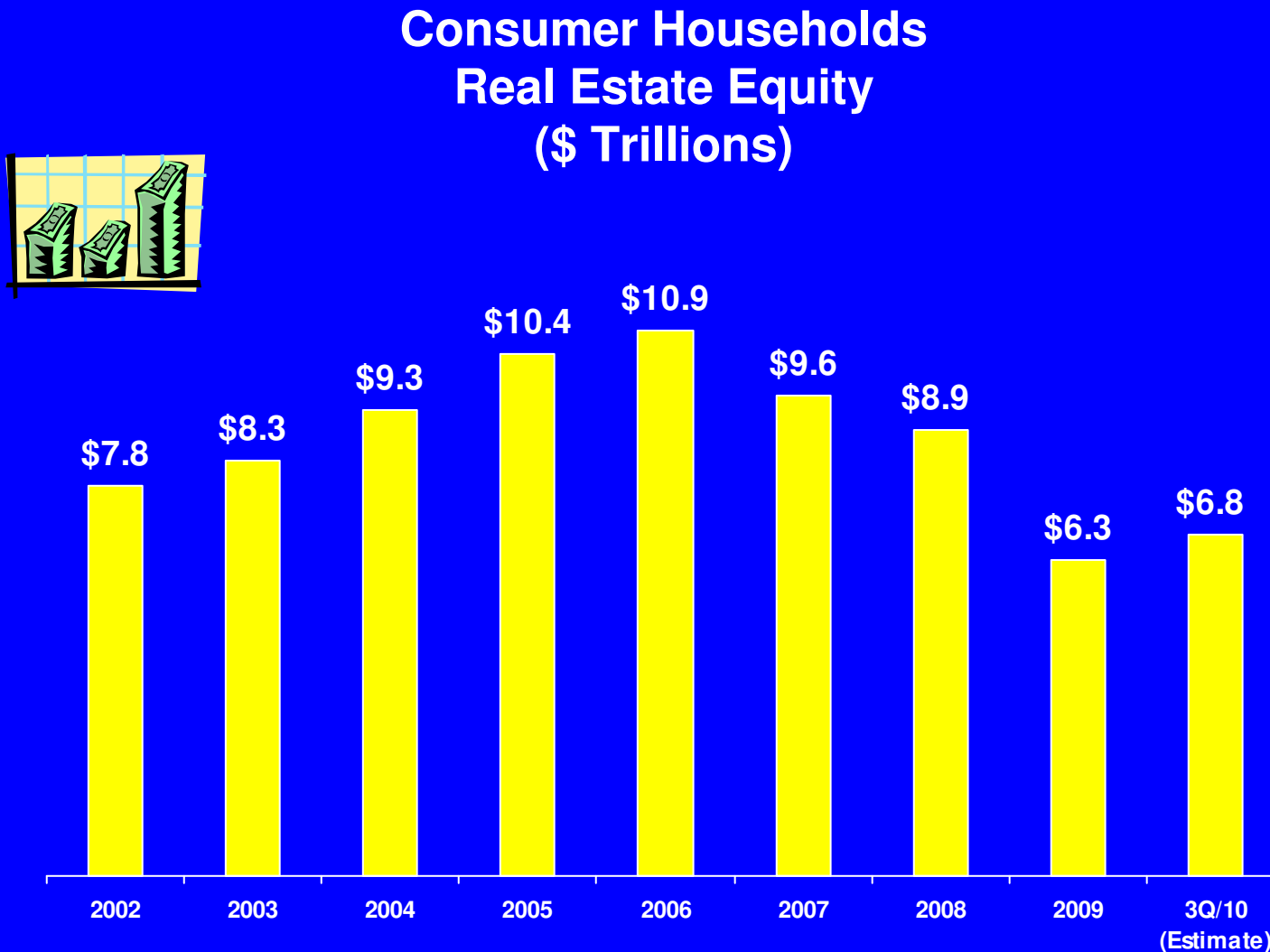
Consumers Have \$11.8 Trillion in Retirement Plan Assets, Up 40% Since 2002 But off its Peak of 2007

Consumer Households Retirement Plan Assets (\$ Trillions)



Source: 6/30/10 Federal Reserve Flow of Funds Report; Tiburon Research & Analysis

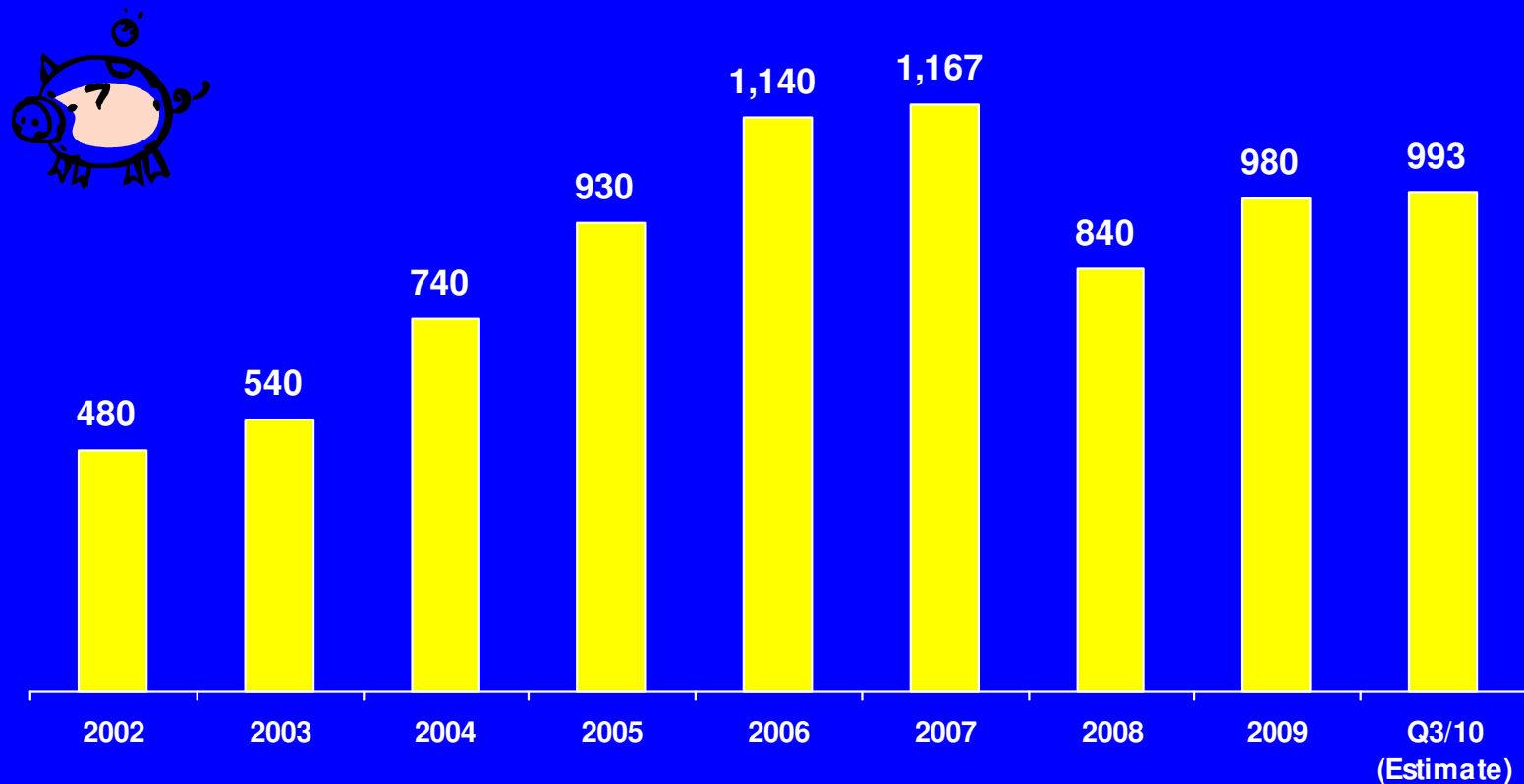
Consumer Households Lost \$4.6 Trillion in Real Estate Equity After the Peak in 2006 and Have Recovered Just a Bit in 2010



Source: 6/30/10 Federal Reserve Flow of Funds Report; 3/11/10 Federal Reserve Flow of Funds Report; 4/09 Boomer Market Advisor (Center for Economic Research); 3/09 Journal of Financial Planning; 12/31/07 Federal Reserve Flow of Funds Report; 3/31/07 Federal Reserve Flow of Funds Report; 2/06 Morgan Creek Capital Management (Yusko); Tiburon Research & Analysis

The Number of Consumer Households with Over \$5.0 Million in Financial Assets Dropped 30% in 2008 to 840,000 and Has Recovered Less than Half that Amount in 2009-2010

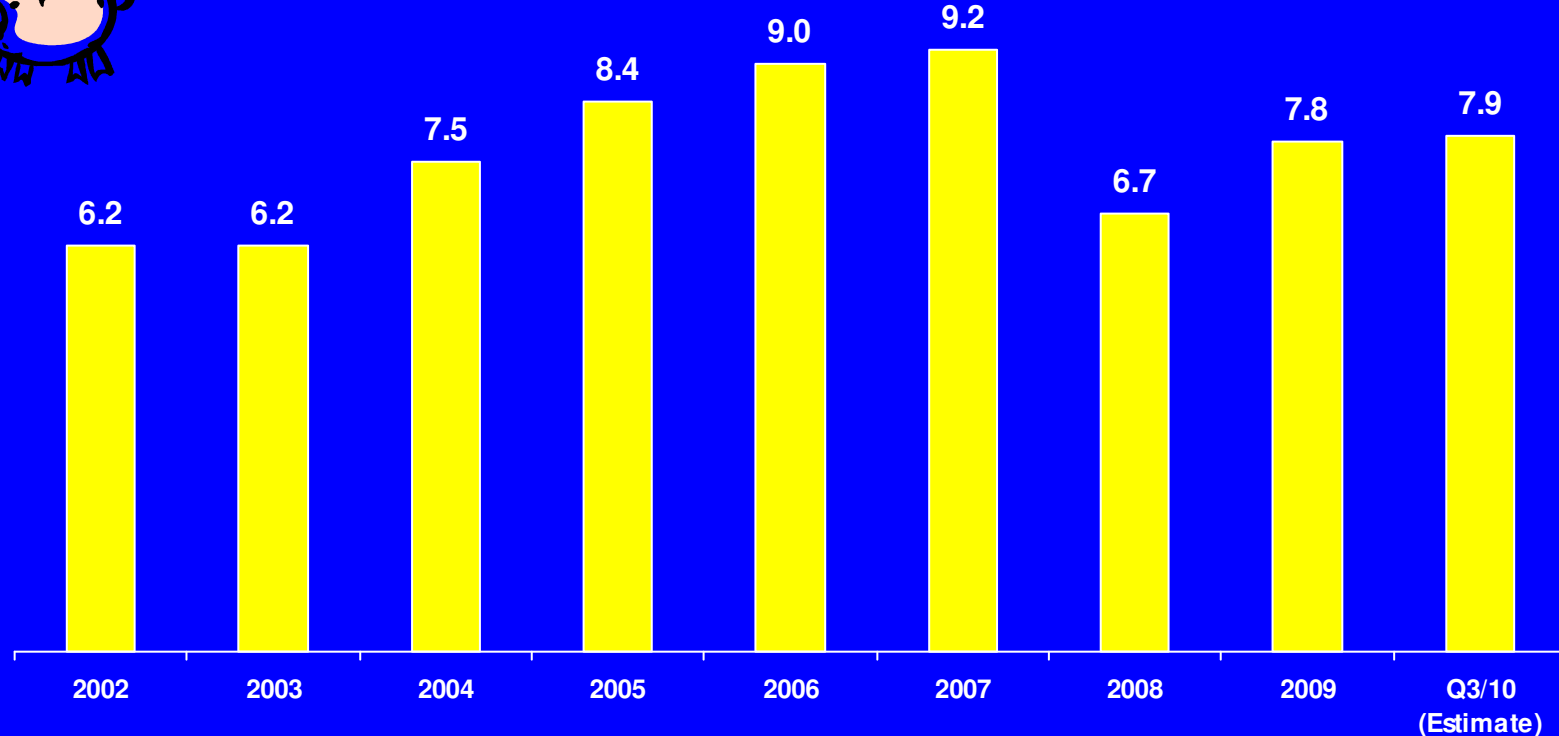
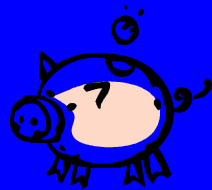
Consumer Households With \$5.0+ Million Financial Assets (Thousands)



Source: 6/30/10 Federal Reserve Flow of Funds Report; 3/10/10 American Banker (Spectrem Group); 3/9/10 Insurance Newscast (Spectrem); 5/21/09 Wall Street Journal; 5/14/09 1st Global Presentation (Batman) (Spectrem); 3/16/09 Money Management Executive (Spectrem); 3/13/09 American Banker (Spectrem); 3/13/09 Financial Advisor (Spectrem); Tiburon Research & Analysis

The Number of Consumer Households with Over \$1.0 Million in Financial Assets Dropped 27% in 2008 to 6.7 Million and Has Recovered Less than Half that Amount in 2009-2010

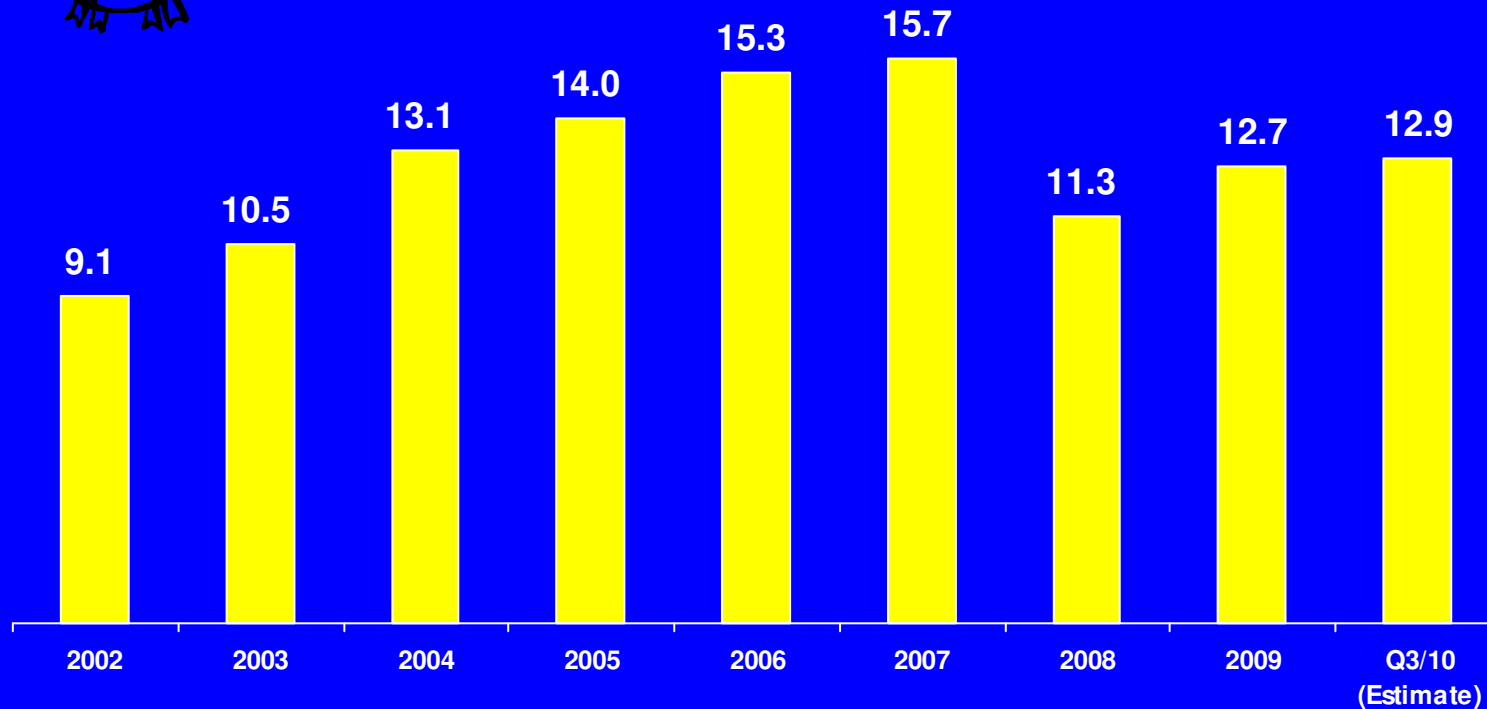
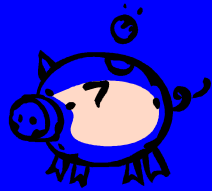
Consumer Households With \$1.0+ Million Financial Assets (Millions)



Source: 6/30/10 Federal Reserve Flow of Funds Report; 3/10/10 American Banker (Spectrem Group); 3/9/10 Insurance Newscast (Spectrem); 5/21/09 Wall Street Journal; 5/14/09 1st Global Presentation (Batman) (Spectrem); 3/16/09 Money Management Executive (Spectrem); 3/13/09 American Banker (Spectrem); 3/13/09 Financial Advisor (Spectrem); 3/12/08 Investment News (Spectrem); 2/18/02 Investment News (Spectrem); Tiburon Research & Analysis

The Number of Consumer Households with Over \$500,000 in Financial Assets Declined 28% in 2008 to 11.3 Million But Has Recovered Less than Half that Amount in 2009-2010

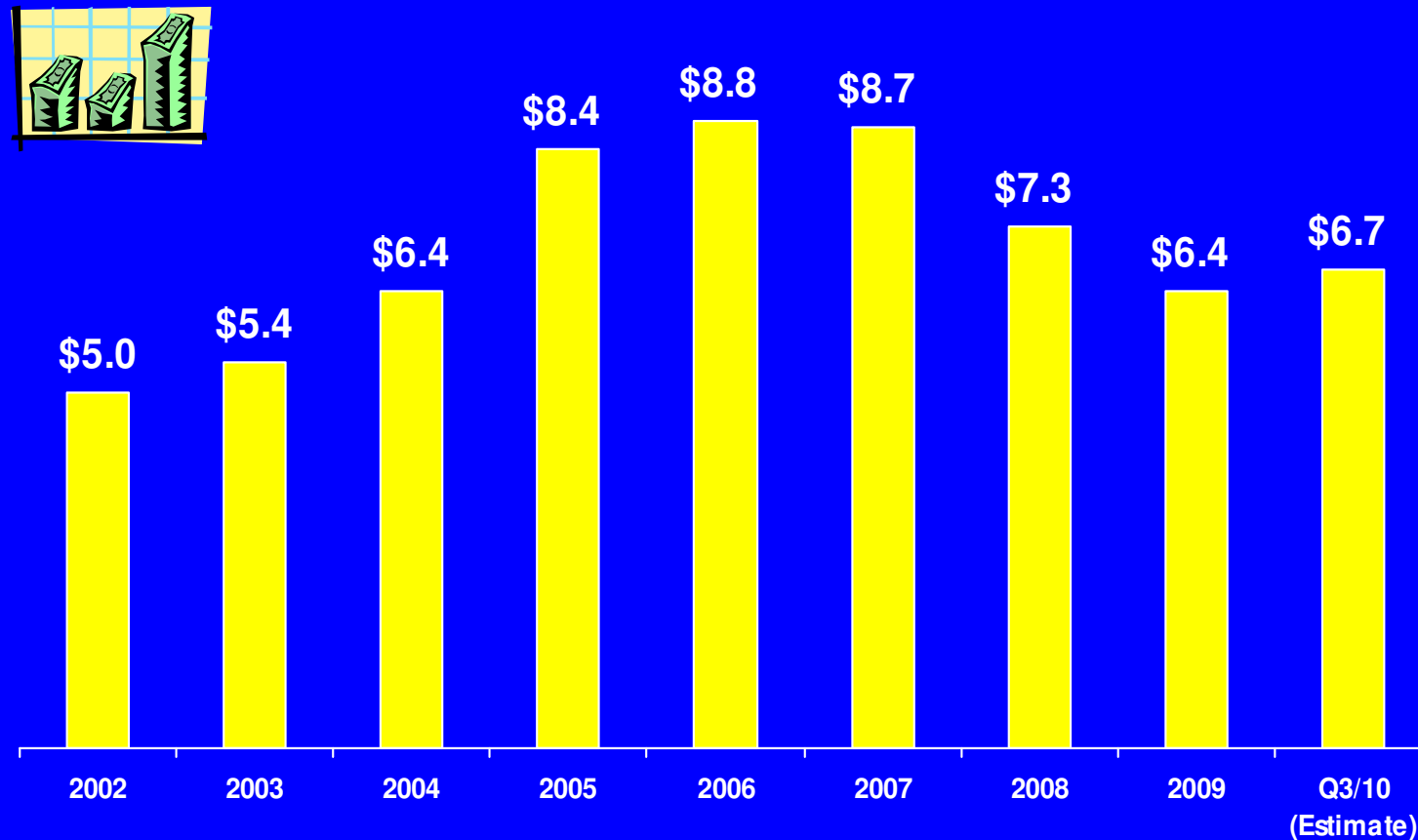
Consumer Households With \$500,000+ Financial Assets (Millions)



Source: 6/30/10 Federal Reserve Flow of Funds Report; 5/21/09 Wall Street Journal; 5/14/09 1st Global Presentation (Batman) (Spectrem); 3/16/09 Money Management Executive (Spectrem); 3/13/09 American Banker (Spectrem); 3/13/09 Financial Advisor (Spectrem); Tiburon Research & Analysis

Consumer Households Lost \$2.4 Trillion in Private Business Valuations After the Peak in 2006 and Have Recovered Just a Bit in 2010

Consumer Investments in Privately Owned Businesses (\$ Trillions)

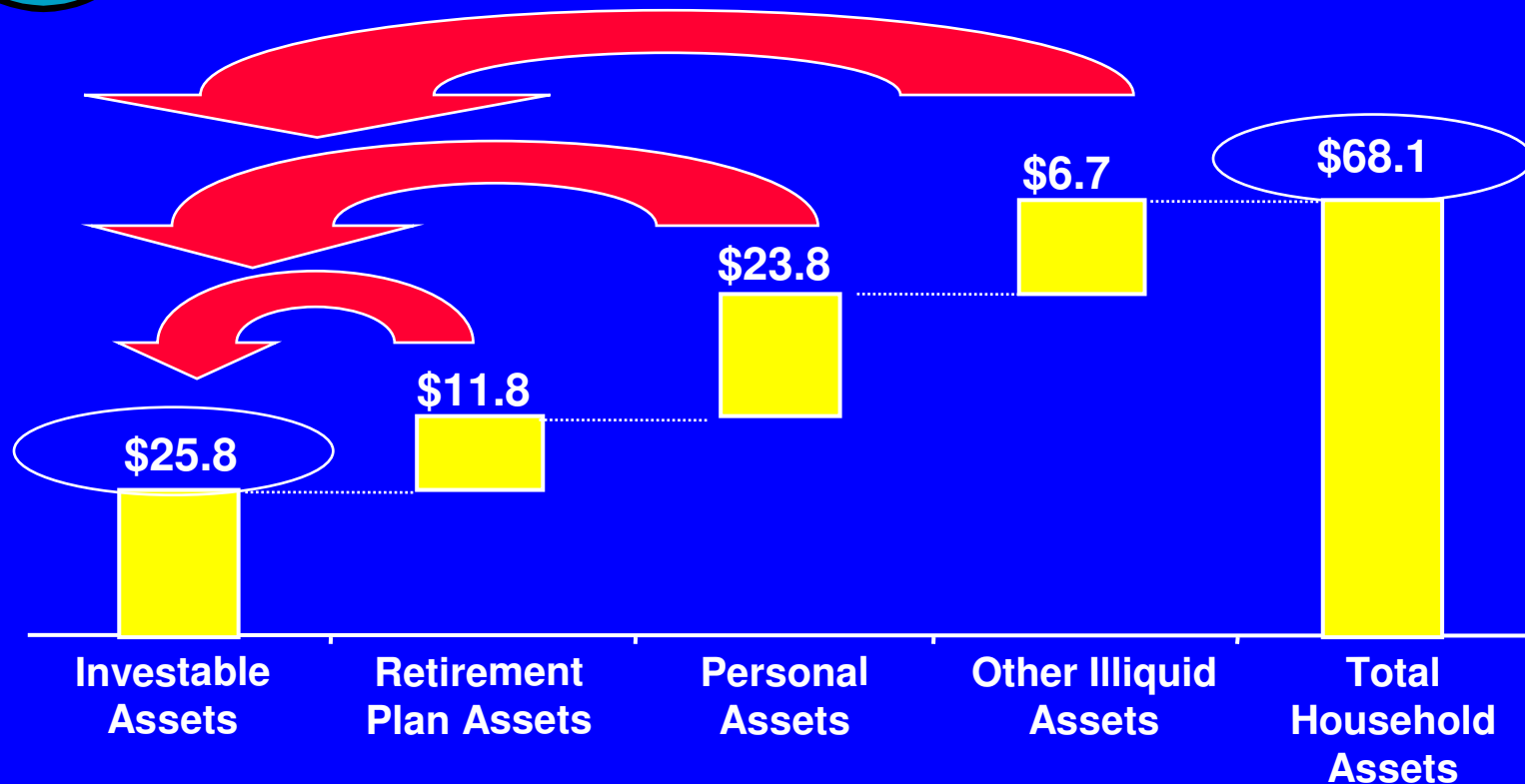


Source: 6/30/10 Federal Reserve Flow of Funds Report; Tiburon Research & Analysis

Baby Boomers' Pending Retirement will Still Drive More Assets into the Investable Assets Market



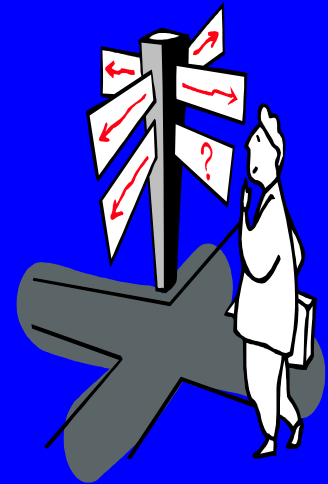
Consumer Households Net Worth (\$ Trillions)



Source: 6/30/10 Federal Reserve Flow of Funds Report; Tiburon Research & Analysis

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Legislative & Regulatory Agenda



Dodd-Frank Wall Street Reform & Consumer Protection Act

- ❑ **Primarily focused on investment banks and retail banks**
 - ❖ **Big three issues - proprietary trading, derivatives, & Consumer Financial Protection Agency (hits hard the dual focus banks - e.g., JP Morgan Chase and Bank of America)**
 - ❖ **Forces exits from proprietary trading**
 - ❖ **Tightens margins on derivatives & consumer lending businesses (overdraft fees; debit interchange fees)**
- ❑ **Investment management was primarily a side note but a few keys...**
 - ❖ **Universe of required registrants changes, adding hedge funds & private equity funds**
 - ❖ **RIAs shift to states under \$100 million**
 - ❖ **Expect blanket fiduciary rule with FINRA as regulator (but not as SRO?) (Brown; Evensky; Envestnet)**

Legislative & Regulatory Agenda

Other industry issues

- ☐ **SEC -> 12b1s (July 2010 Proposal)**
 - ❖ **Eliminate service for small investors? (Brown)**
 - ❖ **Challenge mutual fund supermarket model?**
 - ❖ **Impact on small plan 401K market? (TD Ameritrade)**
 - ❖ **Open door for ETFs?**
- ☐ **Department of Labor**
 - ❖ **Retirement plan advice**
 - ❖ **Target date mutual fund disclosure (Mansueto & Phillips; Foliofn)**
- ☐ **Redefined accredited investor (dropping real estate)**
 - ❖ **Fewer qualify and hence creates demand for regulated alternatives (Yusko; Private Wealth Magazine)**



Legislative & Regulatory Agenda

Other Industry Issues (Continued)

- ☐ **Basel III**
 - ❖ **Bank capital rules (7% by 2019)**
- ☐ **Cost basis reporting regulation (The Emergency Economic Stabilization Act) (Fidelity Investments; Fiserv)**
 - ❖ **Implementation begins in 2011**
- ☐ **Summary prospectus (Brown)**
- ☐ **ADV Part 2**
- ☐ **Independent contractors (Brown)**



Income Taxes Likely Headed Up (Eventually)

- ☐ **Tax deferral more important (Jefferson National)**
- ☐ **Renewed interest in SMAs with active tax harvesting (Fiserv)**
- ☐ **Estate tax -> Estate planning insurance**

The Securities & Exchange Commission Seems Ready to Act on the Fiduciary Rule



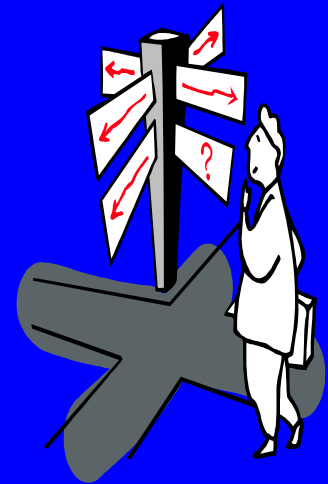
Securities & Exchange Commission Chairwoman Mary Schapiro Comment

“I also support the administration’s effort to apply a fiduciary standard of conduct....regardless of whether those professionals carry the label broker/dealer or investment advisor. Investors deserve the disinterested advice of fiduciaries who put investors interest before their own”

**– Mary Schapiro
Chairwoman, Securities
& Exchange Commission
September 24, 2009**

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Markets & Distribution Channels



Financial Advisor Channels

- ❑ **Wirehouses' brands tarnished and strategies seem stagnate**
 - ❖ **Later issue may actually be the more important issue as clients like their financial advisors**
 - ❖ **Wirehouse share of consumer investable assets declining (48% -> 41%)**
 - ❖ **Not a single wirehouse executive has received a single vote for Tiburon's CEO Summit awards; why is that?**
 - ❖ **Former wirehouse CEOs backing independents (Evensky)**
- ❑ **Break-away brokers trend continues to be overstated but does continue (\$800 billion moved in 2009 with \$188 billion going independent) (Brown)**
 - ❖ **Unique hybrid models emerging accommodating both fees & commissions (convergence between IBDs & RIAs) (Fidelity Investments; LPL Financial; Envestnet)**
 - ❖ **Why are wirehouses not responding? (other than bigger bribes) Will one of the wirehouses buy an IBD in 2011?**

Markets & Distribution Channels



Financial Advisor Channels (Continued)

- ☐ **Madoff & Stanford though caused pause - are all independents fly by nights?**
 - ❖ **Silly claim of reversal to wires (as silly as crazy break-away broker predictions)**
- ☐ **Intra-independent market movement**
 - ❖ **Some large FINRA reg reps moving to fee-only**
- ☐ **But be sure... The wirehouse model is not going away unless the firms chose to spin off their financial advisors (like life insurance agents in the 1980s)**

Markets & Distribution Channels



- ❑ **Online tools & advice**
 - ❖ **Natural outgrowth of loss of confidence in financial advisors**
 - ❖ **Young wealthy to skip financial advisors? (Foliofn)**
 - ❖ **Mint.Com has 2.0 million users**
 - ❖ **Discount brokers add price competition at ~40bps**
- ❑ **Intersection of financial services, technology, & media companies (remember Pete Kight comments)**
- ❑ **Supply of Financial Advisors - Stagnate for a decade while more baby boomers need such (financial advisor base aging)**

Markets & Distribution Channels

Institutional



❑ Defined Contribution

- ❖ Crazy bad investing behaviors (Maggioncalda)
- ❖ Department of Labor Advice rulings may challenge stranglehold by mutual fund companies & Insurance companies (Maggioncalda; TD Ameritrade)
- ❖ Trends – target date mutual funds, stable value funds, CMTFs, ETFs, in plan guarantees, & (still) rollover capture

❑ Defined Benefit

- ❖ Disruption - Lack of confidence in consultants, placement agents pay, public funds employee pay (e.g., CALPERS)
- ❖ Ron Ryan's underfunded ratios comments

❑ Endowments & Foundations

- ❖ Death of the endowment model or one year blip? Cash strapped universities (Yusko)

Markets & Distribution Channels

International

❑ Product & Service Companies

- ❖ **Mutual Fund Market Opportunity (48% non US)**
- ❖ **ETFs circling the world**
- ❖ **UK – commission brokerage ceased & annuities by age 75**

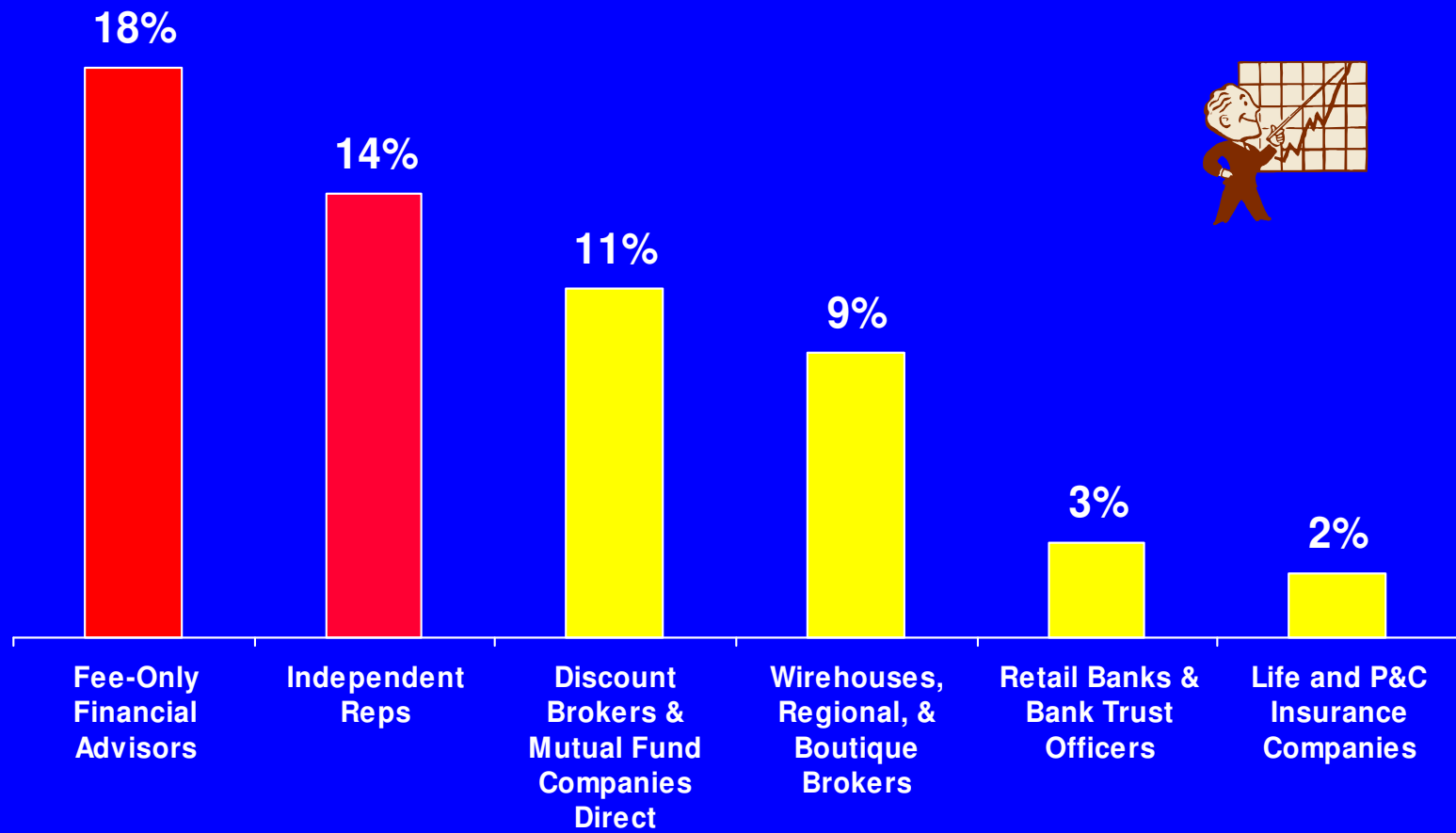
❑ Markets & Distribution Companies

- ❖ **Canada or Korea example (e.g., Wells Fargo Securities exits Canada)**
- ❖ **Singapore, the new Switzerland**
- ❖ **China!**



Independent Advisors Collectively Continue to Outgrow the Competition...

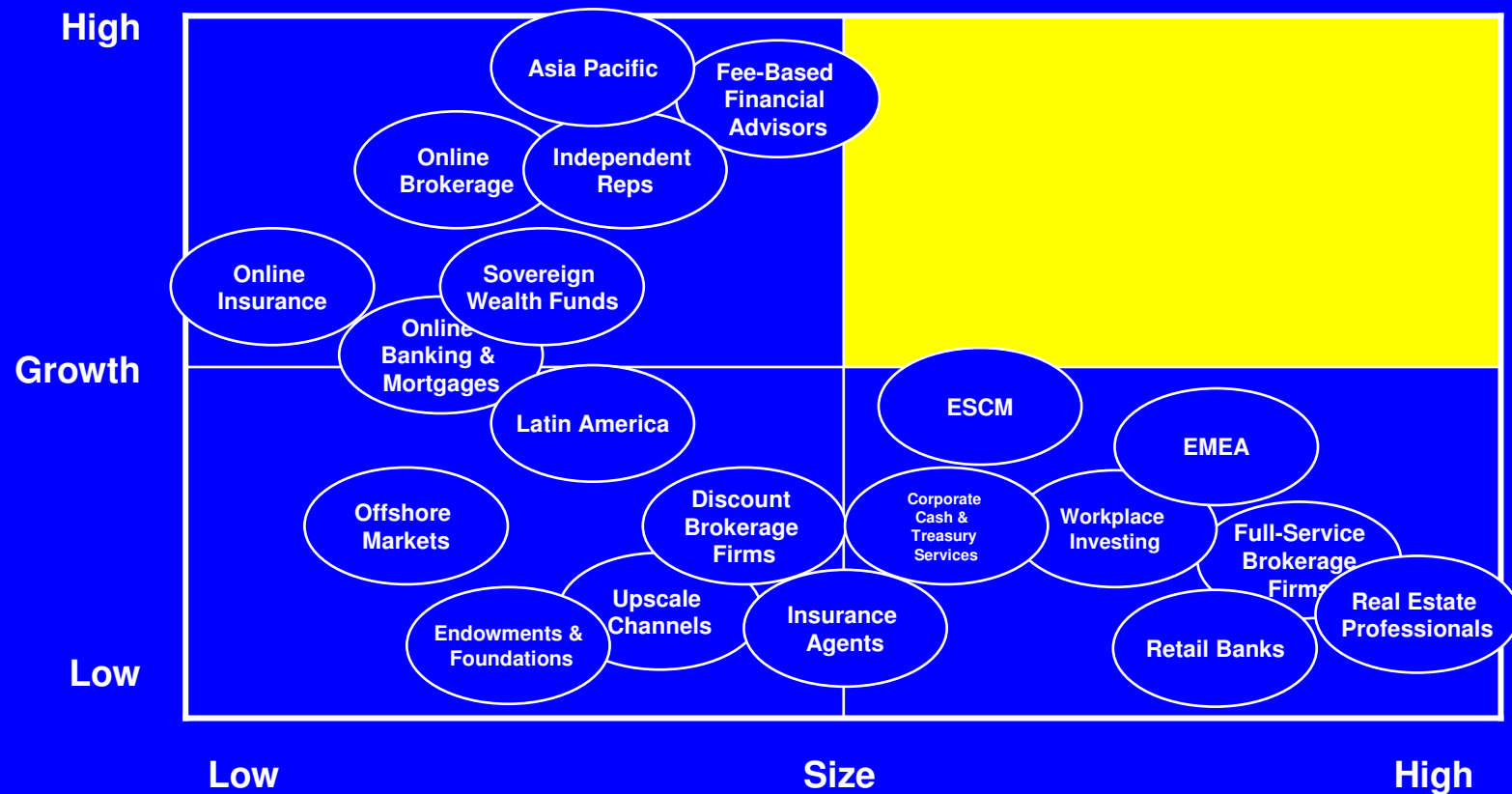
Client Assets Annual Growth Rate By Markets & Distribution Channels (1995 - 2009)



Source: Tiburon Research & Analysis

The Fee-Based Financial Advisors, Independent Reps, & Asia Pacific are the Three Fastest Growing Markets of Significant Size

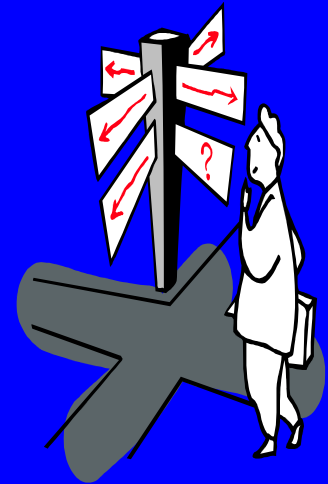
Markets & Distribution Channels Comparison



Source: Tiburon Research & Analysis

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Products & Services



Broad Perspective

- ☐ **Brokerage accounts have twice the AUA as bank accounts**
 - ❖ **Why do banks have dominant market caps? It's the same reason the CFPA was created!**
- ☐ **Brokerage accounts contain 2/3 stocks & bonds**
 - ❖ **All packaged products combined make up the other 1/3**
- ☐ **Mutual funds have more assets than all other packaged products combined**
 - ❖ **Mutual funds also had higher flows than all other packaged products combined in 2009 (ETFs challenging in 2010)**

Products & Services

Cash Management

- ❑ **Flight to quality and/or indecision pushing up bank balances**
 - ❖ **But money market funds leaking badly (seeking higher yields & continued worries about breaking of the buck) (six straight negative flow quarters 1Q/09 -> 2Q/10)**

Mutual Funds

- ❑ **Overall AUM down \$1.3 trillion 2006-2010**
- ❑ **Strong flows can be deceiving (driven by bond funds)**

Separately Managed Accounts & Comingled Trust Funds

- ❑ **\$6.4 trillion AUM (second largest market to mutual funds)**
- ❑ **No flows**



Products & Services



☐ Indexing

- ❖ **Vanguard passes Fidelity (March 2010) (\$1.3 trillion AUM) (leading in 2010 flows \$49 to \$3 billion with 80% to index products)**
- ❖ **Control what you can - expenses & taxes (Evensky)**
- ❖ **Active is a Zero Sum Game (and less than zero sum after taxes & expenses) (\$102 billion spent on active management) (Statman)**
- ❖ **Active will always exist**
- ❖ **Side impact... Shining light on expenses everywhere**

☐ ETFs

- ❖ **\$782 billion AUM (~10% of mutual funds) & \$104 billion net flows (~50% of mutual funds)**
- ❖ **ETFs & index mutual funds > active mutual funds in 2Q/10**
- ❖ **Schwab & Fidelity ETF price war**
- ❖ **Vanguard gaining on Black Rock & State Street**

Products & Services

- Hedge Funds & Other Alternatives**
 - ❖ \$1.4 trillion AUM with negative flows in 2008, 2009, & early 2010 (Yusko)**
 - ❖ Emergence of macro versus stock pickers**
 - ❖ Accredited investor - poor Man's Hedge Funds in Mutual Fund Structures -> ~\$150 billion AUM**
 - ❖ Ability to democratize venture capital & private equity? (Triton Pacific)**



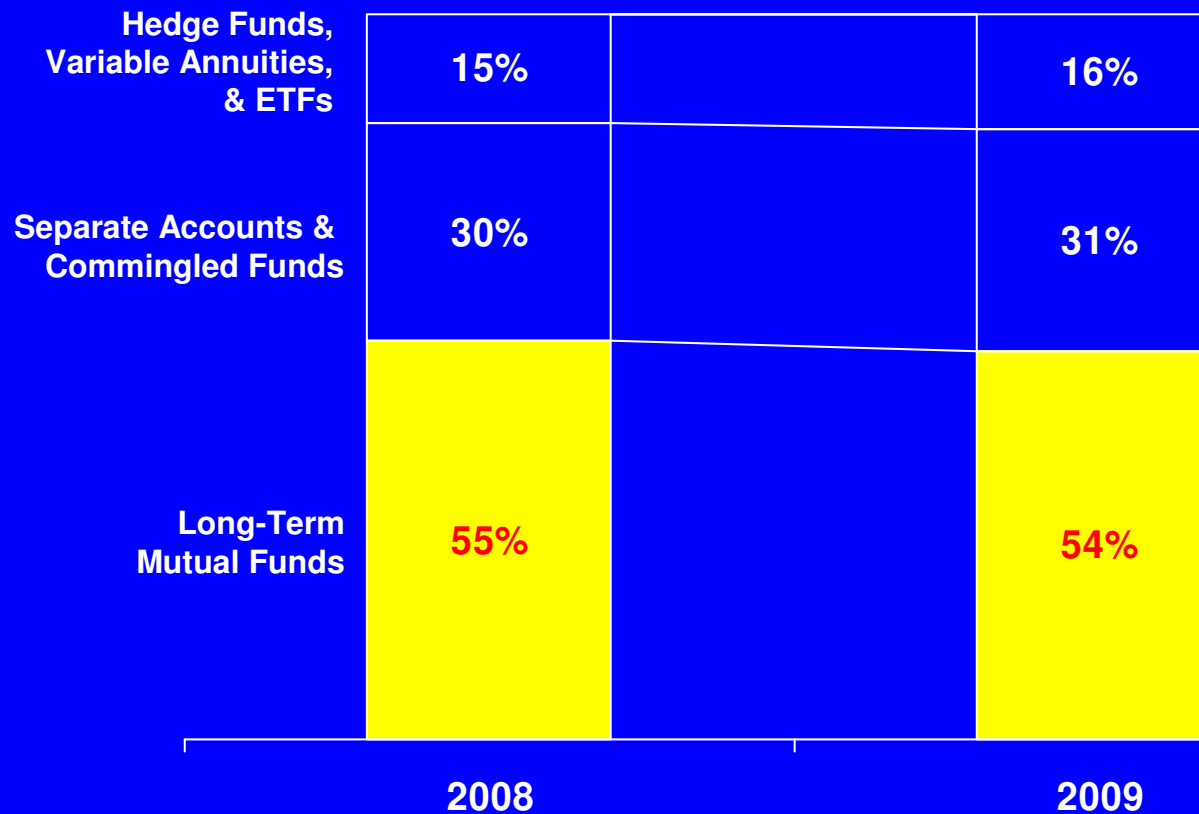
Products & Services



- ❑ **Annuities (& Retirement Income)**
 - ❖ **Variable annuities -> \$1.0 trillion AUM with \$50 billion net flows (larger market than ETFs but with only half the flows)**
 - ❖ **Opportunities**
 - **Guaranteed income solution for middle class (potential for mandate or large plan market adoption)**
 - **Tax deferral opportunity for HNW (Jefferson National)**
- ❑ **Other Product Opportunities**
 - ❖ **Target Date Mutual Funds - \$270 billion; nicely recovered from perceived stumbles (Mansueto & Phillips; Forward Management; Foliofn)**
 - ❖ **529 Plans - \$119 billion; the next 401K size market?**
 - ❖ **Impact Investing (Cordes, Statman) - leading edge?**

Long-Term Mutual Funds Continue to Dominate the Packaged Product Assets Market, with Over 50% Market Share

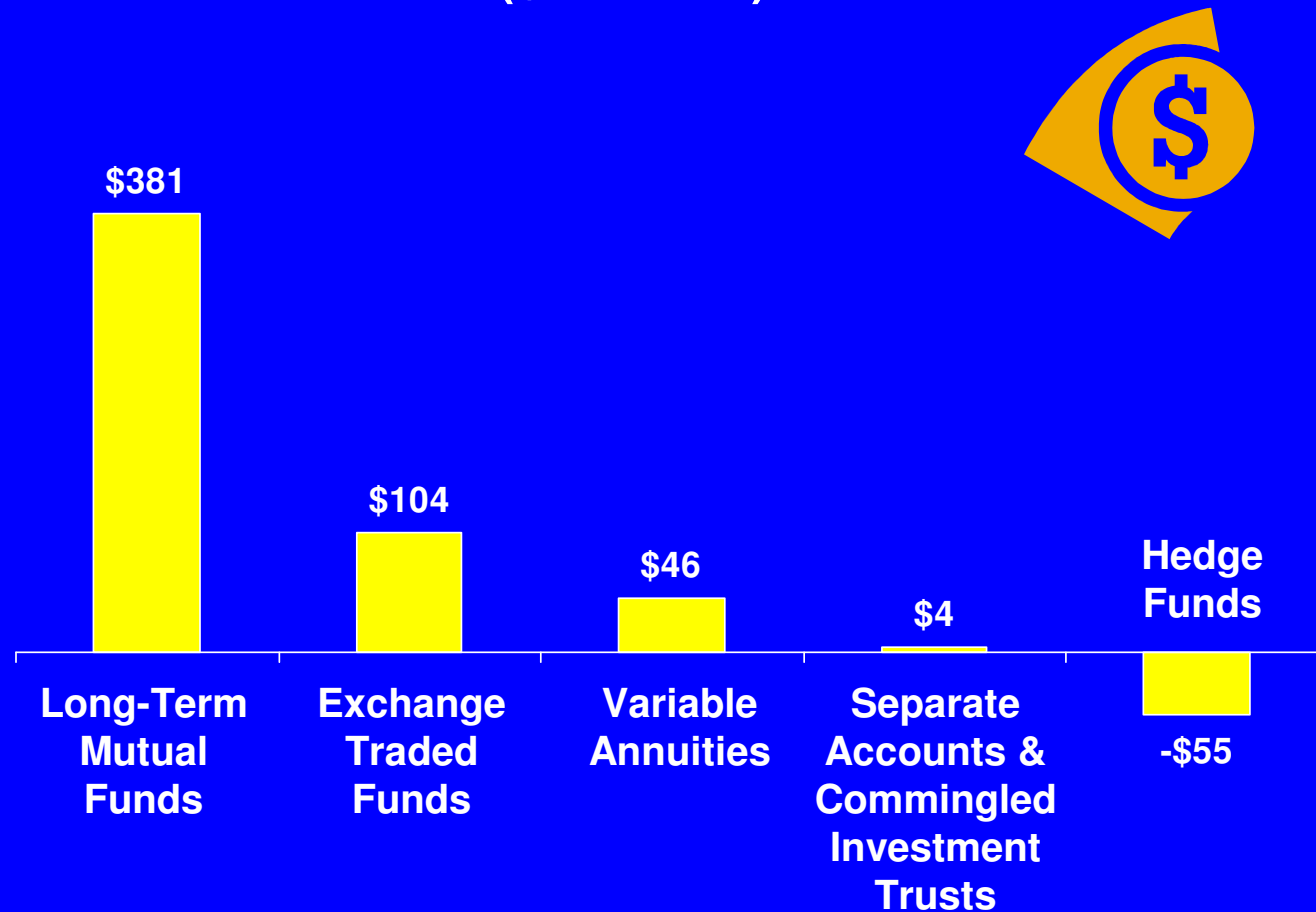
Packaged Investment Product Assets



Source: 8/30/10 Morningstar Presentation (Mansueto); Tiburon Research & Analysis

Mutual Funds & Exchange Traded Funds Dominated 2009 Product Net Flows

2009 Packaged Investment Product Net Flows (\$ Billions)



Source: 8/30/10 Morningstar Presentation (Mansueto); Tiburon Research & Analysis

Long-Term Mutual Funds' Net Flows Support the Recovery Theory But this May be Misleading as Bond Funds Have Account for Over 100% of 2009 & 2010 Flows

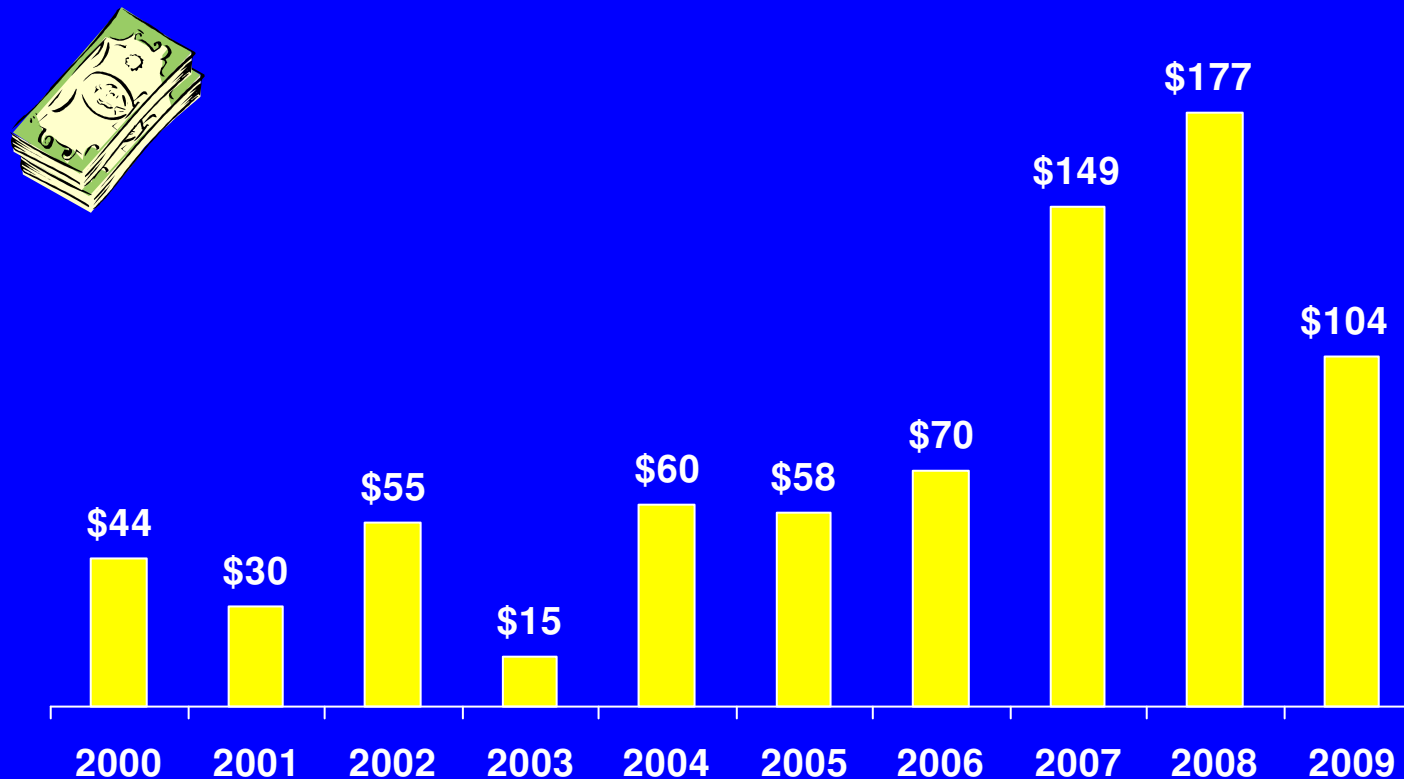
**Long-Term Mutual Funds
Net Flows
(\$ Billions)**



Source: 10/2/10 Financial Advisor; 10/1/10 Wall Street Journal; 8/30/10 Morningstar Presentation (Mansueto); 8/28/10 Forward Management Presentation (Schaeffer) (Strategic Insight); Tiburon Research & Analysis

Exchange Traded Funds Net Flow of \$104 Billion Were Down 60% from 2008 But Still Hugely Positive

Exchange Traded Fund Net Flows (\$ Billions)



Source: 8/30/10 Morningstar Presentation (Mansueto); 2/22/10 Money Management Executive (Financial Research Corporation); 3/1/09 Research (National Stock Exchange); Tiburon Research & Analysis

Hedge Fund Net Flows Have Been Negative in Both 2008 and 2009 (as Well as Early 2010)

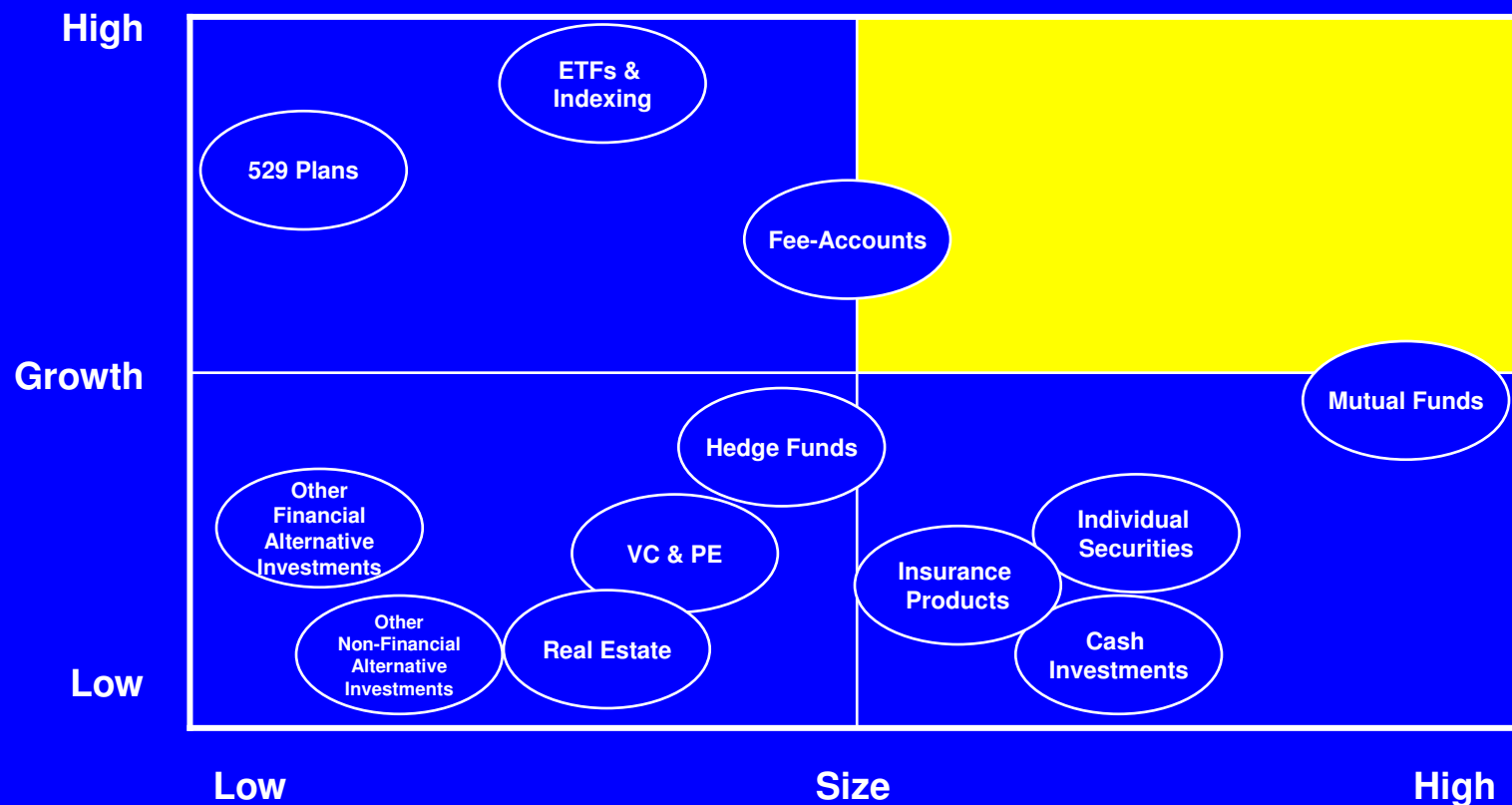
Hedge Funds Net Flows (\$ Billions)



Source: 8/30/10 Morningstar Presentation (Mansueto); Tiburon Research & Analysis

The Mutual Funds Business is Still the Largest Financial Product Market By Far, with Fee-Accounts and ETFs & Indexing the Fastest Growing

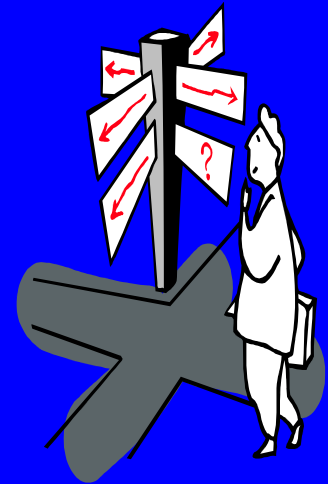
Financial Products & Services Businesses Comparison



Source: Tiburon Research & Analysis

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Financial Services Investment Opportunities

FSI Valuations (Context Setting)

- ☐ **FSI valuations down more than other stocks in 2008-2009, with regulatory uncertainty having weighed heavily**
- ☐ **Many financial service companies are cash poor and open to acquisition discussions**



FSI Venture Capital & IPOs

- ☐ **IPO market was dead until Tiburon clients woke it up**
 - ❖ **Financial Engines (Maggioncalda)**
 - ❖ **Envestnet (Crager)**
 - ❖ **LPL Financial (registered June 2010) (Langlois)**

Financial Services Investment Opportunities

FSI M&A & Private Equity



❑ FSI M&A

- ❖ **Aggressive: Morningstar; LPL Financial (Mansueto & Phillips; Langlois)**
- ❖ **Opportunistic: Ever Bank Financial (Trotter)**
- ❖ **Out of the Box: Will a wirehouse buy an IBD? Will LPL buy a wirehouse (at least its retail brokerage business)?**

❑ FSI private equity

- ❖ **Focused on banks**
- ❖ **Need for capital in IBD market; FINRA shutting them down**

❑ FA M&A

- ❖ **Hurley strikes again (no value for most!)**
- ❖ **But some making progress (Fiduciary Network; Focus Financial Partners)**



Comments

- **Focus on corporate-level strategy**
 - **Serve senior executives only at financial services companies**
 - **Key services: market seminars, market research, & strategy consulting**
 - **Served over 300 corporate clients and completed over 1,300 projects since 1998**
 - **Host semi-annual CEO Summits, offer free weekly research releases, and offer free business benchmarking tools for all types of advisors**
- **Chip Roame background**
 - **McKinsey & Company**
 - **Charles Schwab & Company**
 - **Tiburon since 1998**

Tiburon CEO Summit XIX
October 6, 2010

Award Recipient:
Joe Mansueto
(CEO, Morningstar)



Joe Mansueto is the chairman & CEO of Morningstar. He founded the company in 1984.

Mr. Mansueto received the 2007 Skip Viragh Award, sponsored by Rydex Investments & Financial Advisor magazine, which recognizes new & innovative services that positively impact the financial advisor community. Mr. Mansueto also received the 2007 Visionary Award and was one of ten winners of the 2007 Chicago Innovation Award, sponsored by the Chicago Sun-Times and Kuczmarski & Associates. In 2007, Smart Money magazine recognized Mr. Mansueto in the Smart Money Power 30, its annual list of the top 30 most powerful forces in business & finance. He received the Distinguished Entrepreneurial Alumnus Award from the University of Chicago Graduate School of Business in 2000. He received the KPMG Peat Marwick High Tech Entrepreneur of the Year Award in 1993 and won the Rosenthal Award for Excellence in Investment Research from the University of Chicago in 1992. Before founding Morningstar, Mr. Mansueto was a securities analyst at Harris Associates.

Mr. Mansueto is being recognized as a Tiburon CEO Summit award recipient as he exemplifies the three central themes, including Focusing on Consumer (and Other Client) Needs, Challenging Conventional Industry Wisdom (Innovation), & Taking Responsibility.

***Tiburon CEO Summit XIX
October 6, 2010***

***Award Recipient:
Don Phillips
(President, Fund Research, Morningstar)***



Don Phillips is president of fund research for Morningstar, overseeing global research on mutual funds, exchange traded funds, & alternative investments. He has also served on the company's board of directors since 1999.

Mr. Phillips joined Morningstar in 1986 as the company's first mutual fund analyst and soon became editor of its flagship publication, Morningstar Mutual Funds, establishing the editorial voice for which the company is best known. Mr. Phillips helped to develop the Morningstar Style Box, the Morningstar Ratings, & other distinctive proprietary Morningstar innovations that have become industry standards. In 2010, Investment Advisor magazine named Mr. Phillips to its thirty most influential individuals list. Investment Advisor also named him to its list of the most influential people in the financial planning industry in 2003 & 2004. Financial Planning magazine named him one of the financial planning industry's movers & shakers in 2003. Registered Rep named him one of the investment industry's ten key players in 2002.

Mr. Phillips is being recognized as a Tiburon CEO Summit award recipient as he supports three central themes, including Focusing on Consumer (and Other Client) Needs, Challenging Conventional Industry Wisdom (Innovation), & Taking Responsibility.

Tiburon CEO Summit XIX Award Recipients

Tiburon CEO Summit XIX Award Recipients

Joe Mansueto

- **Chairman & CEO of Morningstar**
 - **Founded Morningstar in 1984**
- **Won numerous awards, including the 2007 Skip Viragh Award sponsored by Rydex Investments & Financial Advisor magazine, and the 2007 Visionary Award sponsored by the Chicago Sun-Times & Kuczmarski & Associates**



Don Phillips

- **President, Fund Research, Morningstar**
- **Helped develop Morningstar Style Box, the Morningstar Ratings, & other distinctive proprietary Morningstar innovations**
- **Won numerous awards, including being named on Investment Advisor magazine 2010's list of the thirty most influential individuals**



Tiburon CEO Summit XIX
October 6, 2010

Guest Speaker:
Jeff Maggioncalda
(CEO, Financial Engines)



Jeff Maggioncalda serves as CEO of Financial Engines, a role he has held since 1996. He has also been a director since 1997. He is responsible for the overall management of the firm.

Mr. Maggioncalda has led Financial Engines through five successful rounds of funding (including its recent IPO), raising \$140 million and building an organization committed to creating powerful & innovative financial technology solutions. Mr. Maggioncalda has over ten years of experience in the financial services industry. Previously, Mr. Maggioncalda worked for McKinsey & Company in its high-technology practice and at Cornerstone Research conducting securities & software litigation consulting. He also developed case studies for a business strategy course taught by Intel Chairman Andy Grove. Mr. Maggioncalda received his MBA from the Stanford Graduate School of Business and a bachelor's degree in quantitative economics and English from Stanford University.

Mr. Maggioncalda will address the retirement industry as well as retail investors' access to investment advice.



Biography & Presentation Topics

- **CEO of Financial Engines**
 - Five rounds of funding
 - Recent IPO
- **Formerly**
 - McKinsey & Company
 - Cornerstone Research
- **Topics**
 - Retirement industry
 - Access to investment advice for retail investors

A New Kind of RIA

October 2010

Jeff Maggioncalda, President & CEO



Forward Looking Statements

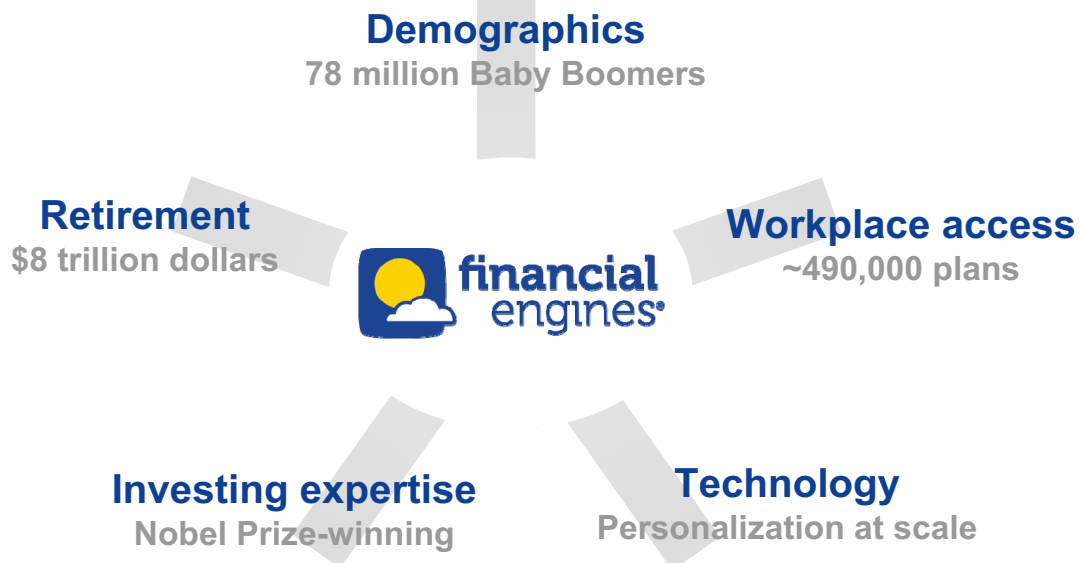
The following information contains forward-looking statements. These forward-looking statements are based on the Company's current expectations and beliefs, as well as a number of assumptions concerning future events and market trends and opportunities. These statements are subject to risks, uncertainties, assumptions and other important factors, many of which are outside the Company's control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. You are cautioned not to place undue reliance on such forward-looking statements because actual results may vary materially from those expressed or implied. All forward-looking statements are based on information available to the Company as of the date specified for such information, if a date is given, or on this date and Financial Engines assumes no obligation to, and expressly disclaims any obligation to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. For more information on the risks and uncertainties affecting the Company please see our most recent SEC filings, including our Prospectus dated March 15, 2010 and our Form 10-Q filing on August 11, 2010. This data is presented for information only and is not intended to constitute an offer or solicitation with respect to any securities issued by the Company.



Blood on the tracks, August 1999



Trends driving growth

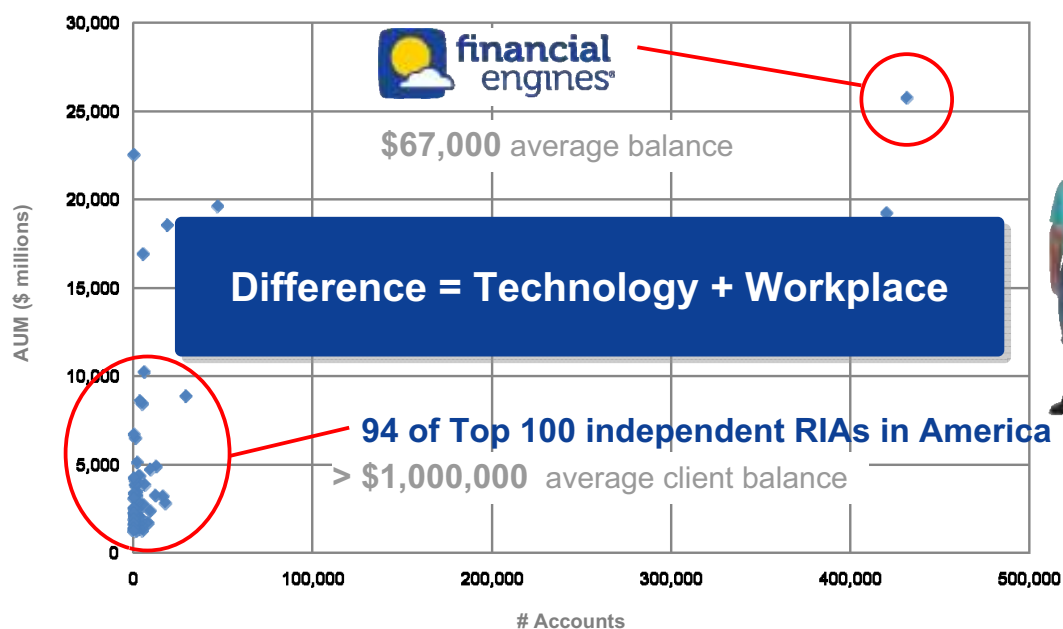


Our strategy

Help **everyone** with **retirement** by
providing personalized, **independent**
investment management and advice
through the **workplace**
using proprietary, scalable **technology**



Not a typical investment advisor



Source: Registered Rep Magazine, July 2010
Based on Financial Engines data as of June 30, 2010



Scalable technology
delivers high quality at low cost

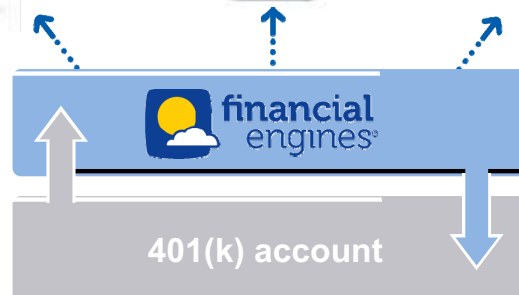
Retirement Evaluation
for everyone



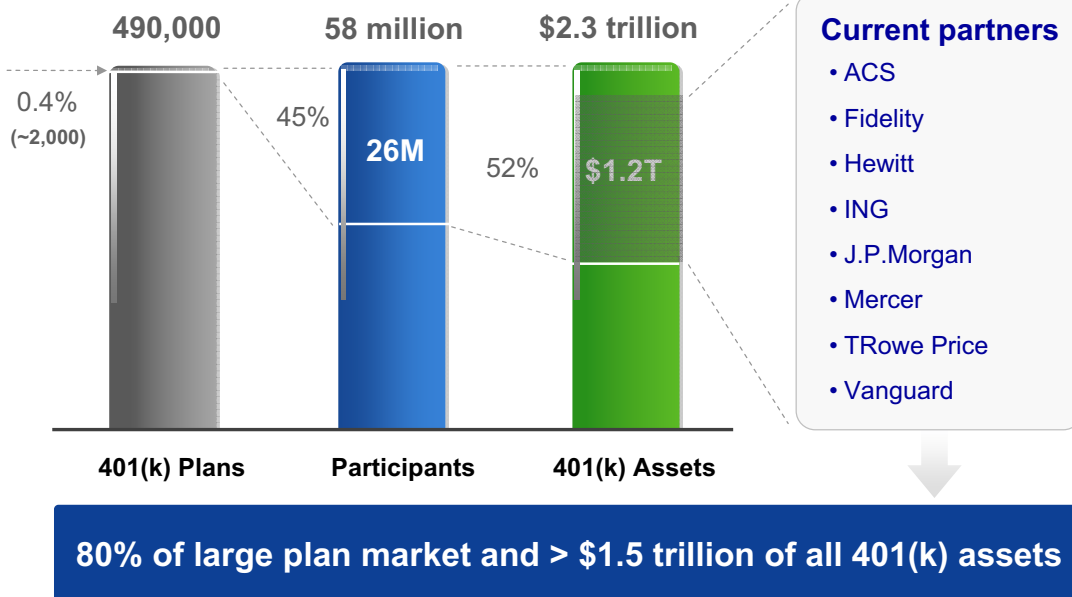
Online Advice
You do the work



Professional Management
We do the work



Focused workplace distribution



Largest installed base of America's largest 401(k) plans



Market leader among large 401(k) plans

- Advisor to 7.4 million 401(k) participants*
- 120 FORTUNE 500
- 385 employers representing \$300 billion in assets
- Managing 443,000 accounts worth \$30 billion
- 41% of portfolios are less than \$20,000

Based on Financial Engines data as of June 30, 2010. *As of 12/31/09 as reported in the Company Prospectus dates March 15, 2010.

This is a partial listing of Financial Engines' customers. These companies have consented to disclosure of their relationships with Financial Engines. This does not constitute an endorsement or approval of the advisory services provided. All trademarks are the property of their respective owners.

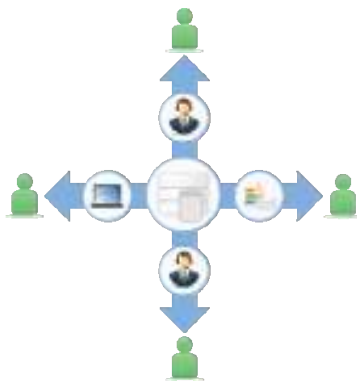


The Evolution of Financial Engines

- 1996 (+) Origin
- 1996 (+) Evolution: Education to advice
- 1999 (-) Mutation: B-to-C
- 2000 (-) Environment stress: Dot-com bubble bursting
- 2001 (-) Mutation: Enterprise business
- 2004 (+) Evolution: Advice to management
- 2008 (-) Environment stress: Financial crisis
- 2010 (+) Evolution: IPO
- soon Retirement income



Financial Engines' strengths



Technology



**Experience
design**



**Workplace
distribution**



Traditional financial planners' strengths

• Relationships

- Local, face-to-face presence
- Understanding nuances of the "whole client"
- Translating preferences into decisions and action
- A trusted person who is accountable for helping them

• Coordinating multiple domains of expertise

- Determining needs and assembling expertise
- Integrating multiple points of expertise into a coherent plan

• Addressing unique client needs and circumstances

- Idiosyncratic problems that don't warrant technology investment
- Complex needs arise from complex clients typically with higher balances



Evolution and adaptation

- **Man and machine: evolving and adapting**
- **Advice technology will be ubiquitous**
 - Financial technology will solve broadly shared problems
 - Everyone will have access to affordable, independent personalized advice
- **Financial products will continue to be commoditized**
 - Manufacturers will offer broader, increasingly commoditized financial building blocks
 - Technology will assemble and manage personalized solutions at low cost
 - Advisors will use technology to increase quality, personalization, and access
- **Planners will continue upmarket to play to their strengths**
 - Relationships and preferences
 - Coordinating expertise
 - Addressing unique circumstances of wealthier clients



The end



**Tiburon CEO Summit XIX**

Breakout Session I: Retirement Income: Success Models?

What are firms really doing to evolve their capabilities beyond traditional asset accumulation strategies and approaches? What are the challenges? What are the success factors? Are there any examples of compelling results?

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Breakout Session II:
Post Financial Reform Legislation: How Does the Dodd-Frank Act Impact Investment Advisors, Hedge Funds, Private Equity Funds, & Other Private Funds from a Legal, Regulatory, & Operational Perspective
(Facilitated by David Baum & Randy Moore from Alston + Bird)

The Dodd-Frank Act dramatically alters the universe of investment advisers required to register under the Investment Advisers Act of 1940 requiring many hedge fund and private equity fund advisers to register for the first time while relegating many other investment advisers that could have previously registered with the SEC to registration with state securities regulators. This session will discuss the potential effects of the Dodd-Frank Act on registered and unregistered investment advisers and private funds, including new recordkeeping, reporting, & fund offering requirements applicable to private fund advisers. This session will address changes to investment adviser registration rules, outline the adviser registration process, and discuss the SEC inspection & examination function, as well as the statutory & regulatory requirements applicable to registered.

[illegible]



Tiburon CEO Summit XIX
October 6, 2010

***Breakout Session III:
The Fiduciary Opportunity:
Succeeding in a Changing Advisory Landscape
(Facilitated by Bill Crager from Envestnet Asset Management)***

Large majorities of advised investors say that their financial advisors always acted with their best interests at heart over the past eighteen months and that the value they received from their financial advisors was more than worth the cost. Many also say that their portfolios have done better over the past two years compared with most people they know. However, as well regarded as individual advisors are by their clients, financial advisors and investors alike agree that investors are more cynical today about the financial services industry than before. Compounding the challenge is that, given industry consolidation and the independent channel's growth, fewer financial advisors are operating within the support of established and trusted firm brand attributes. The powerful implication of this is that financial advisors need to develop their own brand attributes. In that context, for every financial advisor, demonstrating a clear and abiding alignment with investor interests has become more urgent than ever. This is the Fiduciary Opportunity. This session will frame the legislative issues, provide a definition of a fiduciary, and discuss empowering financial advisors with tools to practice a fiduciary process, which may become a critical differentiator.

[illegible]



***Breakout Session IV:
Getting the Right People on Your Bus (and Keeping Them There)
(Facilitated by Jamie Ziegler from AUM Partners)***

This image shows a single page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, leaving small margins at the top and bottom. There are no vertical margin lines, and the page is completely blank except for the lines themselves.



Tiburon CEO Summit XIX
October 6, 2010

***Breakout Session V:
Regulatory Trends: The Key Impacts
(Facilitated by Skip Schweiss from TD Ameritrade)***

The blizzard of regulations pouring out of Washington, DC in the wake of the Great Recession of 2008-2009 will remake the financial services landscape. Dodd-Frank, SEC rules on 12b-1 fees & ADV Part II changes, and DoL regulations around retirement plan advice & fee disclosures are a sampling of changes. How will the industry respond?

This image shows a full page of blank handwriting practice paper. It features multiple sets of horizontal lines. Each set consists of three lines: two solid black outer lines and a dashed purple middle line, providing a guide for letter height and placement. The lines are evenly spaced across the entire page.

Tiburon CEO Summit XIX
October 6, 2010

Guest Speaker:
Harold Evensky
(President, Evensky & Katz)



Harold Evensky founded and serves as the president of Evensky & Katz. Prior to forming Evensky & Katz, Mr. Evensky served as a vice president of investments with major investment banking firms.

Mr. Evensky has served as chairman of the International CFP® Council, the CFP® Board of Governors, the Board of Examiners, & the Board of Appeals. He has served on the Editorial Advisory Board of the Asia Financial Planning Journal, as a columnist for Worth.com, on the Editorial Advisory Board of the Journal of Financial Planning, & he is currently the research columnist for the Journal of Financial Planning and a board member of the Academy of Financial Services. He has also served on the National Board of the IAFP and the Charles Schwab Institutional Advisory Board & Council. He is the past chairman of the TIAA-CREF Institute Advisory Board and is a member of the Financial Planning Association, the Academy of Financial Services, & the CFA Institute and is an associate member of the American Bar Association. He is the author of *Wealth Management* (McGraw-Hill) and co-editor of *The Investment Think Tank & Retirement Income Redesigned* (Bloomberg).

Mr. Evensky will address his experience in the investments & financial planning industry.



Biography & Presentation Topics

- **President of Evensky & Katz**
- **Industry involvement**
 - **CFP ® Board of Governors, Board of Appeals, Board of Examiners, & International CFP® Council**
 - **Editorial Advisory Board of the Asia Financial Planning Journal, a columnist for Worth.com, a member of the Editorial Advisory Board of the Journal of Financial Planning, & currently the research columnist for the Journal of Financial Planning**
- **Topics**
 - **Investments & financial planning industry**



E&K – THE FIRM

- **26 Years in business**
- **10 Professional; 7 Support**
- **\$600 million+ AUM**
- **230 Clients; 830 Accounts**
- **17 States; 62% S. Florida**

E&K – PHILOSOPHY

- **Financial Planning Process**
- **CFP Certification**
- **Fee Only / Fiduciary**
- **Low Return – Core & Satellite**
- **Active: Bond 100%; Eq – 25%**

E&K – KEY TECHNOLOGY

- **Planning - MoneyGuide**
- **Portfolio Mgt – Portfolio Center**
- **Analytics – Morningstar**
- **CRM - Junxure**
- **Aggregation – ByAllAccounts**
- **Travel – GoToMy PC**

SEVEN THINGS

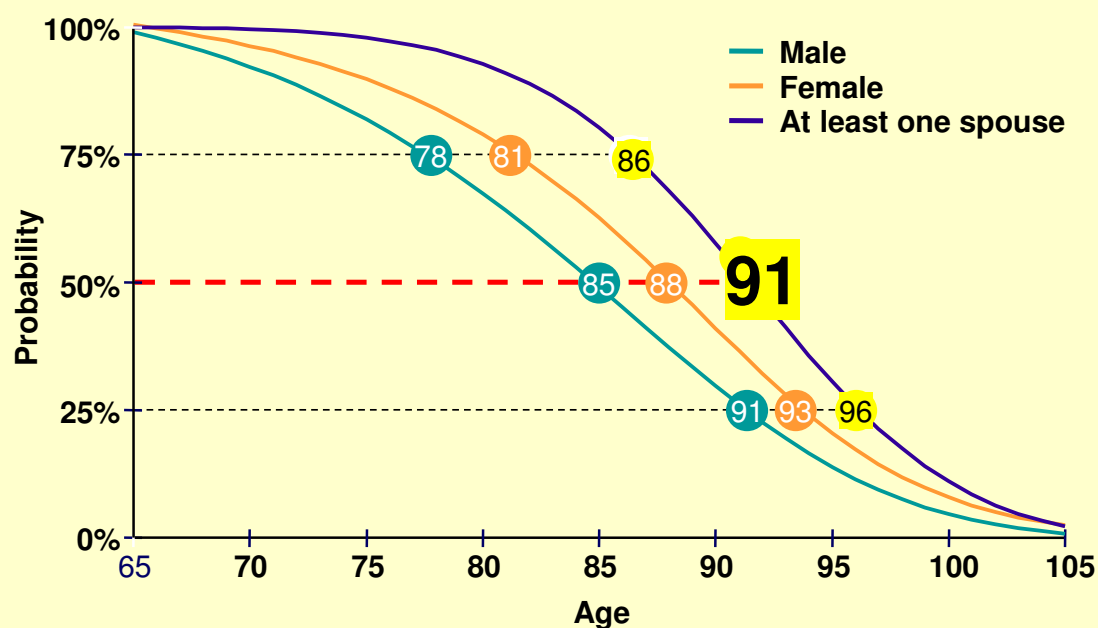
A PRACTITIONERS VIEW

Harold Evensky, CFP



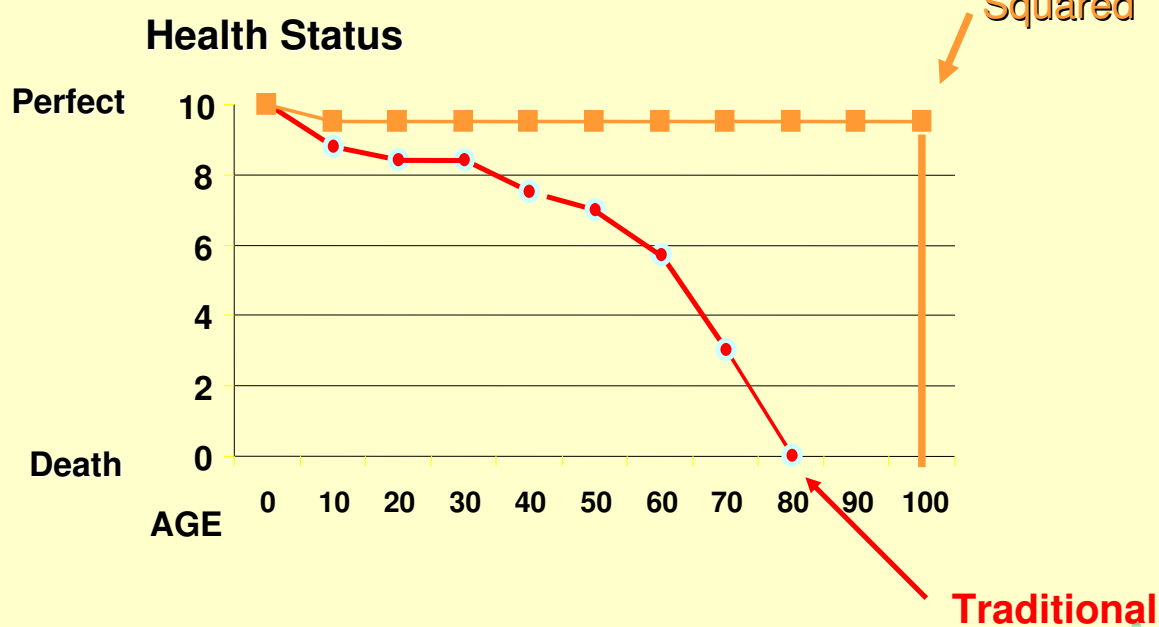
SQUARING THE CURVE

1



Probability of a 65-year-old living to various ages

Squaring The Curve



Pascal's Wager

Does God Exist?

The consequences of a choice are as important, or even more important, as the odds of something happening.

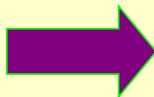
Pascal's Retirement Wager

Consider not only the likelihood of living well past normal life expectancy or experiencing high inflation or a market downturn but also the consequences of each.

RETURNS (NO CONTROL)

2

THE NEW REALITY?

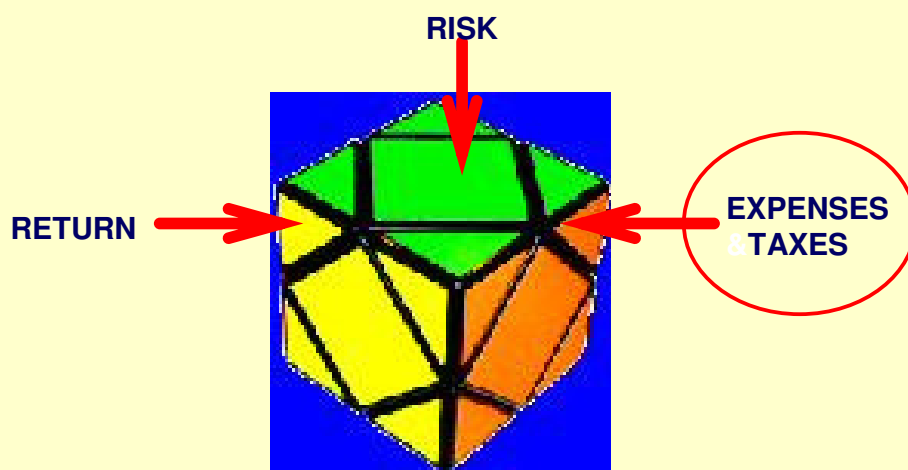
**REAL
RETURN**  **<6%**

OUR CLIENTS' REALITY

**Taxes & Expenses
Are Certain**

Returns Are Uncertain

RETAIL EFFICIENT FRONTIER IS 3-DIMENSIONAL



EXPENSE & TAX DRAG

	<u>CURRENT RETURN*</u>	<u>FUTURE RETURN</u>
GROSS	13.4%	7.8%
Less Expenses (1%)	1.0	1.0
Less Taxes (20%)	<u>2.5</u>	<u>1.4</u>
NET GROSS RETURN	9.9	5.4

After Inflation
What Do You Have to Spend?

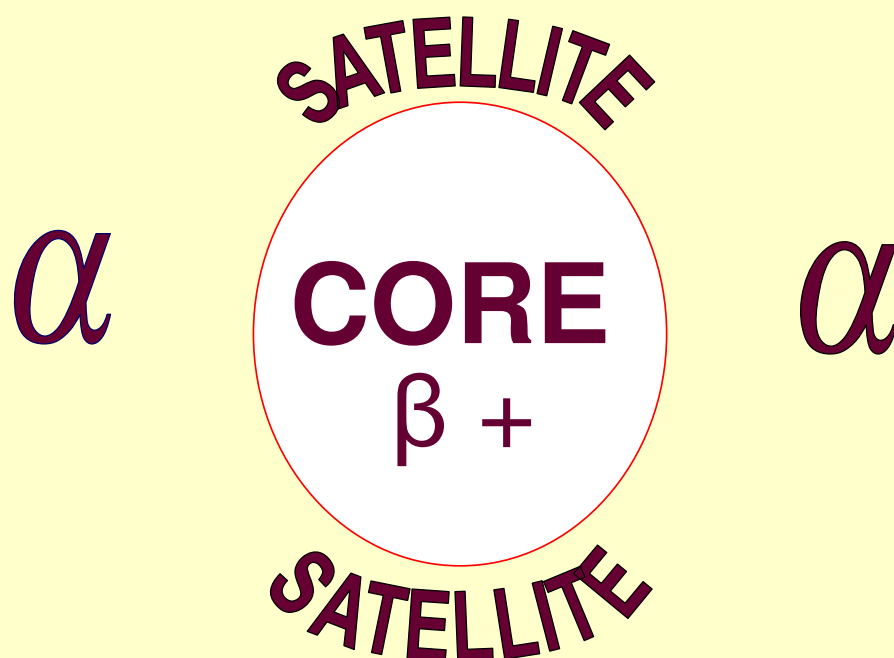
<u>Past</u>	<u>Future</u>
6.3%	2.4%

* 40% Fixed / 60% Equity – 20 Years to 2000

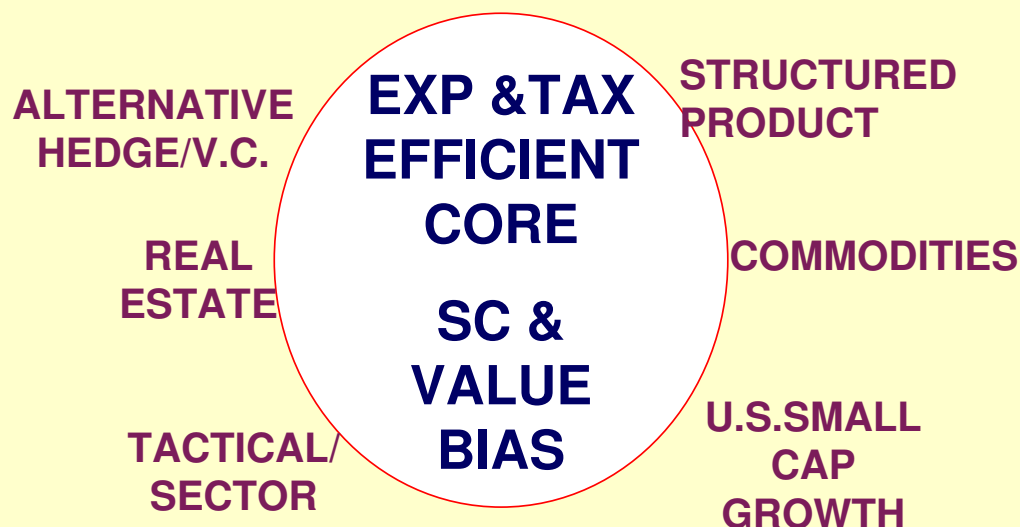
**The key to a successful
investment model will
be one focused on
An optimal strategy
instead of an
optimal portfolio**

CORE & SATELLITE

CORE & SATELLITE



CORE & SATELLITE (TACTICAL)



THE INCOME PORTFOLIO

3

MYTH

I'm Retired

I'm Conservative

So I need.....

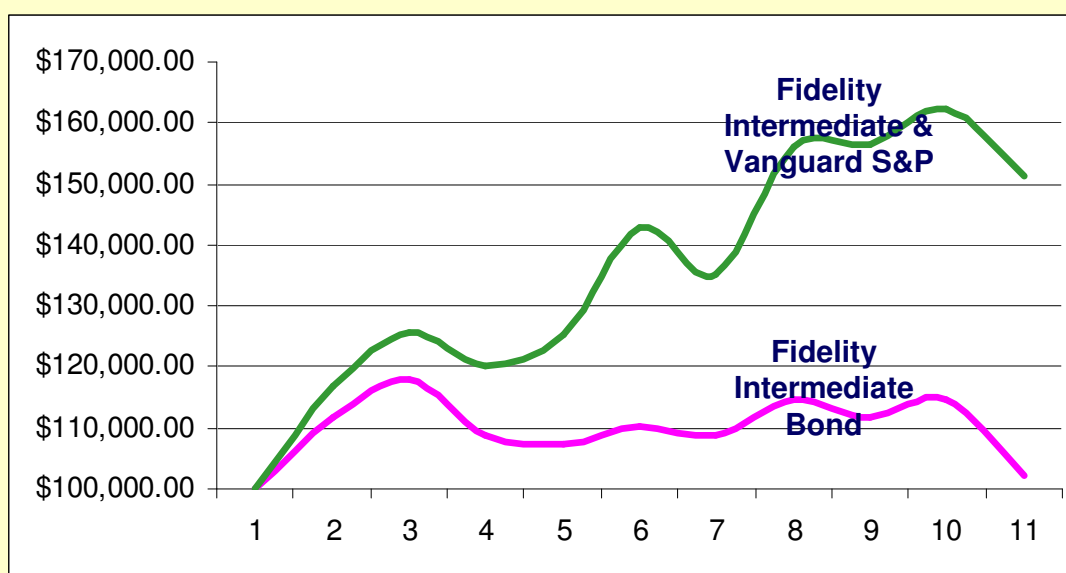
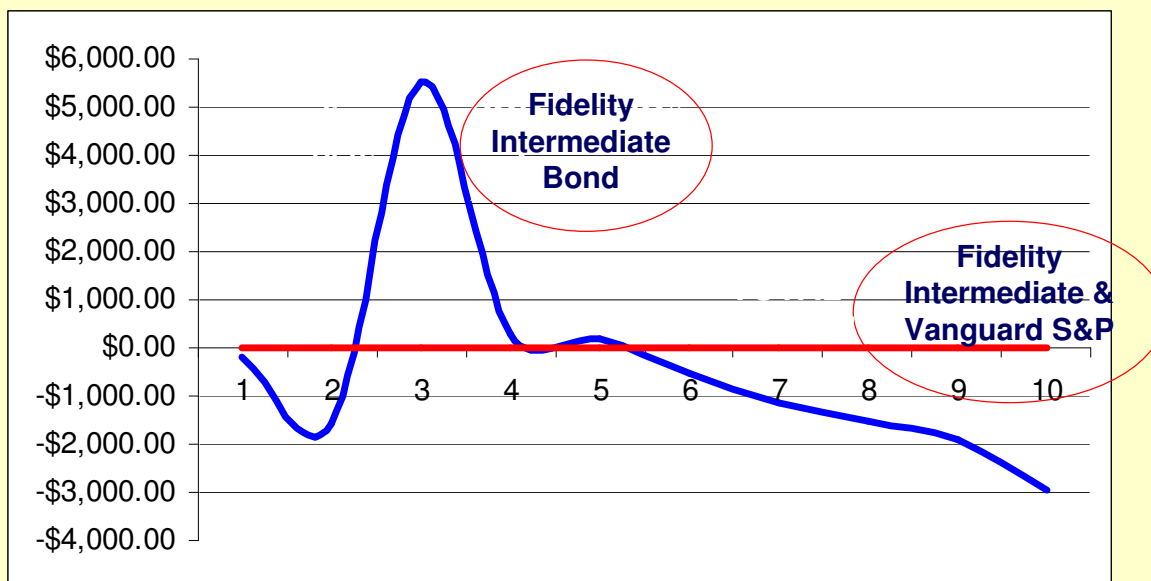
Dividends and Interest

ARBITRARY ALLOCATION

MRS BOONE NEEDS **5%** CASH FLOW

Bond Allocation	Cash Flow from Bonds	Stock Allocation	Cash Flow from Stock	Total Cash Flow
100 %	7 %	0 %	0 %	7 %
90 %	6.3 %	10	0.3	6.8 %
80 %	5.6 %	20	0.6	6.2 %
70 %	4.9 %	30	0.9	5.8 %
60 %	4.2 %	40	1.2	5.4 %
50 %	3.5 %	50	1.5	5.0 %
40 %	2.8 %	60	1.8	4.6 %

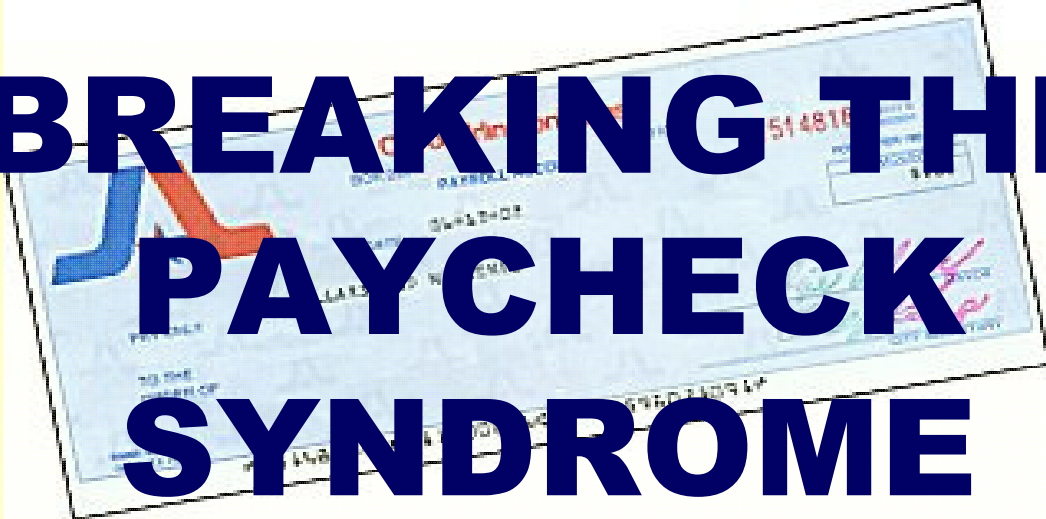
VARIABLE CASH FLOW



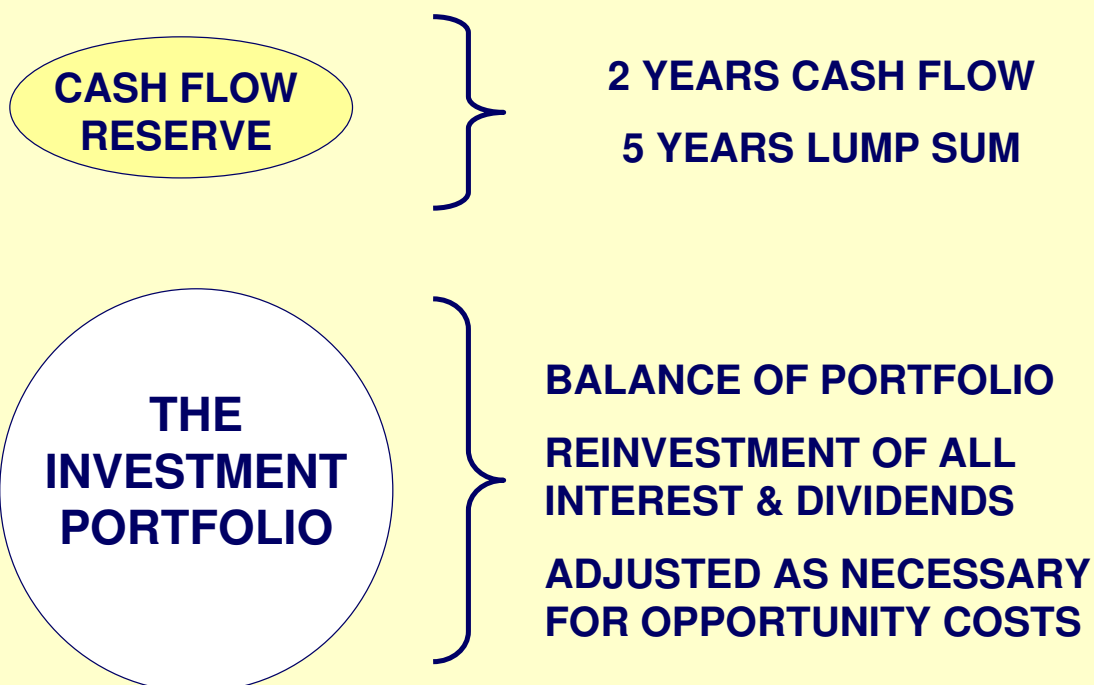
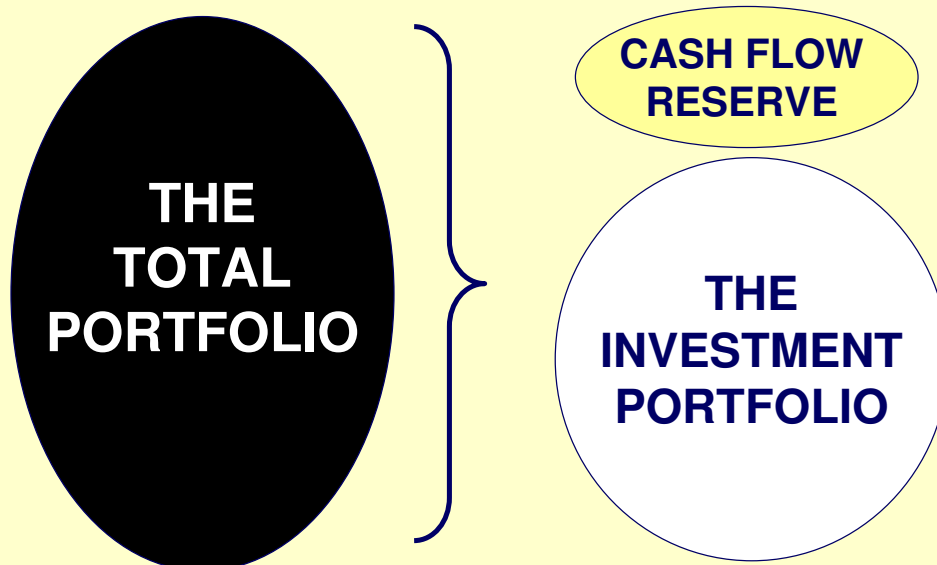
BUCKET WISELY NOT MYOPICALLY

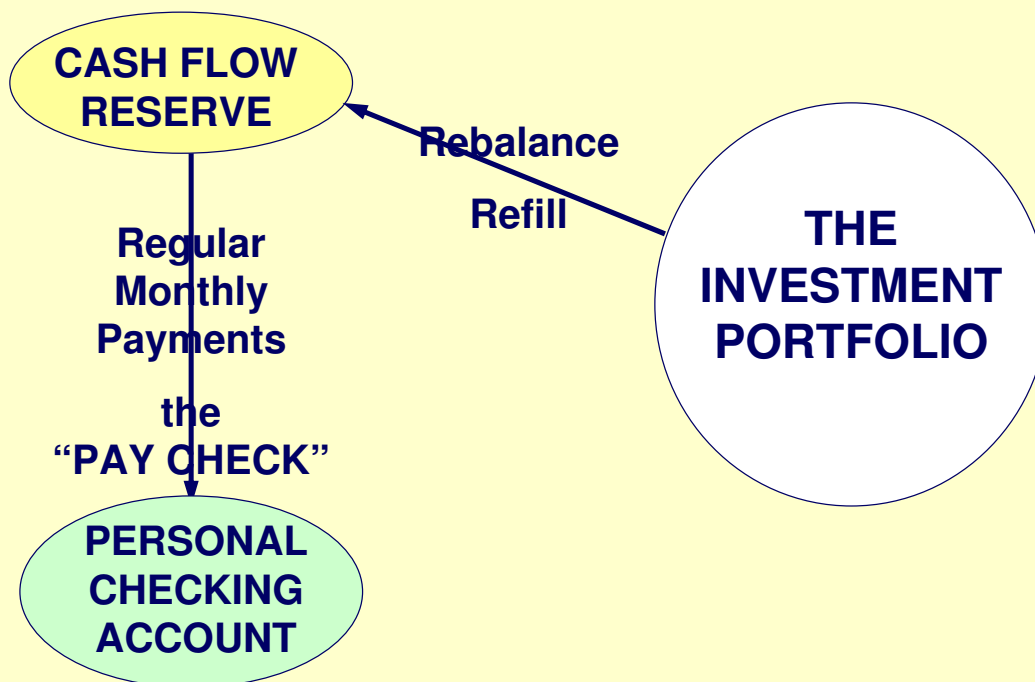
A TWO TIER BUCKET APPROACH

THE E&K CASH FLOW STRATEGY



**BREAKING THE
PAYCHECK
SYNDROME**





MPT?

4

CONFUSION OF THE CONCEPT WITH THE IMPLEMENTATION

Some critics of asset allocation confuse the concept with the application. *the error is in the selection of the input, not the attempt to manage allocations.*



“...beliefs about the *future performances* of available securities.”

“These procedures... should *combine statistical techniques and the judgment of practical men.*”



**“Judgment should be used...
on the basis of factors or
nuances not taken into
account by the formal
computations.”**

**“One suggestion ... is to use
observed μ_i , σ_{ij} for some
period of the past. I believe
that better methods, which
take into account more
information, can be found.”**

“Extrapolation of historical returns assumes that return series are stable. Unfortunately they are not stable.

I do not believe that a wealth manager should use them as a basis for optimization input.”

BEHAVIORAL

5

FRAMING

**WHICH
WOULD YOU RATHER HAVE?**

**10% FAT or
90% FAT FREE**



CHINESE GOOSBERRY or KIWI FRUIT?



•

PRUNES



•

OR DRIED PLUMS ?



For each of the following attributes, circle the number that most correctly reflects your level of concern. The more important, the higher the number. You may use each number more than once.

	MOST					LEAST	
Capital Preservation	6	5	4	3	2	1	
Growth	6	5	4	3	2	1	
Low Volatility	6	5	4	3	2	1	
Inflation Protection	6	5	4	3	2	1	
Current Cash Flow	6	5	4	3	2	1	
Aggressive Growth	6	5	4	3	2	1	



22. Now you have a test to take. There are two parts to the test. For each question, please circle (a) or (b).



Question #1

- a) You win \$800,000
- b) You have an 80% chance of winning \$1,000,000 (or a 20% chance of winning nothing)

Question #2

- a) You lose \$800,000
- b) You have an 80% chance of losing \$1,000,000 (or a 20% chance of losing nothing)

12/31/1994 - 03/31/2010 FROM INCEPTION

Beginning Value	1,461,100
Net Contributions	1,959,167
Ending Value	6,241,178
Investment Gain	2,820,910

***12/31/1994 - 03/31/2010 FROM INCEPTION**

	<u>Actual</u>	<u>Annual</u>
Internal Rate of Return (net)	106.97%	4.89%
Time Weighted Return (net)	125.62%	5.48%
CPI	45.38%	2.48%

03/31/2009 - 03/31/2010 ONE YEAR

	<u>Actual</u>	<u>Annual</u>
Internal Rate of Return (net)	28.42%	28.42%
Time Weighted Return (net)	28.35%	28.35%
CPI	2.31%	2.31%

* Return since inception date of 12/31/1994

All returns net of fees

MANAGING EXPECTATIONS

**FALSE
CONFIDENCE**

[Select All Years](#)

[Show Returns In Historical Order](#)

[Flip Cards](#)

Change information.

Beginning portfolio value :

\$ 1,000,000

Annual withdrawal amount :

\$ 60,000

The maximum withdrawal amount that will last
30 years when using a Fixed Average Return :

\$72,708

Inflate withdrawals each year :

☐ No ☒ Yes

Monte Carlo - Game 2 - Table 50

Your Goal is for your Portfolio last at least 30 years.

What are the chances you will run out of money sooner?

To find out, this Monte Carlo simulation will automatically "play" Game 2 a thousand times and calculate how many Games run out of money in less than 30 years.

How Many Games Ran Out of Money in Less Than 30 Years?

Number : 6

Percentage : 1%

Play Card Game 2 - Table 50

Average Return :

Portfolio value after 28 years :

Your Results

Average Results*

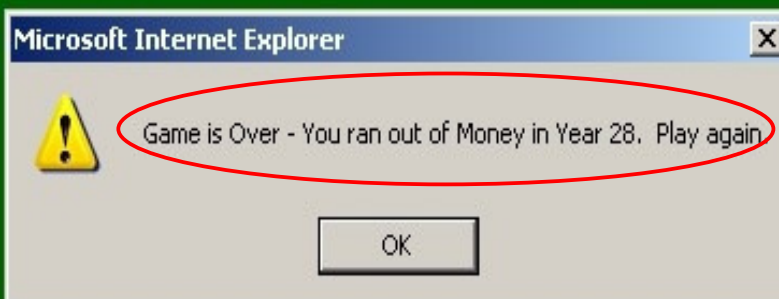
10.23%

10.70%

\$100,085

\$7,532,404

21	22	23	24	25	26	27	28	29	30
14	24	2	25	9	12	-2	32		
1988	1989	1990	1991	1992	1993	1994	1995		



12

23

1996

1997

COMPLEMENTARY ANALYTICS

Sensitivity Analysis

What-if Scenarios

Sensitivity Analysis

Year 1 – 2 STD
Year 2 – 1 STD

Stress Testing - **Bad Timing**
Target Port

Goal	Estimated % Funded	
	Average Returns Every Year	Bad Timing
Retirement - Minimum Living Expense	100%	100%
Main Car - Lexus RX 330	100%	100%
Travel (until 80)	100%	100%
Fun Car -Mini Cooper	100%	100%
Gifts to Susan	100%	100%
Extra Living Expense	100%	34%

Safety Margin
(Value at End of Plan)

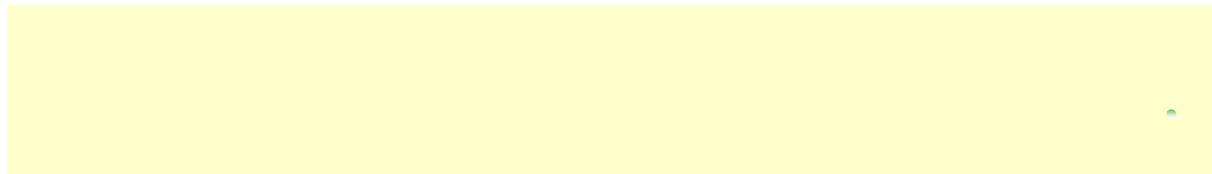
Current Dollars: \$288,000 \$0

What-If Scenario Planning

Stress Testing - Bad Timing

Cash from House

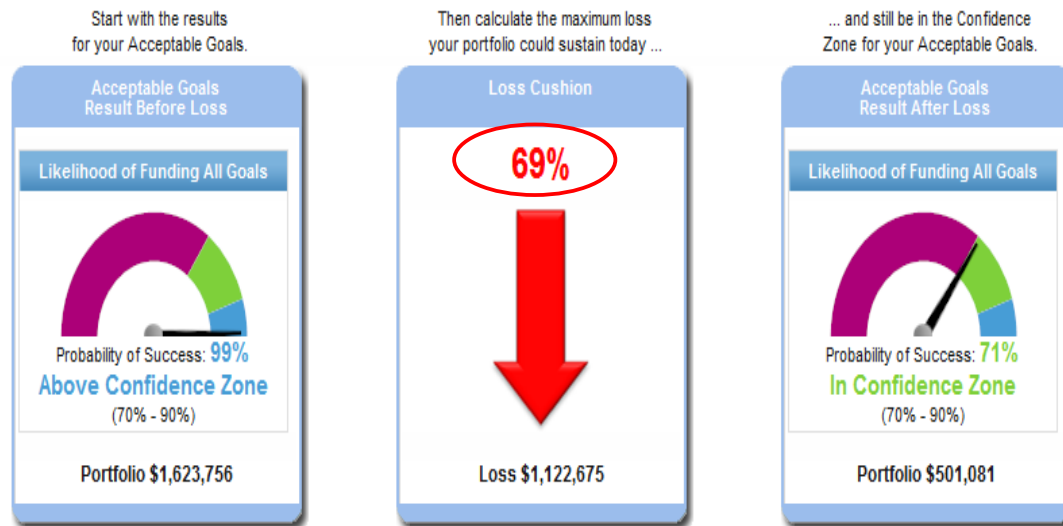
Goal	Estimated % Funded	
	Average Returns Every Year	Bad Timing
Retirement - Minimum Living Expense	100%	100%
Main Car - Lexus RX 330	100%	100%
Travel (until 80)	100%	100%
Fun Car -Mini Cooper	100%	100%
Gifts to Susan	100%	100%
Extra Living Expense	100%	100%
Safety Margin (Value at End of Plan)	Current Dollars: \$777,000	\$273,285



Importance	Goal Description	Ideal	Acceptable
Needs			
10	Pay Off Credit Card in 2011	\$11,500	\$11,500
10	Retirement - Living Expense Retirement Age / Year - Jim Retirement Age / Year - Jane 2019 thru 2047 (Both retired) Reduction - \$12,000 in 2031 (Equity Line) 2048 thru 2049 (Jane alone - retired)	62 / 2019 62 / 2019 \$72,000 \$48,000	62 / 2019 62 / 2019 \$48,000 \$38,400
10	College - Lydia 4 year(s) starting in 2014 Attending College - Private (4 years)	\$37,154	\$37,000
10	Pay off student loan in 2011	\$8,000	\$8,000
10	Pay off Auto loan in 2011	\$25,400	\$25,400
8	Florida Cottage at Jim's retirement	\$300,000	\$250,000
Wants			
6	Travel at Jim's retirement Recurring every year for a total of 5 times	\$8,000	\$5,000

Loss Cushion

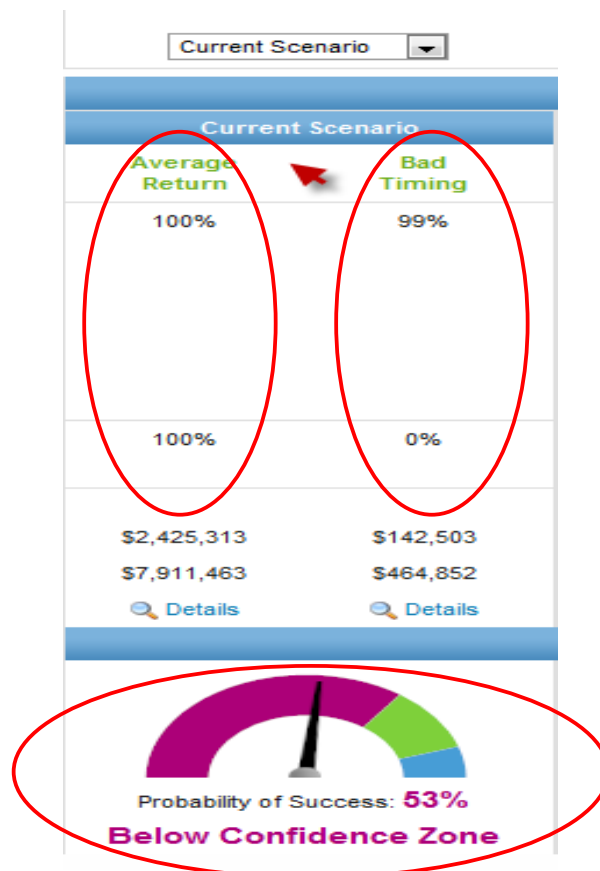
Now, we'll calculate how much of your Investment Portfolio you could lose today and still be in your Confidence Zone for your Acceptable Goals.



If your Portfolio lost \$1,122,675 today (that's 69%) the Probability of Success for your Acceptable Goals would be 71%, which is still in your Confidence Zone.

The Bear Market Test - Is your Loss Cushion enough to withstand another Bear Market?

The worst Bear Market since the Great Depression occurred from November 2007 to February 2009. For this test, we calculated the loss suffered by a portfolio with the same percentages of stock, bonds, and cash as your Recommended Portfolio. Your Loss Cushion is greater than this Bear Market Loss of **16%**.



Probability of Success: 86%

Closest result to your Solve Target of 85% - In your Confidence Zone of 70% - 90%

Changes to Goals

	Value in 62% Bonds	Ideal	Solve Result	Acceptable
Retirement - Age				
Jim's Retirement Age	62	62	62	62
Jane's Retirement Age	62	62	62	62
Goals				
Pay Off Credit Card	11,500	11,500	11,500	11,500
Retirement - Living Expense				
Both retired	120,000	120,000	112,500	96,000
Jane alone - retired	48,000	48,000	45,000	38,400
Pay off Auto loan	25,400	25,400	25,400	25,400
Pay off student loan	8,000	8,000	8,000	8,000
College - Lydia	50,000	50,000	43,750	30,000
Florida Cottage	300,000	300,000	284,375	250,000
Travel	8,000	8,000	6,125	5,000

Changes to Extra Savings

	Value in 62% Bonds		Solve Result	
Jim's Qualified (Employer Plans & Traditional IRA)	\$0		\$0	
Jane's Qualified (Employer Plans & Traditional IRA)	\$0		\$0	
Jim's Roth (Employer Plans & Roth IRA)	\$0		\$0	
Jane's Roth (Employer Plans & Roth IRA)	\$0		\$0	
Jim's Tax-Deferred	\$0		\$0	
Jane's Tax-Deferred	\$0		\$0	
Taxable	\$0		\$8,800	
Total Extra Savings used by SuperSolve			\$8,800	

Extra Savings Used in this Scenario is Equal to Acceptable

PRODUCT

6

Long Term Care

ETFs

**Immediate Annuities
& Longevity Insurance**

CONUNDRUM

Ironically, managing most risks
requires flexibility

Protecting against longevity risk
is best handled by an immediate
annuity, an irrevocable decision.

Value of Unisex Mortality Credits:
What must you earn -- above the pricing
rate -- to justify **NOT** annuitizing?

Age of Annuitant	Spread Above Pricing Interest Rate (in dollars per \$100,000)
55	35
60	52
65	83
70	138
75	237

Age of Annuitant	Spread Above Pricing Interest Rate (in dollars per \$100,000)
80	414
85	725
90	1256
95	2004
100	2978

Source: The IFID Centre calculations
Assuming 40m/60f (static) Annuity 2002 Table at 6% net interest.

An investor with 40% stocks,
60% fixed—would see the
likelihood of success increase
from 76% with no annuitization
to 95% with annuitization of 50%
of assets

THE “F” WORD

7

COMMISSIONER AGUILAR

**The standard of conduct
should not be a watered-
down, "fair and
reasonable" commercial
standard.**

COMMISSIONER WALTERS

**Suggested ... for advisors
and broker-dealers to pledge
“to always act in good faith,
and in the best interest of
my client, and will act as a
fiduciary.”**

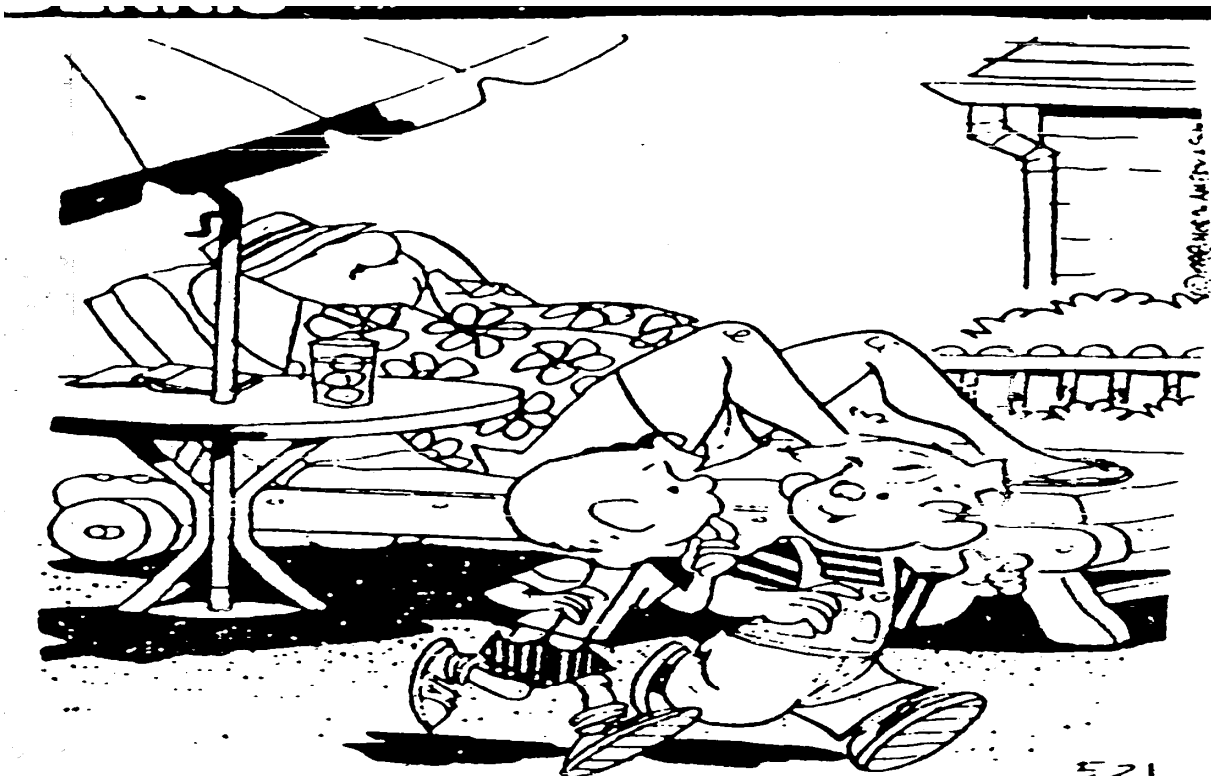
CHAIRMAN SHAPIRO

**I support the administration's
efforts to apply a fiduciary
standard of conduct ...
regardless of whether those
professionals carry the label
"broker-dealer" or
"investment adviser.”**

CEO FINRA KETCHUM

“The securities industry should begin to prepare for a fiduciary standard even if lawmakers have put off any such move in the short term.”

**IT'S NOT
PERFORMANCE**



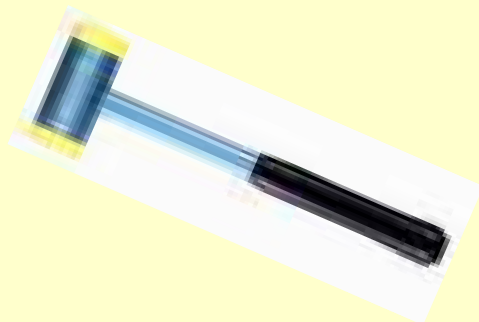
521

"MR. WILSON SAYS HE DON'T WANNA GET AHEAD.
HE JUST WANTS TO STAY EVEN."

WHAT'S OUR VALUE?

**THE CREAK AND
THE CARPENTER**

INVOICE \$245



USING THE HAMMER

\$ 2.00

KNOWING WHERE

\$243.00

**THAT'S
ALL
FOLKS**



Tiburon CEO Summit XIX
October 6, 2010

Guest Speaker:
Meir Statman
(Professor, Santa Clara University)



Meir Statman is the Glenn Klimek Professor of Finance at the Leavey School of Business, Santa Clara University and Visiting Professor at Tilburg University in the Netherlands. His research focuses on behavioral finance and will be reflected in his book, *What Investors Really Want*, which is scheduled to be published by McGraw-Hill this fall.

Professor Statman's research has been published in the *Journal of Finance*, the *Journal of Financial Economics*, the *Review of Financial Studies*, the *Journal of Financial & Quantitative Analysis*, the *Financial Analysts Journal*, the *Journal of Portfolio Management*, & many other journals. His research has been supported by the National Science Foundation, the Research Foundation of the CFA Institute, & the Investment Management Consultants Association (IMCA). Professor Statman is a member of the Editorial Board of the *Financial Analysts Journal*, the Advisory Board of the *Journal of Portfolio Management*, the *Journal of Wealth Management*, & the *Journal of Investment Consulting*, an Associate Editor of the *Journal of Financial Research*, the *Journal of Behavioral Finance*, & the *Journal of Investment Management*, and a recipient of a Batterymarch Fellowship, a William F. Sharpe Best Paper Award, a Bernstein Fabozzi/Jacobs Levy Outstanding Article Award, a Davis Ethics Award, a Moskowitz Prize for best paper on socially responsible investing, two Baker IMCA Awards, and three Graham & Dodd Scroll Awards.

Mr. Statman will address behavior finance and its effects on the financial services industry. Specifically, he will discuss how investors and managers make financial decisions and how these decisions are reflected in the financial markets.



Biography & Presentation Topics

- **Professor at Santa Clara University**
 - Visiting Professor at Tilburg University
- **Published in many journals**
 - Financial Analysts Journal
 - Journal of Finance
 - Journal of Financial Economics
 - Journal of Financial & Quantitative Analysis
 - Journal of Portfolio Management
 - Review of Financial Studies
- **Topics**
 - Behavior finance and its effects on the financial services industry

What Investors Really Want

How our wants shape our behavior

Meir Statman

Glenn Klimek Professor of Finance

Santa Clara University

Visiting Professor of Finance

Tilburg University - Netherlands

What do investors want?

Money has many meanings

Utilitarian, expressive, emotional

The difference between:

- 1. Giving a rose to a woman you court**
- 2. Giving her \$10, the price of a rose**



What do watch buyers want?

Why do I pay \$10,000 for an IWC watch?

Utilitarian benefits

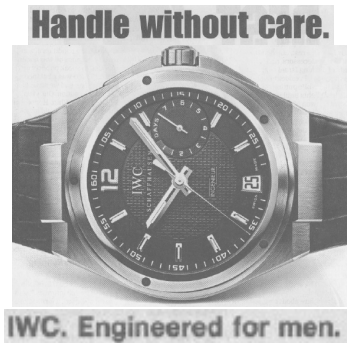
What does it do for me and my pocketbook?
It tells time and never breaks down

Expressive benefits

What does it say about me (to me and to others)?
I am a successful man with high status and refined tastes

Emotional benefits

How does it make me feel?
Accomplished and masculine



First Lesson

Know Yourself

Know your goals

Know your emotions

Know your cognitive errors

Second Lesson

Assure yourself

Know the science of financial markets

Know the science of human behavior

Third Lesson

Protect Yourself

Make your financial advisor your ally

Good financial advisors are like good physicians

They educate and sometimes they nudge

**Good financial advisors promote both
wealth and well-being**

What do investors want?

What do WE want?

Why do we play the beat-the-market game?

Why do we fail to diversify?

Why do we spend evenings listening to TV gurus?

Why do we buy socially responsible funds

Why do we buy hedge funds?

Have you watched any movies lately?



Have you watched any movies lately?



What do investors want?

Why do we play the game?

Behavioral finance version 1 answer:

Because we are irrational

Behavioral finance version 2 answer:

Because we are normal

Pursuing what normal investors want

Sometimes we are normal smart

Sometimes we are normal stupid

We fall victim to cognitive errors and emotions on our way to what we want

What do investors want? Wants and cognitive errors

**Our wants are the
locomotive**

**Our wants pull
cognitive errors as
the locomotive pulls
the train's cars**



What do investors want? Wants and cognitive errors

What do investors want?

- To get high returns**
- To beat the market and feel like winners**
- To banish fear**
- To savor hope**
- To avoid regret**
- To be socially responsible**
- To gain status**

What do investors want? Wants and cognitive errors

What cognitive errors does the want locomotive pull?

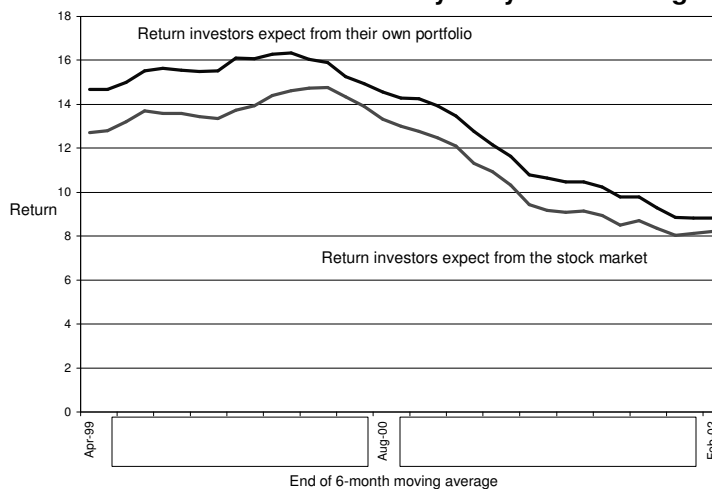
Overconfidence is one cognitive error

We want to win

Overconfidence misleads us into thinking that winning is easy

What do investors want? Wants and cognitive errors

1999-2000: I'll surely win. By a big margin
2001-2002: I'll win. But maybe by a small margin



Source: UBS Index of Investor Optimism

What do investors want? Beyond utilitarian benefits

Socially responsible investments

Utilitarian benefits: I'll get high returns

Expressive benefits: I am socially responsible

Emotional benefits: I have peace of mind because my finances are true to my value

Truth be told,
I'm as financially
ambitious as I am
socially conscious.



What do investors want? Why do we put money in our portfolios? What will we do with it?

Utilitarian benefits

I have money for retirement

Expressive benefits

I am financially independent

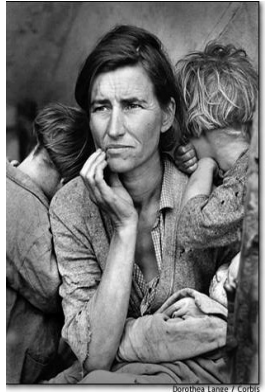
Emotional benefits

I have freedom from fear
(Downside protection)

I have hope for riches
(Upside potential)



What do investors want?
Why do we put money in our portfolios?
What will we do with it?
We don't want to be poor
We want downside protection
We want freedom from fear
Goal: Decent retirement



What do investors want?
Why do we put money in our portfolios?
What will we do with it?
We want to be rich
We want upside potential
We want hope
Goal: Comfortable retirement, supporting children and the community
Robert Harris, an iron worker, won \$275 million on February 25, 2008.

"Lottery winner has few words, fewer worries"

What do you plan to do? "Live happy"
Was it easy to quit your job? "Very easy"



What do investors want?

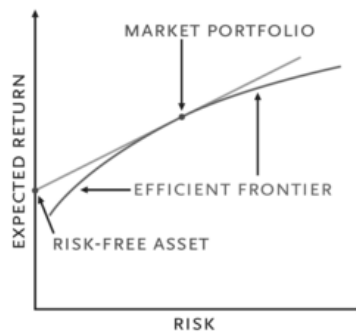
**Congratulations! We are on the efficient frontier!
Now what?**

We want to reach our goals

**Behavioral Portfolios
Arranged by mental accounts**

Shefrin and Statman (2000)

Das, Markowitz, Scheid and Statman (2008)



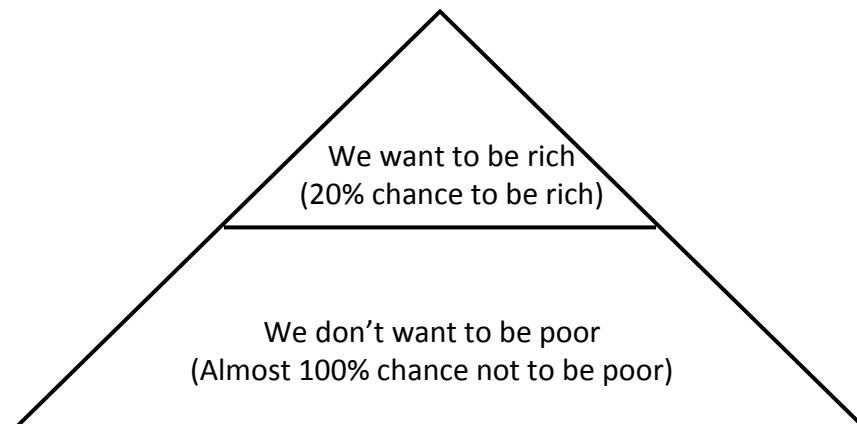
What do investors want?

Why do we put money in our portfolios?

What will we do with it?

Freedom from fear – Downside protection

Hope – Upside potential



What do investors want? We want status

Hedge funds

"Fifty million, sadly, leaves one flying commercial.
Hedge-fund money can put you into exhilarating
conversations about the virtues of Gulfstreams
versus Falcons

Utilitarian benefits

I will have high returns with low risk

Expressive benefits

I have high status

Emotional benefit

I feel proud as a member of an exclusive club



What do investors want? We want to win

Benefits to "active" investors

Utilitarian benefits

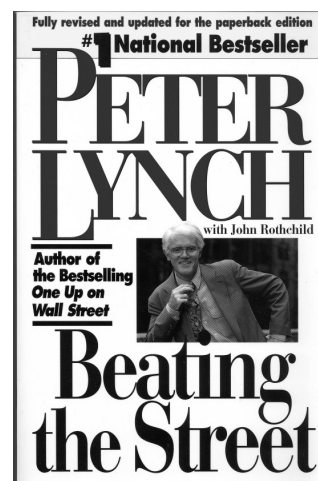
It provides high returns

Expressive benefits

I am much smarter than mediocre index fund
investors

Emotional benefits

I love the exhilaration of winning



What do investors want?

We want to save for tomorrow and spend it today

We use tools to enhance
self control

Capital as a piggybank

Spend income but
don't dip into capital



What do investors want?

We want to face no losses

Regret comes with responsibility for choice

Clients shift responsibility to advisors

Advisors are tempted to shift it back

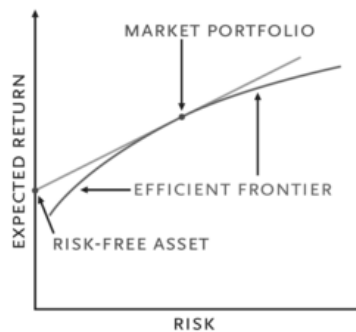


"If we're being honest, it was your
decision to follow my recommendation
that cost you money"

What do investors want?

**Congratulations! We are on the efficient frontier!
Now what?**

**Why do we put money in our portfolios?
What will we do with it?**



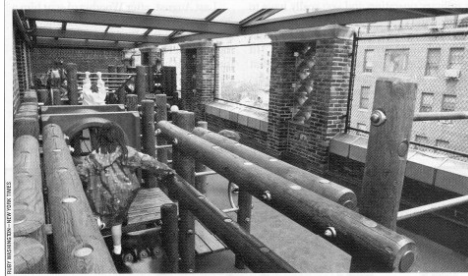
What do investors want? We want to invest in our children



Invest today for their tomorrow

1929 advertisement

What do we want? We want to invest in our children



**Jack Grubman: "There are no bounds for
what you do for your children"**

What do investors want?

We want to pay no taxes

In the hallways of the IRS, you'll be known as "that wily, crafty ETF guy"

Utilitarian benefits

I will get high after-tax
returns

Expressive benefits

I am a wealthy man,
in a high tax
bracket. And I'm
wily and crafty

Emotional benefits

I'm proud of outwitting
the I.R.S.



What do investors want?
We want to play
We want “flow”

“Flow” in skiing

**The runs is so perfect that all
you want is for it to last
forever...”**

Csikszentmihalyi



What do investors want?
We want to play
We want “flow”

“Flow” in trading

“Flow” on internet sites

**“Flow” in listening to
gurus on TV**



Conclusion

What do investors want?

What can finance academics and practitioners do?

Distinguish wants from cognitive errors

Standard finance – Investors are *rational*

Behavioral finance (version 1) - Investors are *irrational*

Behavioral finance (version 2) – Investors are *normal*

Our wants are the
locomotive

Our cognitive errors
are the cars



**What do investors want?
What do financial advisors do?
Financial advisors are financial physicians**

How do I practice good medicine?

How much should the health care system pay for hope?

How do I practice good financial advising?

Can I promote investors' realistic hope?

Can I banish investors' unrealistic fear?

Can I help investors who want to be socially responsible?

Can I help investors who want high status?

Can I help investors who want to feel like winners?

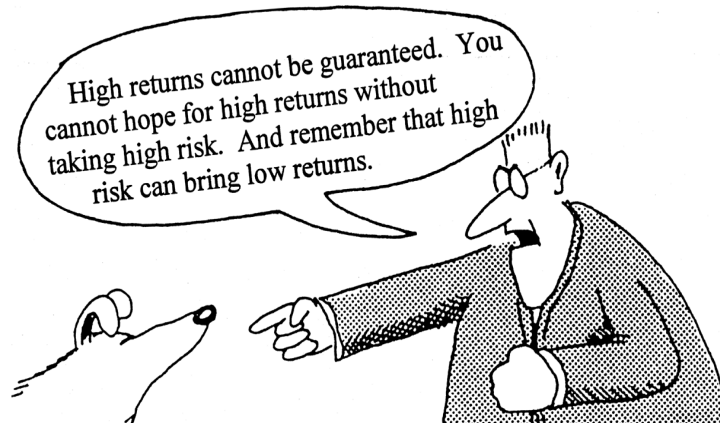
What we say to dogs



What they hear



What we say to investors



What investors hear



LEARN THE LESSONS OF BEHAVIORAL FINANCE

WHAT INVESTORS REALLY WANT

*Discover What Drives Investor Behavior
and Make Smarter Financial Decisions*



MEIR STATMAN

Tiburon CEO Summit XIX
October 6, 2010

Guest Speaker:
Dale Brown
(CEO, Financial Services Institute)



Dale Brown serves as the CEO of the Financial Services Institute. He is responsible for management of the non-profit organization dedicated to serving & representing the interests of independent broker/dealers & their financial advisors.

Mr. Brown brings more than twenty years of association management experience to the FSI, most recently as the associate executive director of the Financial Planning Association (FPA). At the IAFP, one of the FPA's predecessor organizations, he led the government relations program and the broker/dealer program, which grew to more than 130 member firms by the time the FPA was created in 2000. He also led the successful fight in the mid-1990s against the IRS's attempts to force independent broker/dealers to reclassify their representatives as statutory employees.

Mr. Brown will address the independent broker/dealer industry as well as regulatory reform affecting it.



Biography & Presentation Topics

- **CEO of Financial Services Institute**
- **Formerly at Financial Planning Association**
 - **Led government relations program & broker/dealer program**
 - **Led the successful fight in mid-1990s against the IRS's attempts to force independent broker/dealers to reclassify their representatives as statutory employees**
- **Topics**
 - **Broker/dealer industry**
 - **Regulatory reforms affecting the broker/dealer industry**



The Power of Independence

Threats and Opportunities for the Independent Financial Advisor



FSI Vision & Mission

- **Vision**

- All individuals have access to competent and affordable financial advice, products and services delivered by a growing network of independent financial advisors affiliated with independent financial services firms.

- **Mission**

- Create a healthier regulatory environment for independent broker-dealers and their affiliated independent financial advisors through aggressive and effective advocacy, education and public awareness.



FSI Facts & Figures

- Founded in 2004
- 123 Broker-Dealer Members
 - Also dually registered as RIAs
 - 188,000 affiliated independent registered reps
- 14,500 Financial Advisor Members



Current Threats



- Uncertainty
 - Increasing regulatory burden, costs
 - Expanding FINRA, SEC, state jurisdiction
- Unintended Consequences
 - “Solutions” create more problems
- Unchecked government intervention in marketplace



FSI Priorities for 2010

- Preserve 12b-1 fees
- Protect independent contractor status
- Impact financial regulatory reform



Preserve 12b-1 Fees

- SEC review started in 2007
- July 2010 Proposal
 - Increased disclosure
 - Service fee preserved
 - Cap on C-Shares
 - New NAV shares, broker-dealer sets fee



Protect Independent Contractor Status



- Current legislation
 - Takes away safe harbor
 - Allows IRS to issue guidelines
- Background and politics
 - Obama legislation in 2007
 - Top labor union priority in 2009
 - Source of additional tax revenue



Impact Financial Regulatory Reform

- *Dodd-Frank Wall Street Reform & Consumer Protection Act of 2010*
 - Six-month SEC study of harmonization, duty of care issues
 - Authorizes SEC to establish a fiduciary duty





Impact Financial Regulatory Reform

- FSI goals for harmonization
 - Universal fiduciary standard of care that works for all client situations and in all business models
 - Close regulatory gap via enhanced supervision of investment advisers



Issues for 2011



- FINRA jurisdiction creep
- Retirement savings and advice
- Small business burden



Dale's Predictions for 2011 thru 2015

- FINRA will have authority to conduct RIA exams for SEC and states, but will not have SRO status.
- At least one Wall Street firm will form or buy independent broker-dealer subsidiary.
- President Obama will be re-elected because the Tea Party will field a credible candidate who will split the anti-Obama vote.



Thank You

Dale E. Brown, CAE
President & CEO
Financial Services Institute
1101 Pennsylvania Avenue, NW, 6th Floor
Washington, DC 20004
202 379-0943
dale.brown@financialservices.org
www.financialservices.org

Tiburon CEO Summit XIX

*Day #2 Opening Presentation
San Francisco, CA
October 7, 2010*



Tiburon CEO Summit XIX Moderator Welcome & First Experiences

Tiburon CEO Summit XIX Moderator Welcome & First Experiences

- ☐ New Kid on the Block
- ☐ Why I Became a Sponsor
- ☐ Day #1 Experiences



Tiburon CEO Summit XIX Day #1 Recap

Tiburon CEO Summit XIX Day #1 Recap

- ☐ Tiburon keynote opening presentation (Chip Roame)
- ☐ Award recipients presentation (Joe Mansueto & Don Phillips)
- ☐ Guest speakers: Jeff Maggioncalda; Harold Evensky; Meir Statman; & Dale Brown
- ☐ Five break-out sessions
- ☐ Dinner in Tiburon



Tiburon CEO Summit XIX – Simple Ground Rules

Tiburon CEO Summit XIX Simple Ground Rules

- ☐ Media policy (should not be here at this point)
 - ❖ And even then “right to declare off record”
- ☐ Feedback forms (required)
- ☐ Sessions to start on time
- ☐ State name & company when asking questions



Tiburon CEO Summit XIX - Process Tips

Tiburon CEO Summit XIX Process Tips

- ❑ **Lunch process**
 - ❖ **Ritz Carlton box lunches today during wrap up**
 - ❖ **Please bring back in room for closing highlights panel discussion**



Tiburon CEO Summit XIX Day #2 Kick-Off

Tiburon CEO Summit XIX Day #2 Kick-Off

- ❑ **Mark Yusko (Morgan Creek Capital Management)**
- ❑ **Ron Carson (Carson Wealth Management Group)**
- ❑ **Judy Barber (Family Money Consultants)**
- ❑ **Tiburon CEO Summit XIX Highlights Panel**





Comments

- **Focus on corporate-level strategy**
 - Serve senior executives only at financial services companies
 - Key services: market seminars, market research, & strategy consulting
 - Served over 300 corporate clients and completed over 1,300 projects since 1998
 - Host semi-annual CEO Summits, offer free weekly research releases, and offer free business benchmarking tools for all types of advisors
- **Chip Roame background**
 - McKinsey & Company
 - Charles Schwab & Company
 - Tiburon since 1998

Tiburon CEO Summit XIX
October 7, 2010

Guest Speaker:
Mark Yusko
(Founder, CEO, & CIO, Morgan Creek Capital Management)



Mark Yusko founded and has been the CEO & CIO of Morgan Creek Capital Management since its formation in 2004. Mr. Yusko is responsible for the oversight of the firm's strategic & tactical asset allocation decisions and operations.

Prior to forming Morgan Creek Capital Management, Mr. Yusko was Founder, President, & Chief Investment Officer of UNC Management Company, the Endowment investment office for the University of North Carolina at Chapel Hill, where he served from 1998 to 2004. Until 1998, Mr. Yusko was the Senior Investment Director for the University of Notre Dame Investment Office where he joined as the Assistant Investment Officer in 1993.

Mr. Yusko will address his views of the global financial markets and the investment management industry. He will also discuss the importance of thinking differently when investing by using alternative thinking strategies.



Biography & Presentation Topics

- **CEO of Morgan Creek Capital Management since 2004**
- **Formerly**
 - **Founder, President, & Chief Investment Officer of UNC Management Company, the Endowment investment office for the University of North Carolina**
 - **Senior Investment Director, Notre Dame Investment Office**
- **Topics**
 - **Views on the global financial markets**
 - **Importance of thinking differently**



HATTERAS
Funds

HATTERAS FUNDS

Multi-Strategy Funds

Alternative Thinking
October 2010

Safe Harbor and Forward-Looking Statements Disclosure



HATTERAS
Funds

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Important Disclosures and Key Risks



HATTERAS
Funds

This is not an offering to subscribe for units in any fund and is intended for informational purposes only. An offering can only be made by delivery of the Prospectus to "qualified clients" within the meaning of U.S. securities laws. **Please carefully consider the investment objectives, risks, and charges and expenses of the Funds (as defined below) before investing. Please read the Prospectus carefully before investing as it contains important information on the investment objectives, composition, fees, charges and expenses, risks, suitability, and tax obligations of investing in the Funds. Copies of the Prospectus and performance data current to the most recent month-end may be obtained online at www.hatterasfunds.com or by contacting Hatteras at 1-866-388-6292.** Past performance does not guarantee future results.

The Hatteras Multi-Strategy Fund, L.P.; the Hatteras Multi-Strategy TEI Fund, L.P.; the Hatteras Multi-Strategy Institutional Fund, L.P.; and the Hatteras Multi-Strategy TEI Institutional Fund, L.P. (collectively referred to herein as the "Hatteras Multi-Strategy Funds" or the "Funds") are Delaware limited partnerships that are registered under the Investment Company Act of 1940 (the "1940 Act"), as amended, as non-diversified, closed-end management investment companies whose units are registered under the Securities Act of 1933, as amended. The Hatteras Multi-Strategy Funds are funds of alternative investments. As such, the Funds invest in private hedge funds and private equity investments. Hedge funds are speculative investments and are not suitable for all investors, nor do they represent a complete investment program. A hedge fund can be described generally as a private and unregistered investment pool that accepts investors' money and employs hedging and arbitrage techniques using long and short positions, leverage and derivatives, and investments in many markets.

Key Risk Factors: The Funds, through an investment in the Master Fund, will invest substantially all of their assets in underlying funds that are generally not registered as investment companies under the 1940 Act and, therefore, the Funds will not have the benefit of various protections provided under the 1940 Act with respect to an investment in those underlying funds. The Funds can be highly volatile, carry substantial fees and involve complex tax structures. Investments in the Funds involve a high degree of risk, including loss of entire capital. The underlying funds may engage in speculative investment strategies and practices, such as the use of leverage, short sales, and derivatives transactions, which can increase the risk of investment loss. The Funds provide limited liquidity, and units in the Funds are not transferable. Liquidity will be provided only through repurchase offers made by the Funds from time to time, generally on a quarterly basis upon prior written notice.

The success of the Funds is highly dependent on the financial and managerial expertise of its principals and key personnel of the Funds' investment managers. Although the investment managers for the Funds expect to receive detailed information from each underlying fund on a regular basis regarding its valuation, investment performance, and strategy, in most cases the investment managers have little or no means of independently verifying this information. The underlying funds are not required to provide transparency with respect to their respective investments. By investing in the underlying funds indirectly through the Funds, investors will be subject to a dual layer of fees, both at the Funds and underlying fund levels. Certain underlying funds will not provide final Schedule K-1s for any fiscal year before April 15th of the following year. Those funds, however, will endeavor to provide estimates of taxable income or losses with respect to their investments.

Please see the Prospectus for a detailed discussion of the specific risks disclosed here and other important risks and considerations.

Securities offered through Hatteras Capital Distributors, LLC, member FINRA/SIPC. Hatteras Capital Distributors, LLC is affiliated with Hatteras Investment Partners, LLC by virtue of common control/ownership. This document is not an offering to subscribe for units of any fund and is intended for informational purposes only.

Words of Wisdom



HATTERAS
Funds

"Any plan conceived in moderation, must fail when
circumstances are set in extremes"

Prince Metternich

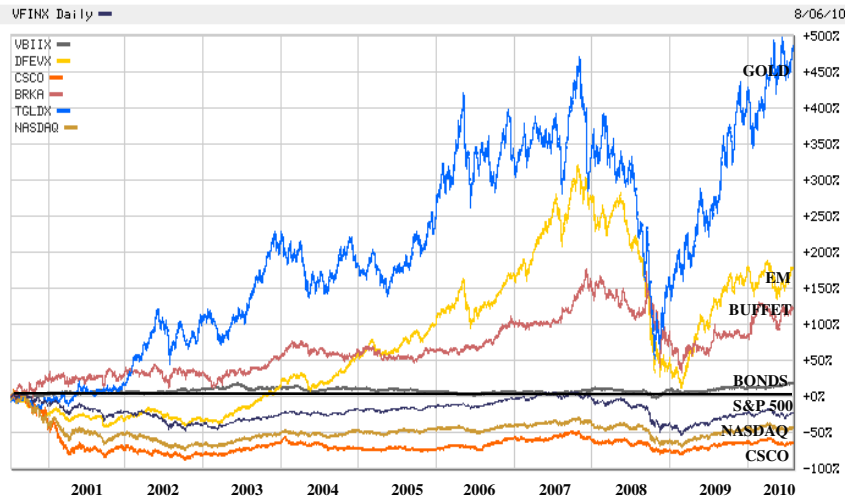
"You must unlearn, what you
have learned..."

Yoda

"Old Plan" Produced Poor Returns For Over a Decade



HATTERAS
Funds



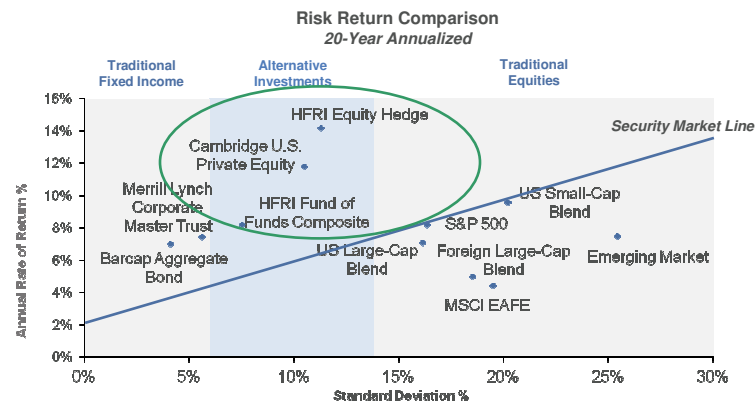
RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 5

It Has Been a Solid Twenty Years for "Alternatives"



HATTERAS
Funds

- Over the past two decades, hedge funds and private equity investments have out-performed un-hedged public investments on a total return and risk-return basis



Sources: Morningstar, Hedge Fund Research, Inc., and Hatteras Funds
Data through December 31, 2009

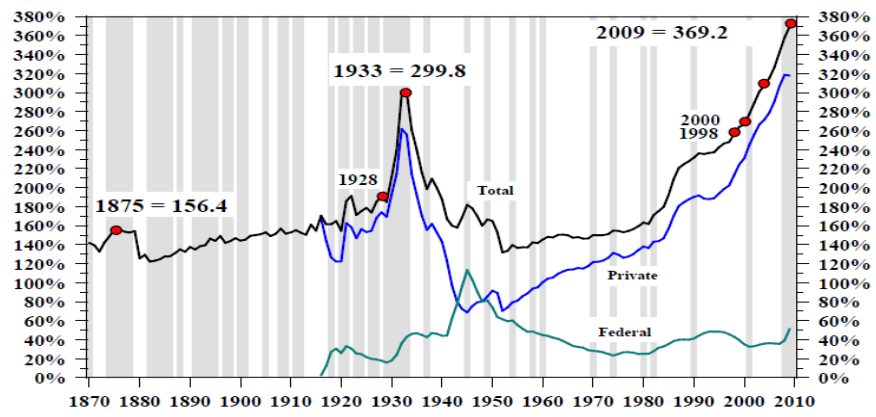
RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 6

The Investment Landscape Has Changed

Six Decades of Rising Leverage Created "Bubble" World



U.S. Debt as a % of GDP *annual*



Sources: Bureau of Economic Analysis, Federal Reserve, Census Bureau: Historical Statistics of the United States Colonial Times to 1970. Through Q4 2009.

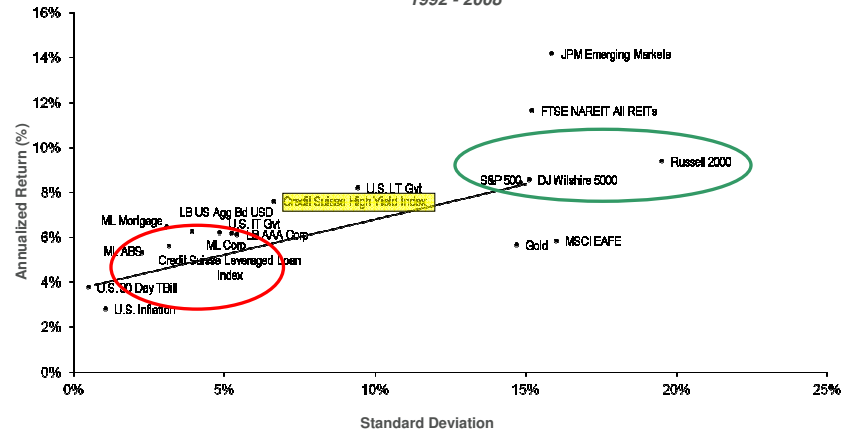
Source: Hoisington Investment Management

Normal World: Stocks > Bonds Take Risk, Get Return



HATTERAS
Funds

Asset Class Return/Risk Characteristics
1992 - 2008



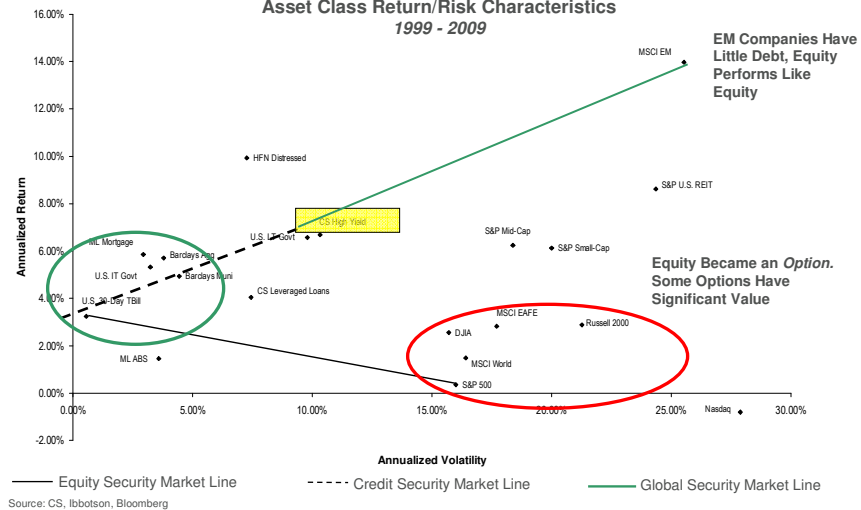
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Bubble World: Bonds Beat Most Stocks, Emerging Markets Win



HATTERAS
Funds

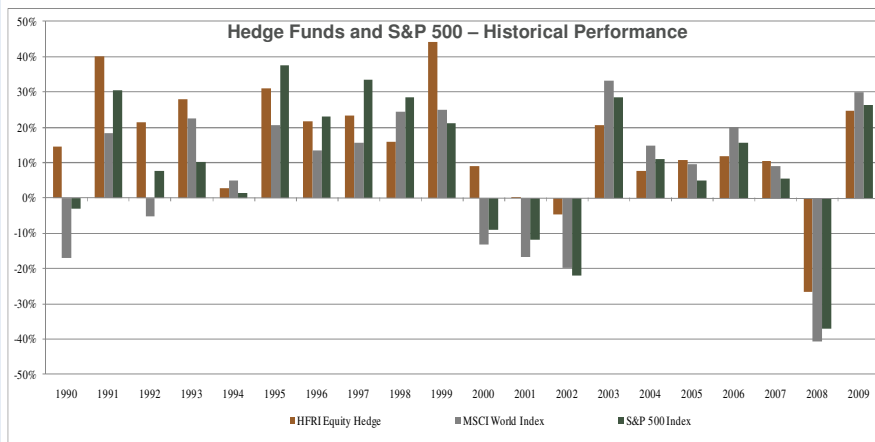
Asset Class Return/Risk Characteristics
1999 - 2009



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Things We “Know,” That Just Ain’t So...

We “Know” Stocks Beat HF, Except Past Two Decades



For 20 Year Period, S&P 500 returned 6.5%, Hedge Funds returned 13.2%

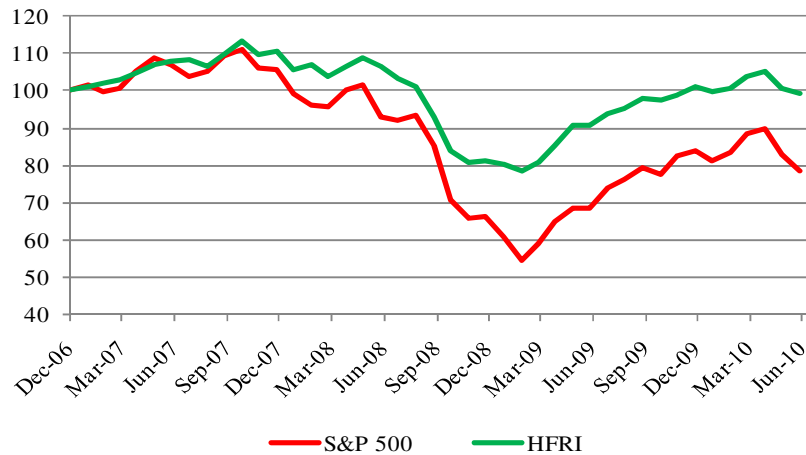
Source: Bloomberg, HFRI

Volatility (annualized)	
HFRI Equity Hedge	9.23%
MSCI World Index	15.38%
S&P 500 Index	15.01%

Despite “Rally”, Stocks Lag Hedge Funds Since Beginning of Credit Crisis



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Funds



S&P 500, HFRX

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They “Know” Endowment Model is Broken? Says Who?



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Funds



Source: Barron's November 2008

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"Their" Data Shows Endowments Win For Past Decade



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Funds

- ▶ Major college endowments have announced recent losses due to heavy investments in hedge funds, private equity, and commodities
- ▶ But they have bested the S&P 500 by a wide margin over the past decade.

Endowment	Size* (in billions)	Total Returns*	
		1-Year	10-Year
Harvard	\$36.9	8.6%	13.8%
Yale	\$22.9	4.5%	16.3%
Stanford	\$20.4	6.2%	14.2%
Princeton	\$16.4	5.6%	14.9%
MIT	\$10.1	3.2%	13.2%
Michigan	\$7.6	6.4%	13.2%
Cornell	\$5.4	2.7%	8.7%
Dartmouth	\$3.6	0.5%	12.1%
S&P 500		-13.1%	-2.9%

* as of June 30, 2008
Sources: Barron's "Crash Course" dated 11/10/08, school reports; Bloomberg

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1 Year, Does Not a Trend Make: 0-10-1 Not Good...



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Asset	ALLOCATIONS					Est. Return Since June 30 [†]
	Yale	Harvard	Princeton	Stanford	Avg. Edu Endowment	
Hedge Funds	23%	18%	26%	18%	20%	-20%
Domestic Equity	11%	11%	9%	37%**	26%	-25%
Fixed Income	4%	11%	3%	10%	13%	-5%
Foreign Equity	15%	22%	16%	N.A.	22%	-37%
Private Equity	19%	13%	25%	12%	7%	-50%
Real Assets*	28%	26%	19%	23%	10%	-35%
Cash	0%	-3%	1%	N.A.	2%	N.A.

HYPS -25%

**Even With Unrealistic Assumptions, Best They Can Get is a
TIE for Fiscal Year 2009....**

* Real estate, timber, oil and gas
** Stanford does not separate Domestic and Foreign Equity Exposure
† Barron's estimates, report period 6/30/08 - 11/10/08
Sources: Barron's "Crash Course" dated 11/10/08, school reports; Bloomberg
Source: Barron's November 2008, July 2009

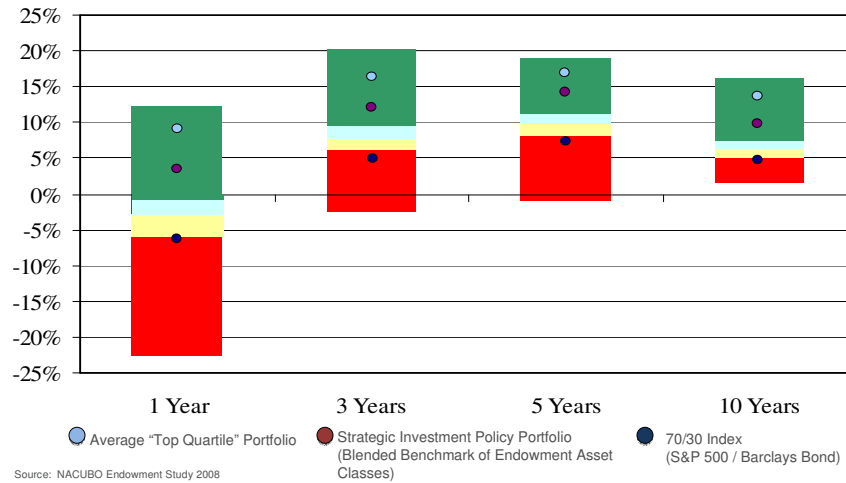
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Endowments Outperform Traditional Portfolios - Why?



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Funds

Comparative Performance vs. NACUBO Endowment Universe

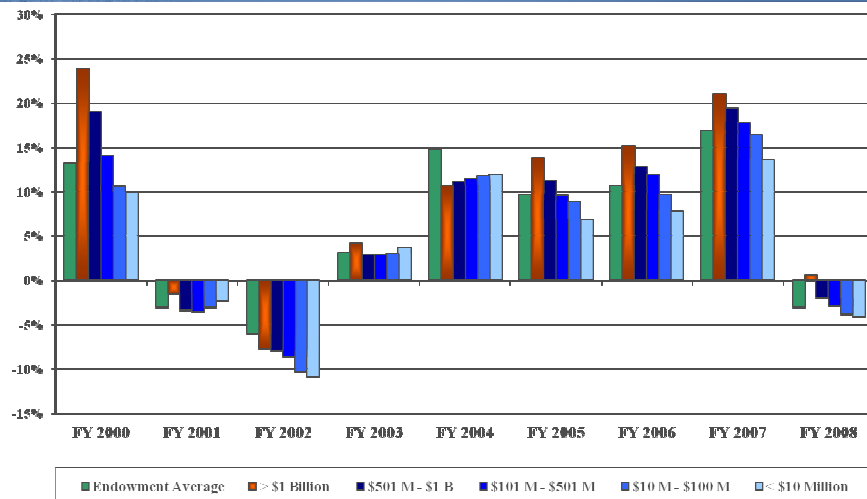


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Large Endowments Outperform Small Endowments – Why?



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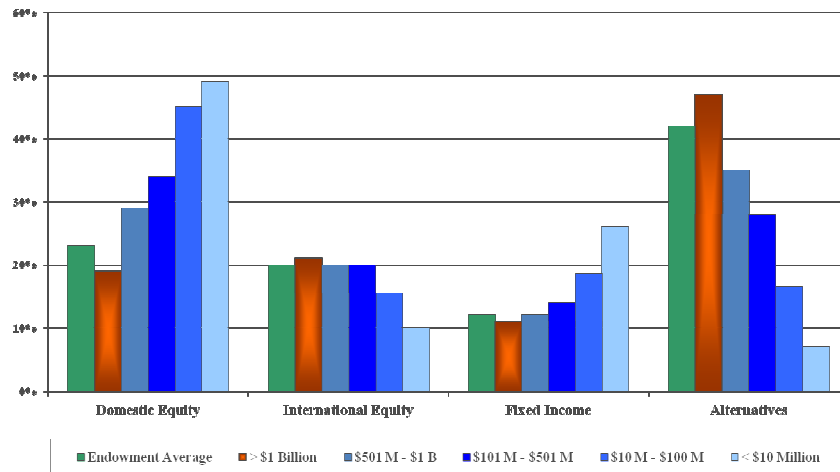


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Large Endowments Win for Three Primary Reasons



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Source: Commonfund Benchmarks Study 2008

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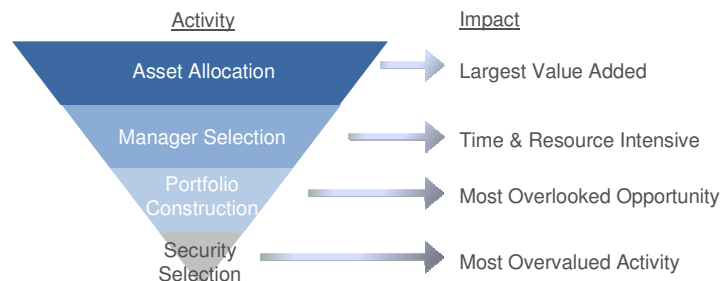
Large Endowments Focus on Highest Impact Areas



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Funds

- Academic literature shows that more than 90% of portfolio returns come from asset allocation alone.* Yet, the bulk of the investment industry focuses on security selection

Contributors to Long-Term Portfolio Returns



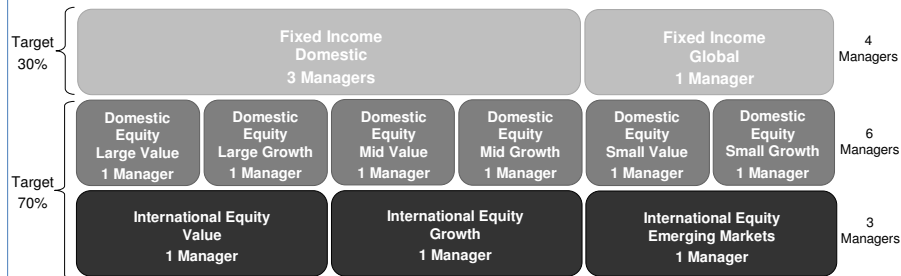
* Gary P. Brinson, Brian D. Singer, and Gilbert L. Beebower, Determinants of Portfolio Performance II: An Update, The Financial Analysts Journal, 47, 3

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Traditional Portfolios Are Too U.S. Equity-Centric



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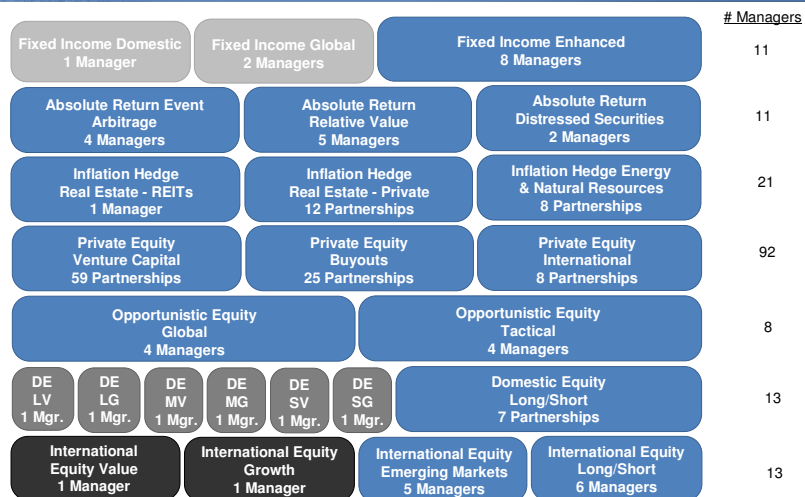


Total Managers = 13

Large Endowments *Integrate* Alternatives into Portfolio



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Funds



Source: UNCMC (University of North Carolina Management Company)

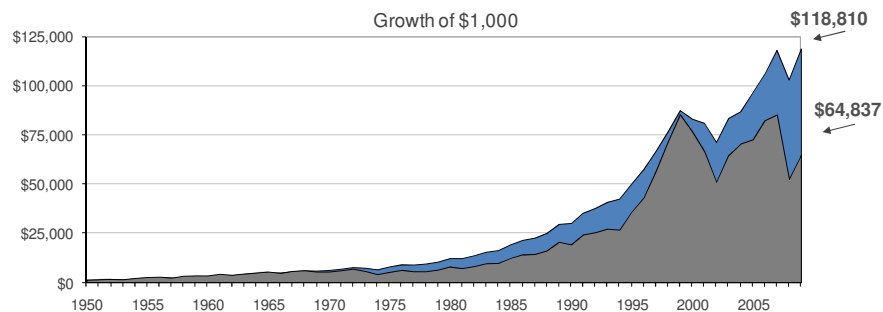
Total Managers = 169

Best Portfolios Focus on Consistent Compounding



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From 1950 to 2009, the arithmetic average annual return of the S&P 500 has been 8.4% with a standard deviation of 17%.¹



Over that time period, an investment with the same return but half the volatility creates over 80% more wealth.²

The above information is hypothetical and is meant as an illustration only. Unmanaged indices are for illustrative purposes only. An investor cannot invest directly in an index. Past performance is no guarantee of future results.
Source: 1. Standard & Poor's and Bloomberg 2. Morgan Creek Capital Management, LLC.

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The Real Return Challenge



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Funds

Will a Traditional portfolio of public Stocks and Bonds generate enough return over the next decade to meet spending requirements without reducing the real value of the underlying assets?

Where will returns come from?

Alternative Investments? Maybe

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The Real Return Challenge



Will a Traditional portfolio of public Stocks and Bonds generate enough return over the next decade to meet spending requirements without reducing the real value of the underlying assets?

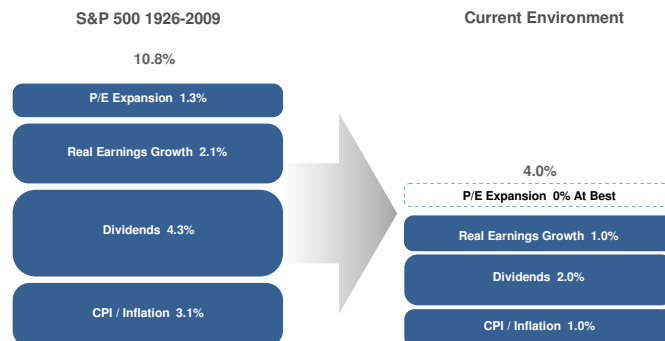
Where will returns come from?

Alternative Thinking? Definitely

Current Trends Suggest Lower Future Returns



Source of Equity Returns

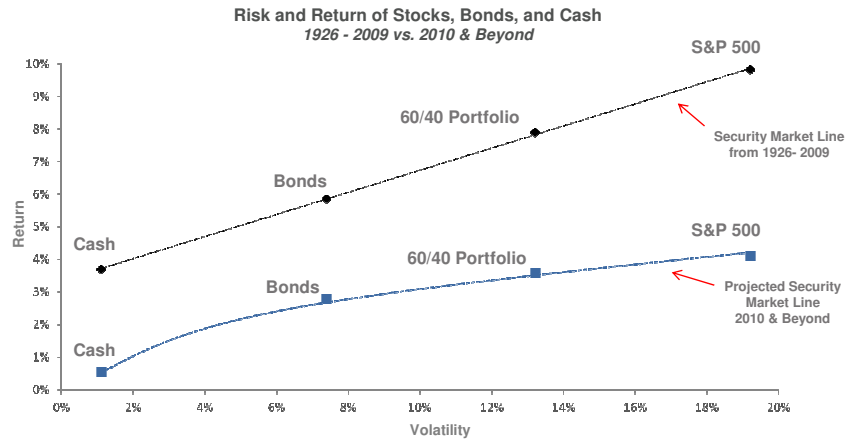


Source: Based on research study conducted by Ibbotson & Chen. Research Report dated 2000. Study has not been replicated since 2000. Dividends represent dividend yield of Standard & Poor's 500. Inflation rate reflects CPI as of 12/31/09 (information from Bureau of Labor Statistics).

Traditional Portfolio May Disappoint Moving Forward



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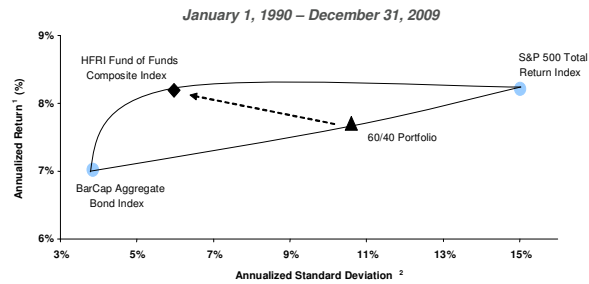
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Fund of Funds Have Boosted Return And Reduced Volatility



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- Historically, fund of funds have had higher returns and lower risk than a traditional portfolio of stocks and bonds



Source: Pertrac Financial Solutions

Past performance is not an indication of future results. Index returns are provided for illustrative purposes only to demonstrate the use of diversification among asset classes using broad-based indices of securities. Returns do not represent an actual investment. Actual investment returns would vary. Indices do not have costs, fees, or other expenses associated with their performance. Therefore, actual investment returns would be lower. In addition, securities held in an index may not be similar to securities held in an actual account. It is not possible to invest directly in an index.

1. Annualized Return: Annualized return, or "average annual return," describes the return gained, on average, each year of a multi-year period rather than a cumulative return.

2. Annualized Standard Deviation: Risk as measured by the variability of performance. The higher the standard deviation, the greater the variability (and therefore the risk) of the fund or index.

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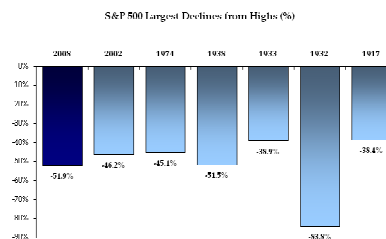
How Did We Get Here?

Deflation Hit Equities Hard in 2008, Just Like 1930's

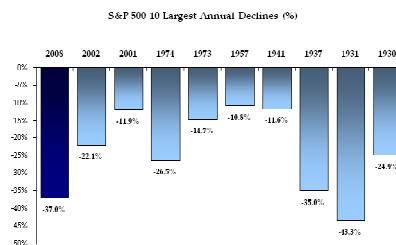


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- ▶ The S&P experienced its 2nd largest decline ever from its all-time high in Oct '07 (almost 52%), second only to the drop in '32 (over 80%).



- ▶ S&P 500's 2008 loss of 37% was second worst annual loss (largest was 1931 decline of 43%)



Source: Bloomberg

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Funds

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Where Do We Go From Here?

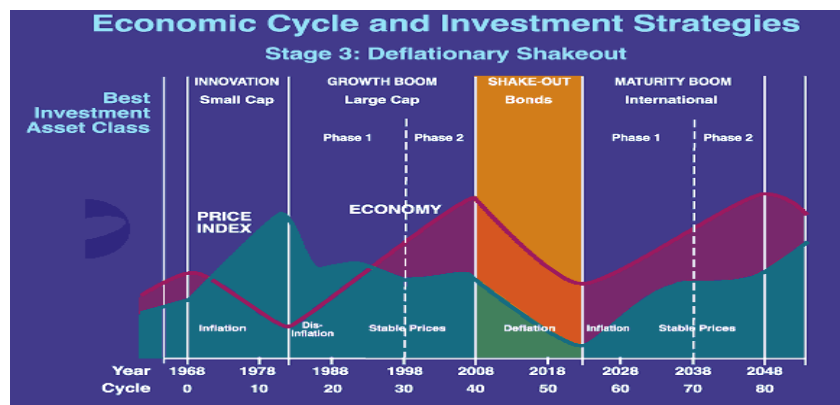
Demographics Points to Deflationary Shake-Out



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“The Great Depression didn’t start out as a depression. It started out as a recession.”

- Anirvan Banerji, Economic Cycle Research Institute



Source: HS Dent Foundation

Deflation & Deleveraging: A Lethal Combination

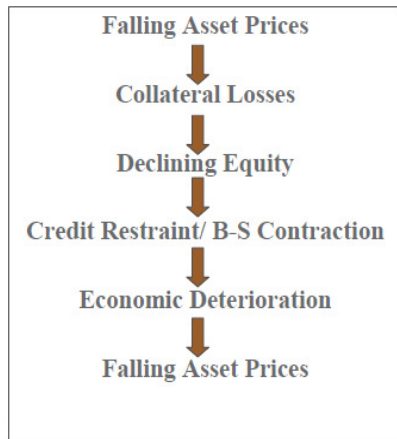


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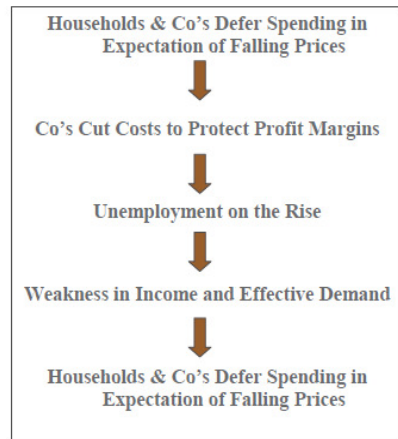
Asset Price Deflation



Private Sector Deleveraging



Source: UBS



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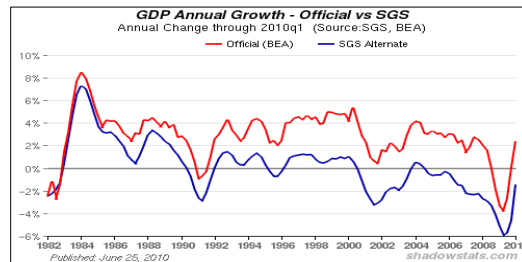
Worse Than Normal Recession, not Depression, Yet...



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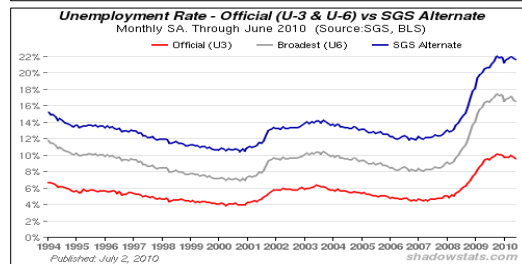
Annual GDP Growth (Recession): Range -2% to -5%

- ▶ 4Q 2008: -6.2%
- 1Q 2009: -6.5%
- 2Q 2009: -4.5%
- 2Q 2010: +2.4%??
- ▶ Average: 3.5% (1930-present)



Unemployment (Recession): 8% to 15%

- ▶ July: 9.5% ??
- ▶ GS forecasts well over 10% through end of 2011
- ▶ Average (Post-WW II): 5.6%



Source: Bloomberg, Shadowstats.com

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Developed World Deep in Debt, Race to Become Japan



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General government gross debt as % of GDP

	2005	2006	2007	2008E	2009E	2010E
Canada	70.5	67.9	64.2	63.6	75.4	77.2
France	66.4	63.6	63.9	67.3	74.9	80.3
Germany	66.4	66.0	63.6	67.2	79.4	86.6
Italy	105.8	106.5	103.5	105.8	115.3	121.1
Japan	191.6	191.3	187.7	196.3	217.2	227.4
UK	42.1	43.3	44.1	51.9	62.7	72.7
US	62.5	61.9	63.1	70.5	87.0	97.5
Euroland	69.6	67.9	65.8	69.1	78.9	85.0

Source: IMF World Economic Outlook, April 2009

Source: CLSA

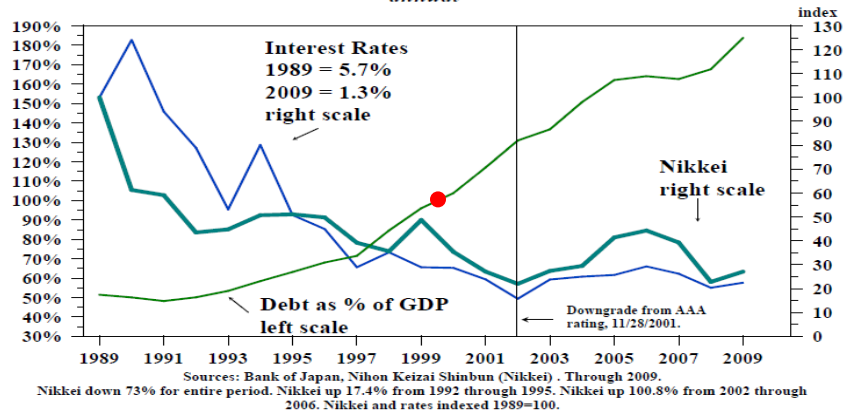
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Seen This Movie Before; More Debt, Stocks & Yields Fall



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Japan: Government Debt as a % of GDP, Long Term Government Rates and Nikkei Stock Average



Source: Holsington Capital Management

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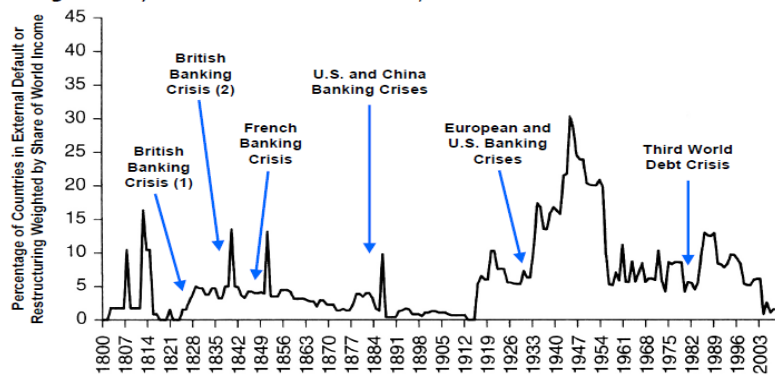
There Was Going to be Another Debt Crisis, We Could Count On It



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Expect a Rise in Sovereign Debt Defaults

Countries in external default of restructuring,
weighted by share of world income, 1800 – 2008



Source: *This Time Is Different: Eight Centuries of Financial Folly* by Carmen M. Reinhart & Kenneth S. Rogoff

Source: GMO

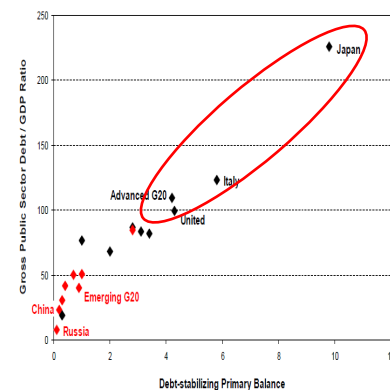
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Developed Markets (Not Emerging) Were Most Vulnerable



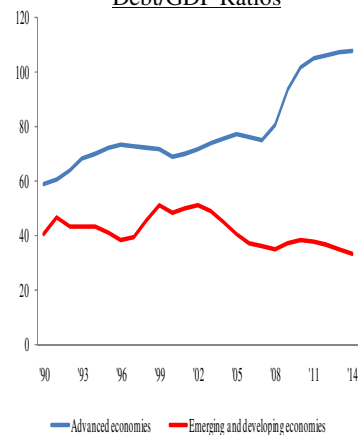
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The Next Debt Crisis Won't be in Emerging



Source: GMO, IMF

Debt/GDP Ratios



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Market Outlook

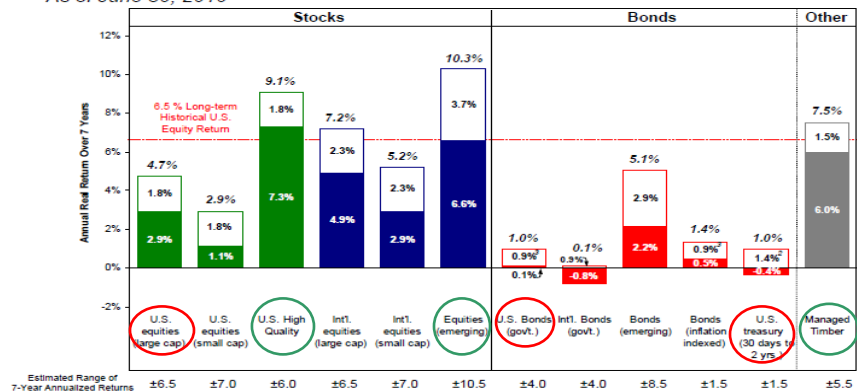
GMO Forecast for Traditional Assets Not Very Attractive Either



GMO 7-Year Asset Class Return Forecasts*

Expected Value Added
Real Return (Asset Class Index)

As of June 30, 2010



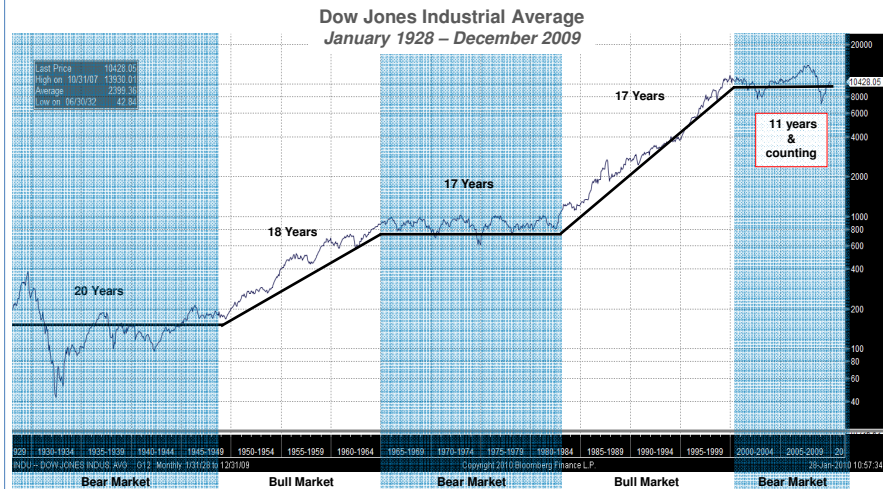
*The chart represents real return forecasts for several asset classes and an estimate of net value expected to be added from active management. These forecasts are forward-looking statements based upon the reasonable beliefs of GMO and are not a guarantee of future performance. Actual results may differ materially from the forecasts above.
 † Long-term inflation assumption: 2.5% per year.
 ‡ Alpha transported from management of global equities.
 § Alpha transported from management of global bonds.

Source: GMO

U.S. Equity Market Follows Stair Step Pattern



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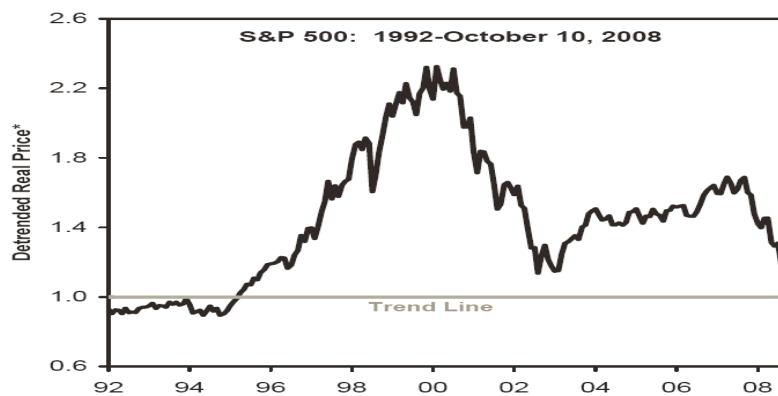


The “Last Bubble” Finally Returned to Fair Value, But



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The Bubble Finally Breaks



* Detrended Real Price is the price index divided by $CPI+2\%$, since the long-term trend increase in the price of the S&P 500 has been on the order of 2% real.

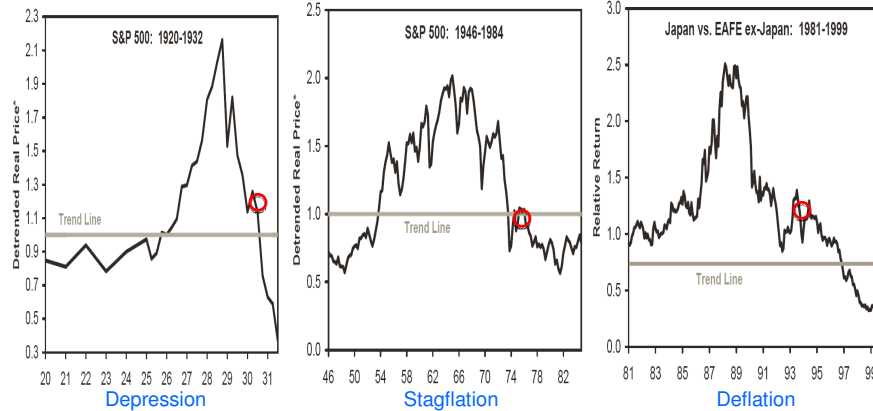
Source: GMO

Trouble With Bubbles is They Tend to Overcorrect...



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Real Issue Is Where Are We Headed Now?



Source: GMO as of 10/10/2008

Note: Trend is 2% real price appreciation per year.

* Detrended real price is the price index divided by $CPI+2\%$, since the long term trend increase in the price of the S&P500 has been on the order of 2% real.

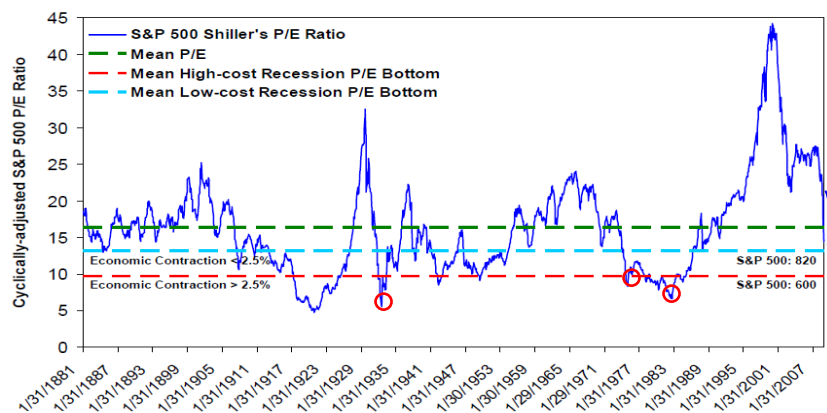
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History Says Likely to be Another Serious Leg Down...



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Market Lows by Severity of Recessions



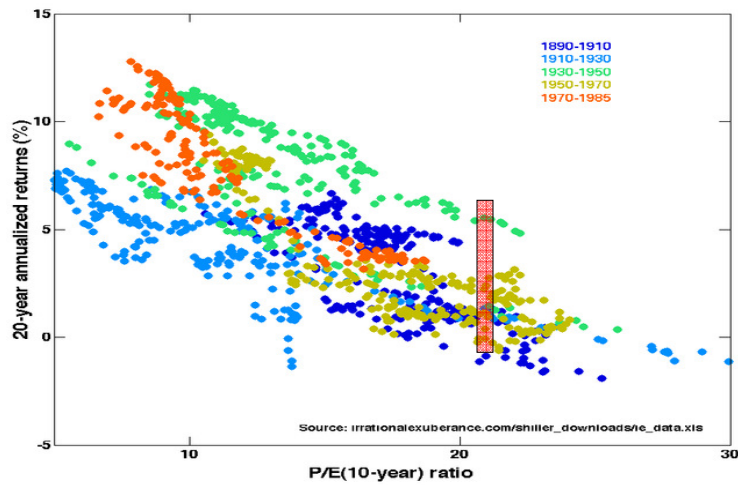
Source: GMO, Robert J. Shiller, Global Financial Data, NBER

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History Says Two Decades of Single-Digit Returns, At Best...



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Source: Irrationalexuberance.com

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Time to Play Defense, But We Can Score...



“Creative risk taking is essential to success in any goal where the stakes are high. Thoughtless risks are destructive, of course, but perhaps even more wasteful is thoughtless caution which prompts inaction and promotes failure to seize opportunity.”

**- Gary Ryan Blair
Author**

Four Ways to Make Returns, “Risk” in All Four



Components of Long-Term Portfolio Returns

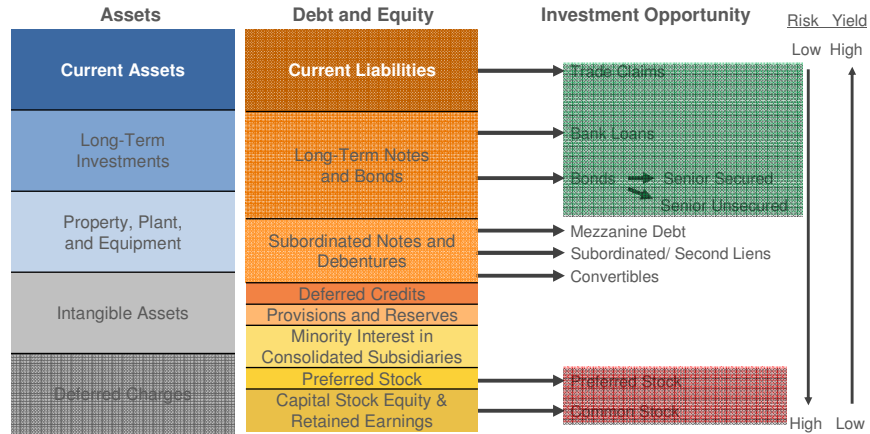
<u>Component</u>	<u>Avg. Return</u>	<u>Proj. Return</u>
“Risk Free” Rate	4%	1%
Credit Risk	2%	4%
Equity Risk	5%	0%/5%
Illiquidity Risk	5%	10%
Leverage	Variable	Variable

Move Up Capital Structure, Own Credit, Reduce Risk



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A Typical Company's Asset Distribution and Capital Structure



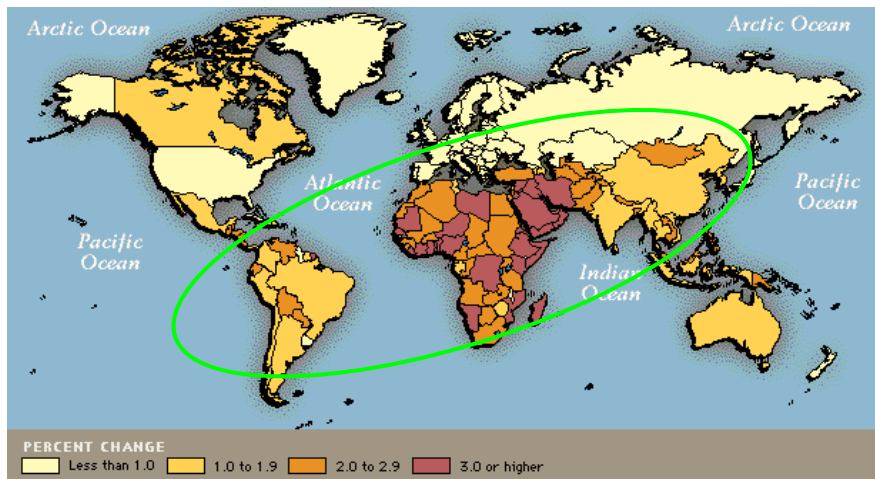
Source: Stern, NYU

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Equity Investing: Skate to Where Puck is Going to be...



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Source: MSN Encarta

Population Growth Creating Huge "Bottom of the Pyramid"

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Equity: Which "Company" Would You Rather Own?



2003-2009 ¹ Compound Annual Growth		
	World, Inc. ²	EM, Inc.
Income Statement		
Sales	4.9%	11.1%
EBITDA	4.5%	6.6%
Net Interest Expense	6.0%	2.3%
Net Income	3.9%	8.0%

More Growth

More Profits

¹2003-2008 actual, 2009 estimated

²World, Inc. (ex EM)

Balance Sheet Strength			
	World, Inc.*		EM, Inc.
	2003	2009e	2003 2009e
Net Debt/EBITDA	1.8	2.0	1.0 1.0
EBITDA/Net Interest	11.8	10.9	12.6 16.1

*World, Inc. (ex EM)

Source: Everest Capital, UBS

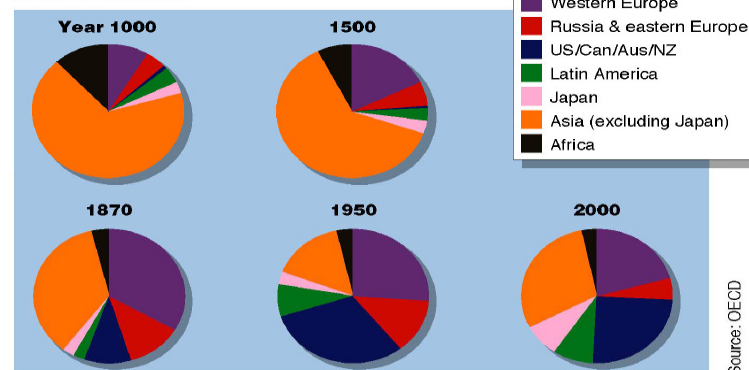
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Wealth Moved West Following Industrial Revolution



The decline and rise of the east

Share of world GDP



Source: Hamish McRae - *The World in 2020*

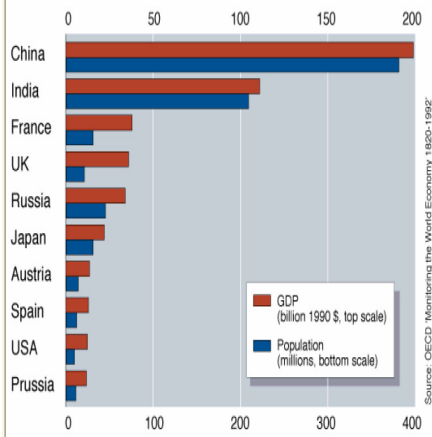
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History Doesn't Repeat, but it Rhymes Welcome to the BRIC Century

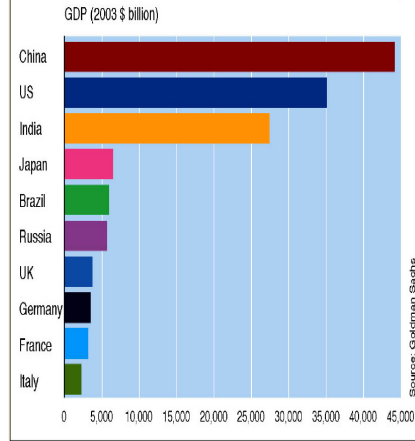


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The ten leading economies in 1820



Ten largest economies in 2050

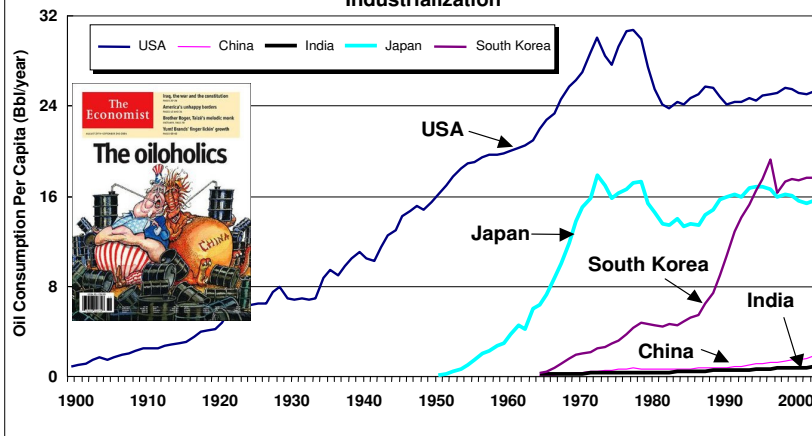


Real Assets: Oil Demand Rises as Countries Industrialize



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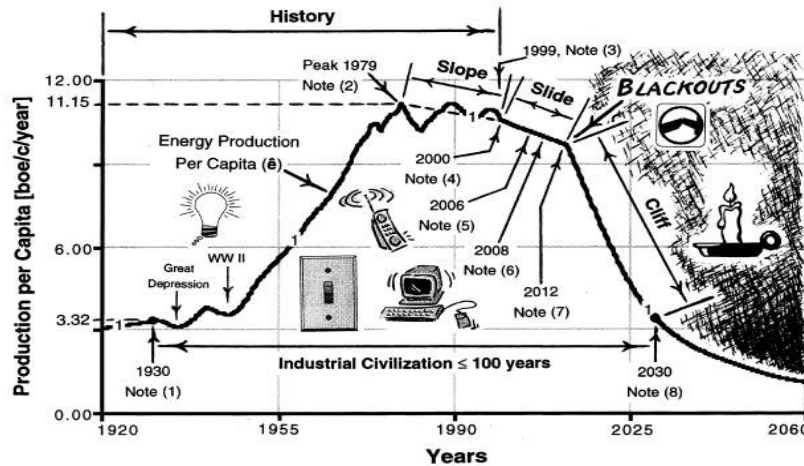
Oil Consumption Increases Fastest During Early Industrialization



So, Own Scarce Resources Rather Than Financial Assets



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Funds



Source: Richard C. Duncan, Ph.D., "Olduvai Theory" Pardee Keynote Symposia

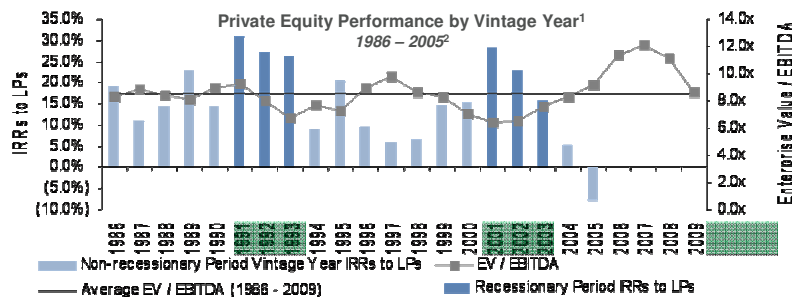
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Take Advantage of Illiquidity Particularly, During Stress Periods



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- Historically, private equity valuations lag public market valuations and recessions have offered attractive entry points for investors
- We believe current entry valuations are some of the most attractive in many years



1. Source: Cambridge Associates, LLC U.S. Private Equity Index and Benchmark Statistics as of March 31, 2010. Pooled mean net IRR to limited partners by vintage year. Based on data compiled from 823 U.S. Private equity funds, including fully liquidated partnerships, formed between 1986 and 2005. Returns are net of fees, expenses, and carried interest. "Recession Period" includes the recession periods of 1991 and 2001, including the two-year periods emerging from the recessionary troughs. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant. Past performance is no guarantee of future results. The illustrations are not intended to predict the performance of any specific investment or security. The past performance figures do not represent Hatteras security and there can be no assurance that any Hatteras security will achieve the past returns of the illustrative examples.

2. Vintage year funds since 2006 are immature and have not produced meaningful returns.

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Time to “Think Differently”



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- ▶ **Reduce Risk Across the Portfolio and Diversify Broadly**
- ▶ Domestic Equity - Long/Short Sector Specialist Managers
- ▶ International Equities - Japan, Asia, Long/Short Europe
- ▶ **Emerging Markets Equity - Long/Short BRIC**
- ▶ **Real Assets - Including Energy & Natural Resources**
- ▶ Private Real Estate, U.S. REITs - Long/Short, Int'l RE/REITs
- ▶ Absolute Return Strategies - Low Volatility
- ▶ **Opportunistic Equity Strategies - Hedged Global Managers**
- ▶ **Distressed Debt Opportunities – U.S., Europe**
- ▶ **Private Equity - International, Small Buyouts, Targeted VC/GC**
- ▶ **Enhanced Fixed Income - Sr. Debt, Private Debt, Asset Backed**
- ▶ “Cash Flow Finance” - Structured Products
- ▶ Emerging Manager Development
- ▶ **Real Estate Development - EM, RE Debt - “Loan to Own”**
- ▶ **Energy Exploration and Production**

RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 59

The Hatteras Multi-Strategy Funds



HATTERAS
Funds

A fund of hedge funds and private investments in one vehicle

Investment objective: Provide capital appreciation consistent with the return characteristic of the alternative investment portfolios of larger endowments.¹

- ▶ Large Endowment Model allocation to alternatives
 - Hedge funds offer risk mitigation
 - Private investments offer return enhancement
 - Significant diversification across geographies, sectors, strategies, vintages, and portfolio managers²
- ▶ Designed to be used as:
 - A complement to a traditional portfolio of stocks, bonds, and cash
 - A core alternative investment allocation

1. The Funds' Investment objective is to provide capital appreciation consistent with the return characteristic of the alternative investment portfolios of larger Endowments through investments in the six asset classes: Opportunistic Equity, Enhanced Fixed Income, Absolute Return, Real Estate, Private Equity, and Energy & Natural Resources

2. the Funds are registered as non-diversified under the Investment Company Act of 1940. As such, the Funds are not subject to the diversification requirements of the 1940 Act.

RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 60

Overview of Hatteras Funds



We strive to be the leading provider of unique alternative investment solutions for financial advisors

- ▶ Founded in 2003 to give investors the ability to access institutional-quality alternative investments with confidence
- ▶ Headquartered in Raleigh, NC, with an office in New York, NY
- ▶ Over \$1.8 billion in assets under management*
- ▶ More than 50 employees, including:
 - 12 investment professionals
 - 21 sales & marketing professionals

* As of June 30, 2010

Joint Venture With Morgan Creek Capital Management



Our joint venture offers access to extensive alternative investment experience and expertise, with an unparalleled level of service

About Morgan Creek Capital Management:

- ▶ Founded in 2004 by Mark W. Yusko, former CIO of University of North Carolina ("UNC") Endowment
- ▶ Early integrators of Alternative Investments
- ▶ Allocation to Alternatives at UNC exceeded 90%
- ▶ Morgan Creek advises \$9.5 billion in alternative investments*
- ▶ 55 employees; 23 investment professionals*
- ▶ Office locations in Chapel Hill, New York, Beijing, and Hong Kong

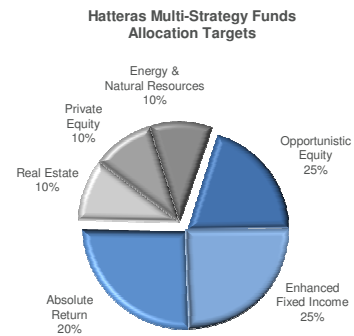
* As of June 30, 2010

Hedge Funds & Private Investments In One Vehicle



HATTERAS
Funds

	Minimum	Target	Maximum
Hedge Funds	Opportunistic Equity - Long/Short Regional - Long/Short Specialty - Global Macro		
	15%	25%	35%
	Enhanced Fixed Income - Global/Emerging Bonds - Distressed Securities - High Yield Bonds		
	15%	25%	35%
Private Investments	Absolute Return - Multi-Strategy - Risk Arbitrage - Convertible Arbitrage		
	10%	20%	30%
	Real Estate - REIT Long/Short - Real Estate Partnerships - Secondary Interests		
Private Investments	5%	10%	15%
	Private Equity - Hybrid Funds - Secondary Interests - LBOs, Mezzanine, Venture		
	5%	10%	15%
Private Investments	Energy and Natural Resources - Long/Short Sector Specialist - Commodity Partnerships - Oil and Gas Partnerships		
	5%	10%	15%



RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 63

The Hatteras Multi-Strategy Funds Offer an Innovative Solution



HATTERAS
Funds

- ▶ There are 2,200 hedge fund of funds¹
- ▶ There are 1,200 private equity fund of funds²

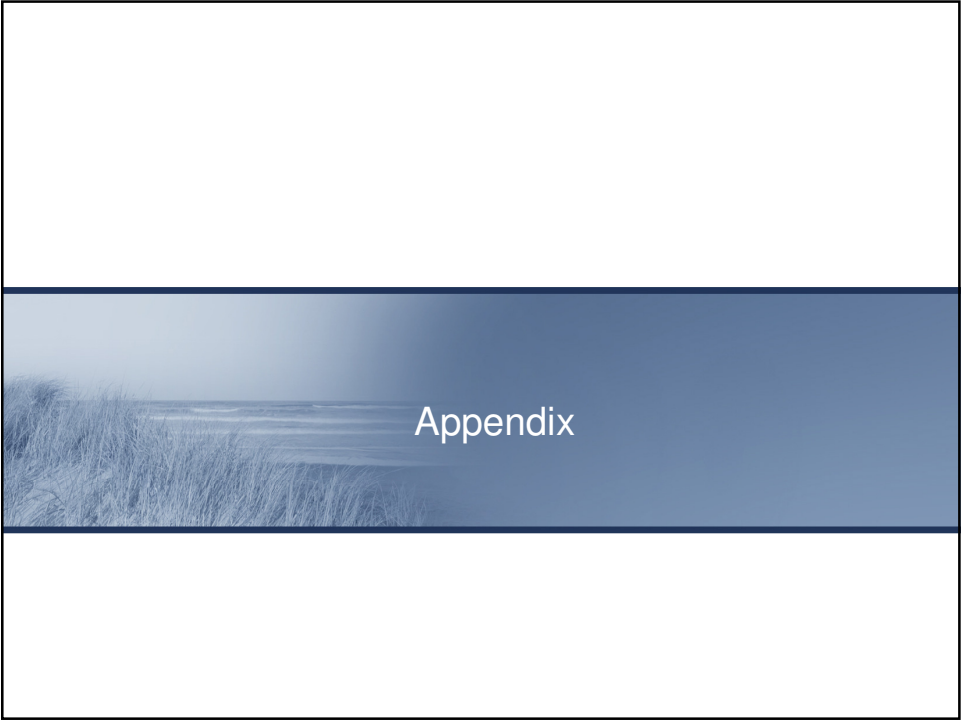
*Only the Hatteras Multi-Strategy Funds combine
hedge fund of funds and private equity fund of funds
in an Alternatives-only Registered Fund³*

¹ HFR, Global Hedge Fund Industry Report, third quarter 2009

² Preqin, Fund of Fund Reviews, 2008, p.15

³ The Funds are registered under the 1940 Act. Registration does not imply that the SEC or any other regulatory authority has approved or disapproved the securities or passed upon the accuracy of the offering materials or merits of an investment in the securities. However, registered closed-end investment companies such as the Funds are required by SEC rules and regulations to meet certain standards typically not required of non-registered funds. Registration requirements include: existence of an independent Board of Directors and that all holdings be reported to the SEC and made publicly available on a quarterly basis.

RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 64



Summary of Terms



HATTERAS
Funds

Brokerage

Advisory/Institutional

Name of Fund	Hatteras Multi-Strategy Fund, L.P. (taxable investors)	Hatteras Multi-Strategy TEI Fund, L.P. (tax-exempt investors ⁶)	Hatteras Multi-Strategy Institutional Fund, L.P. (taxable investors)	Hatteras Multi-Strategy TEI Institutional Fund, L.P. (tax-exempt investors ⁶)
Fund Structure ¹	1933 Act and 1940 Act Registered Funds			
Management Fee ²	1.00%	1.00%	1.00%	1.00%
Performance Allocation	10% of profits above 90-day U.S. T-Bills (subject to a loss carry forward amount)			
Minimum Investment	\$50,000; \$5,000 for subsequent investments			
Contributions	Monthly			
Lock-up ³	1 Year			
Liquidity ⁴	Expected quarterly, with 65 days notice			
Eligibility ⁵	Individual Net Worth of > \$1,500,000; Entity Total Assets > \$1,500,000			
Investors	Unlimited			
ERISA Eligible	No	Yes	No	Yes
IRAs	No	Yes	No	Yes
CRTs	No	Yes	No	Yes

1. Registration does not imply that the SEC or any other regulatory authority has approved or disapproved the securities or passed upon the accuracy of the offering materials or the merits of an investment in the securities. However, registered closed-end investment companies such as the Funds are required by SEC rules and regulations to meet certain standards typically not required of non-registered funds. Registration requirements include: existence of an independent Board of Directors, and that all holdings be reported to the SEC and made publicly available on a quarterly basis.
2. Investors in the Funds will bear their pro-rata share of the management fee, an additional fund servicing fee of 0.85% for the Hatteras Multi-Strategy Fund, L.P. and the Hatteras Multi-Strategy TEI Fund, L.P. and 0.10% for the Hatteras Multi-Strategy Institutional Fund, L.P. and the Hatteras Multi-Strategy TEI Institutional Fund, L.P. the fund servicing fee and other expenses as set forth in the applicable prospectus (including insurance costs, trustee fees and the applicable portion of the Funds' total expenses). Such fees do not include other fees and expenses that may be borne by shareholders, such as placement fees, if applicable, at the Fund level, and indirectly, similar fees, expenses and incentive-based fees/allocations of the investments in which the Master Fund invests. Please see the applicable prospectus for a more detailed discussion of the costs and expenses investors will bear, directly or indirectly, by investing in the Fund or the Master Fund.
3. A Partner may be subject to a repurchase fee equal to 5% of the amount requested if such partner has been a Partner for less than 12 months prior to the valuation date.
4. The Funds generally intend to make quarterly offers to repurchase units at the sole discretion of the Board of Directors as described in the Funds' Prospectus.
5. Prospective investors will be required to certify that they are a "qualified client" as defined by federal securities laws.
6. Eligible investors must qualify as tax-exempt or tax deferred for U.S. federal income tax purposes.

RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 67

Historical Performance

Hatteras Multi-Strategy Fund, L.P.

Performance* (as of June 30, 2010)



HATTERAS
Funds

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year ¹
2010	-0.30%	0.06%	1.72%	0.94%	-2.63%	-1.13%							-1.40%
2009	0.17%	-0.42%	-0.50%	0.49%	3.69%	0.79%	2.20%	1.20%	2.39%	0.11%	0.85%	0.95%	12.51%
2008	-2.89%	1.86%	-2.88%	1.57%	2.10%	-0.48%	-2.84%	-1.53%	-8.28%	-7.54%	-4.29%	-1.01%	-23.79%
2007	0.97%	0.67%	1.60%	1.86%	2.01%	0.78%	-0.05%	-1.85%	1.93%	2.71%	-1.72%	0.92%	10.16%
2006	2.80%	-0.20%	1.74%	1.10%	-1.97%	-0.75%	0.37%	0.76%	0.26%	1.60%	2.09%	0.93%	8.98%
2005	N.A.	N.A.	N.A.	-1.54%	0.26%	1.46%	2.16%	0.48%	1.39%	-1.46%	1.35%	1.85%	6.04%

Standardized Returns	Fund	S&P 500 ³	HFRXGL ³	Historical Data (since inception) ⁴	Fund	S&P 500 ³	HFRXGL ³
Trailing 3 Months	-2.82%	-11.43%	-2.79%	Cumulative Return	7.62%	-2.59%	1.64%
Year-to-date	-1.40%	-6.65%	-1.20%	Standard Deviation ⁵	7.57%	16.49%	7.40%
1-Year	6.42%	14.43%	6.13%	Largest Drawdown ⁶	-24.98%	-50.95%	-25.21%
3-Year (annualized)	-4.86%	-9.81%	-5.56%	Drawdown - # of months ⁷	17	16	14
5-Year (annualized)	1.45%	-0.79%	0.47%	Recovery - # of months ⁸	N.A.	N.A.	N.A.
Annualized Since Inception ⁴	1.41%	-0.50%	0.31%				

1. Performance results and calculations after the Fund's most recent fiscal year are unaudited. The principal value of the Fund will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment of up-front placement fees, which could be up to 2%, or redemption fees of up to 5%, which would reduce returns shown above. Past performance does not guarantee future results and current performance may be lower or higher than the figures shown. The net expense ratio and total expense ratio for the Fund are 2.35% and 7.38%, respectively. The total expense ratio includes Acquired Fund Fees and Expenses of 5.03%. The Investment Manager has contractually agreed to waive fees and/or reimburse certain expenses for one year from the date of the most recent Prospectus so that the total annual expenses will not exceed 2.35%. Please see the current Prospectus for detailed information regarding the expenses of the Fund.
2. Cumulative Return. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment of placement fees, if applicable, which would reduce returns noted above.
3. S&P 500 Index and HFRX Global Hedge Fund Index (HFRXGL) data are sourced from Bloomberg. The indices are unmanaged portfolios of securities. Their performance results do not reflect the deduction of management fees, incentive compensation, commissions or other expenses. An investor cannot invest directly in an index. The S&P 500 Index consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value weighted index, with each stock's weight in the Index proportionate to its market value. HFRXGL is designed to be representative of the overall composition of the hedge fund universe. It is comprised of eight strategies: convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.
4. Inception date: April 1, 2005.
5. Measurement of the investment's volatility.
6. The peak to trough decline of an investment.
7. Number of months of a peak to trough decline of an investment.
8. Number of months to recover from a drawdown.

RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 69

Hatteras Multi-Strategy TEI Fund, L.P.

Performance* (as of June 30, 2010)



HATTERAS
Funds

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year ¹
2010	-0.34%	0.06%	1.72%	0.94%	-2.63%	-1.12%							-1.42%
2009	0.16%	-0.42%	-0.50%	0.47%	3.71%	0.79%	2.19%	1.20%	2.39%	0.11%	0.85%	0.95%	12.49%
2008	-2.95%	1.82%	-2.92%	1.53%	2.08%	-0.52%	-2.88%	-1.57%	-8.33%	-7.56%	-4.31%	-0.86%	-23.98%
2007	0.94%	0.64%	1.58%	1.83%	1.99%	0.75%	-0.07%	-1.88%	1.89%	2.68%	-1.74%	0.87%	9.79%
2006	2.77%	-0.20%	1.72%	1.09%	-1.98%	-0.75%	0.37%	0.72%	0.23%	1.57%	2.05%	0.90%	8.73%
2005	N.A.	N.A.	N.A.	-1.54%	0.26%	1.46%	2.16%	0.48%	1.39%	-1.46%	1.32%	1.82%	5.97%

Standardized Returns	Fund	S&P 500 ³	HFRXGL ³	Historical Data (since inception) ⁴	Fund	S&P 500 ³	HFRXGL ³
Trailing 3 Months	-2.82%	-11.43%	-2.79%	Cumulative Return	6.65%	-2.59%	1.64%
Year-to-date	-1.42%	-6.65%	-1.20%	Standard Deviation ⁵	7.58%	16.49%	7.40%
1-Year	6.39%	14.43%	6.13%	Largest Drawdown ⁶	-25.22%	-50.95%	-25.21%
3-Year (annualized)	-5.01%	-9.81%	-5.56%	Drawdown - # of months ⁷	17	16	14
5-Year (annualized)	1.26%	-0.79%	0.47%	Recovery - # of months ⁸	N.A.	N.A.	N.A.
Annualized Since Inception ⁴	1.23%	-0.50%	0.31%				

1. Performance results and calculations after the Fund's most recent fiscal year are unaudited. The principal value of the Fund will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment of up-front placement fees, which could be up to 2%, or redemption fees of up to 5%, which would reduce returns shown above. Past performance does not guarantee future results and current performance may be lower or higher than the figures shown. The net expense ratio and total expense ratio for the Fund are 2.30% and 7.42%, respectively. The total expense ratio includes Acquired Fund Fees and Expenses of 5.03%. The Investment Manager has contractually agreed to waive fees and/or reimburse certain expenses for one year from the date of the most recent Prospectus so that the total annual expenses will not exceed 2.35%. Please see the current Prospectus for detailed information regarding the expenses of the Fund.
2. Cumulative Return. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment of placement fees, if applicable, which would reduce returns noted above.
3. S&P 500 Index and HFRX Global Hedge Fund Index (HFRXGL) data are sourced from Bloomberg. The indices are unmanaged portfolios of securities. Their performance results do not reflect the deduction of management fees, incentive compensation, commissions or other expenses. An investor cannot invest directly in an index. The S&P 500 Index consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value weighted index, with each stock's weight in the Index proportionate to its market value. HFRXGL is designed to be representative of the overall composition of the hedge fund universe. It is comprised of eight strategies: convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.
4. Inception date: April 1, 2005.
5. Measurement of the investment's volatility.
6. The peak to trough decline of an investment.
7. Number of months of a peak to trough decline of an investment.
8. Number of months to recover from a drawdown.

RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 70

Hatteras Multi-Strategy Institutional Fund, L.P.

Performance¹ (as of June 30, 2010)



HATTERAS
Funds

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year ²
2010	-0.24%	0.12%	1.78%	1.01%	-2.57%	-1.06%							-1.01%
2009	0.24%	-0.33%	-0.45%	0.55%	3.75%	0.86%	2.27%	1.27%	2.46%	0.17%	0.91%	1.01%	13.38%
2008	-2.85%	1.91%	-2.81%	1.63%	2.14%	-0.42%	-2.78%	-1.47%	-8.22%	-7.50%	-4.23%	-0.94%	-23.27%
2007	1.12%	0.73%	1.65%	1.89%	2.06%	0.82%	0.00%	-1.89%	2.00%	2.75%	-1.71%	0.97%	10.76%

Standardized Returns	Fund	S&P 500 ³	HFRLGL ¹
Trailing 3 Months	-2.63%	-11.43%	-2.79%
Year-to-date	-1.01%	-6.65%	-1.20%
1-Year	7.26%	14.43%	6.13%
3-Year (annualized)	-4.21%	-9.81%	-5.56%
5-Year (annualized)	N.A.	N.A.	N.A.
Annualized Since Inception ⁴	-1.34%	-6.70%	-3.08%

Historical Data (since inception) ⁴	Fund	S&P 500 ³	HFRLGL ¹
Cumulative Return	-4.61%	-21.54%	-10.38%
Standard Deviation ⁵	8.61%	19.54%	8.44%
Largest Drawdown ⁶	-24.26%	-50.95%	-25.21%
Drawdown - # of months ⁷	17	16	14
Recovery - # of months ⁸	N.A.	N.A.	N.A.

1. Performance results and calculations after the Fund's most recent fiscal year are unaudited. The principal value of the Fund will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment redemption fees, which could be up to 5%, which would reduce returns shown above. **Past performance does not guarantee future results and current performance may be lower or higher than the figures shown.** The net expense ratio and total expense ratio for the Fund are 1.57% and 6.68%, respectively. The total expense ratio includes Acquired Fund Fees and Expenses of 5.03%. The Investment Manager has contractually agreed to waive fees and/or reimburse certain expenses for one year from the date of the most recent Prospectus so that the total annual expenses will not exceed 1.75%. Please see the current Prospectus for detailed information regarding the expenses of the Fund.
2. Cumulative Return. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment of placement fees, if applicable, which would reduce returns noted above.
3. S&P 500 Index and HFRLGL Global Hedge Fund Index (HFRLGL) data are sourced from Bloomberg. The indices are unmanaged portfolios of securities. Their performance results do not reflect the deduction of management fees, incentive compensation, commissions or other expenses. An investor cannot invest directly in an index. The S&P 500 Index consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value weighted index, with each stock's weight in the index proportionate to its market value. HFRLGL is designed to be representative of the overall composition of the hedge fund universe. It is comprised of eight strategies: convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.
4. Inception date: January 1, 2007.
5. Measurement of the investment's volatility.
6. The peak to trough decline of an investment.
7. Number of months of a peak to trough decline of an investment.
8. Number of months to recover from a drawdown.

RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 71

Hatteras Multi-Strategy TEI Institutional Fund, L.P.

Performance¹ (as of June 30, 2010)



HATTERAS
Funds

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year ²
2010	-0.23%	0.13%	1.79%	1.01%	-2.56%	-1.05%							-0.97%
2009	0.24%	-0.32%	-0.43%	0.54%	3.74%	0.85%	2.26%	1.27%	2.46%	0.18%	0.92%	1.02%	13.41%
2008	-2.87%	1.87%	-2.83%	1.59%	2.09%	-0.44%	-2.82%	-1.50%	-8.26%	-7.51%	-4.24%	-0.91%	-23.48%
2007	N.A.	0.71%	1.62%	1.87%	2.03%	0.80%	-0.04%	-1.95%	2.01%	2.72%	-1.76%	0.96%	9.23%

Standardized Returns	Fund	S&P 500 ³	HFRLGL ¹
Trailing 3 Months	-2.62%	-11.43%	-2.79%
Year-to-date	-0.97%	-6.65%	-1.20%
1-Year	7.32%	14.43%	6.13%
3-Year (annualized)	-4.34%	-9.81%	-5.56%
Annualized Since Inception ⁴	-1.83%	-7.28%	-3.58%

Historical Data (since inception) ⁴	Fund	S&P 500 ³	HFRLGL ¹
Cumulative Return	-6.13%	-22.71%	-11.71%
Standard Deviation ⁵	8.70%	19.76%	8.50%
Largest Drawdown ⁶	-24.50%	-50.95%	-25.21%
Drawdown - # of months ⁷	17	16	14
Recovery - # of months ⁸	N.A.	N.A.	N.A.

1. Performance results and calculations after the Fund's most recent fiscal year are unaudited. The principal value of the Fund will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment redemption fees, which could be up to 5%, which would reduce returns shown above. **Past performance does not guarantee future results and current performance may be lower or higher than the figures shown.** The net expense ratio and total expense ratio for the Fund are 1.55% and 6.68%, respectively. The total expense ratio includes Acquired Fund Fees and Expenses of 5.03%. The Investment Manager has contractually agreed to waive fees and/or reimburse certain expenses for one year from the date of the most recent Prospectus so that the total annual expenses will not exceed 1.75%. Please see the current Prospectus for detailed information regarding the expenses of the Fund.
2. Cumulative Return. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment of placement fees, if applicable, which would reduce returns noted above.
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4. Inception date: February 1, 2007.
5. Measurement of the investment's volatility.
6. The peak to trough decline of an investment.
7. Number of months of a peak to trough decline of an investment.
8. Number of months to recover from a drawdown.

RELATIONSHIPS · ALTERNATIVES · RESULTS | Page 72

Important Disclosures



HATTERAS
Funds

Historical data shown represents past performance and does not guarantee or predict comparable future results. Furthermore, this presentation contains forward-looking statements and there can be no guarantee that they will come to pass.

The mention of any equity securities in this presentation is for informational purposes only and should not be construed as a recommendation to buy, hold or sell such securities.

Index performance shown is for illustrative purposes only and does not represent the performance of any specific investment. Index performance does not include the impact of any fees, charges or commissions that an investor might pay to purchase the securities it represents. Such costs would lower performance. The indexes are unmanaged and an investor cannot invest directly in an index.

Risk Considerations



HATTERAS
Funds

Alternative investment products:

- Often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment.
- Are suitable only for long-term investors willing to forgo liquidity and put capital at risk for an indefinite period of time.
- May be highly illiquid – there is no regulated secondary market for private funds - and there may be restrictions on redemptions or assigning or otherwise transferring investments in private funds.
- Can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Categorically, alternative investments have higher fees and expenses than traditional investment vehicles, and such fees and expenses can lower the returns achieved by investors.
- Funds of funds typically have higher fees than single manager vehicles as they are subject to an additional layer of fees charged by the fund of funds manager.
- Are not subject to the same regulatory requirements as mutual funds. These investments typically are not required to provide periodic pricing or valuation information to investors.
- Provide limited transparency with respect to, among other characteristics, fund holdings and investments.
- Involve complex tax structures, tax inefficient investing and delays in distributing important information.

This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws.

Hatteras Contact Information



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Funds

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Tiburon CEO Summit XIX
October 7, 2010

Guest Speaker:
Ron Carson
(CEO, Carson Wealth Management Group)



Ron Carson founded and serves as CEO of Carson Wealth Management Group. He has worked extensively in the field of financial management since 1983. Mr. Carson also founded PEAK, a coaching program for financial advisors, both based in Omaha, Nebraska. He is also a registered principal at LPL Financial.

Mr. Carson has been honored as one of Barron's Top 100 financial advisors and was named by Registered Rep Magazine as the #1 independent advisor. He has also been selected by Worth Magazine as one of The Best 250 Financial Advisors in the country, as well as being selected by Medical Economics as one of The Nation's Top 120 Financial Advisors for Doctors. Mr. Carson is a regular guest on CNBC's Squawk on the Street and CNBC's On the Money, as well as a frequent guest on KMTV3's Mid-Day Business Report. Mr. Carson was also the founder & past president of the Heartland Chapter of the IAFP, past president & board member of the Child Savings Institute, and past president of the American Charitable Foundation. Mr. Carson has shared his success principles, as documented in his book, Tested in the Trenches, with audiences worldwide. Most recently, Mr. Carson co-authored the New York Times best selling book Avalanche.

Mr. Carson will address his experiences in financial management and as an independent financial advisor.



Biography & Presentation Topics

- **CEO of Carson Wealth Management Group**
 - Also manages financial advisor coaching business called Peak Advisor Alliance
- **Formerly**
 - Founder & President, Heartland Chapter IAFP
 - President & Board Member, Child Savings Institute
 - President, American Charitable Foundation
- **Topics**
 - Experiences in financial management and as an independent financial advisor

TIBURON CEO SUMMIT

October 7, 2010

OUR STORY

Presented by
Ron Carson, CEO
CFP®, CFS, ChFC
Carson Wealth Management Group
and
Peak Advisor Alliance



Started in 1983 in my
College Dorm Room
TODAY

- ▣ Clients in 38 states
- ▣ 32 Staff Members
- ▣ Holistic Wealth Management Model

- Investments & Comprehensive Wealth Planning

- ▣ \$2.6 Billion in Assets under Advisement
- ▣ Barron's Top 10*
- ▣ Registered Rep. #1 Advisor**

*Factors included in the rankings: assets under management, revenue produced for the firm, client satisfaction, regulatory record, and philanthropic work.

**based on assets under management

PEAK ADVISOR ALLIANCE

Started as PEAK in 1993 TODAY

- ▣ 16 Staff Members
- ▣ 800+ Offices
- ▣ 80+ B/Ds
- ▣ \$65B Assets
- ▣ Massive Rebranding & Expansion Underway
 - Content, Coaching & Community
 - "Touch a million families, one advisor at a time."

- ▣ 3 Levels of Service + Advisor Events
- ▣ Co-Author of 2 Books:
 - *Tested in the Trenches*
 - *Avalanche* - NY Times Best Seller

IN THE BEGINNING... I DID THINGS LIKE EVERYONE ELSE!

WHEN	WHAT	WHERE	REVs	STAFF	PROD/ STAFF
1983	Amoco Life	Dorm	30K	0	0
1988	Series 7	Shared Office	140K	1 P/T	140

1989 – My Epiphany Moment...

Hilda Meeves

"I'm so glad you called. Do you know this is the first time you have ever called without trying to sell me something?"

OUR S-CURVE EXPLOSION

DRIVERS

- ▣ Focus on Middle Class Millionaires
- ▣ 100% Concentration on “Fee-Only”
- ▣ Hire A+ Staff
- ▣ Seamless Proactive Service (“SPS”)
- ▣ Passion Prospecting
- ▣ Relationship, Inspire, Compose a Plan & Hold Accountable (“RICH”)

FULL IMPLEMENTATION

<u>WHEN</u>	<u>WHAT</u>	<u>WHERE</u>	<u>REVs</u>	<u>RECUR REVs %</u>	<u>STAFF</u>	<u>PROD/ STAFF</u>
1991	#1 Producer	4,000 sq ft	1.00M	20%	2 F/T	500
1995	#1 Producer	4,000 sq ft	2.00M	40%	4 F/T	500
2000	#1 Producer	4,000 sq ft	5.80M	50%	10 F/T	580
2005	#1 Producer	4,000 sq ft	5.97M	75%	10 F/T	597
2010	#1 Producer	9,000 sq ft	9.50M	95%	32 F/T*	296

***Ramping up for THE BIG PUSH –
5x larger in five years, 10x larger in 10 years**

10X GROWTH HOW DO WE GET THERE?!

Our Organic Growth Model Will Not Do It Alone

▣ Take Carson Wealth “On the Road”

- *Leverage Local Omaha/Low Cost Quality Manufacturing with Regional Sales & Service Office Expansion*
- *100% Consistency of Process & Solutions Nationwide*

▣ Branch Rollout

- **1) Peak Advisor Alliance Members for Regional Offices**
 - *Low Integration Risk – They Already Follow our System*
- **2) Imbed Carson Wealth in Regional CPA Offices**
 - *Two Northwest Offices opened last month on this model*
 - *Five branches by YE 2011, Ten by YE 2012*

Dominate MCM MARKETPLACE

OUR HURDLES

▣ Stealth Fee Compression

▣ Human Capital

▣ Me ▣ More Scale

PEAK ADVISOR ALLIANCE

Issues Facing the Independent Advisor

- ▣ **“Where Am I Going? How Do I Get There?”**
 - **Solution:** *Blueprinting*
- ▣ **“How do I Keep Quality Staff?”**
 - **Solution:**
 - ▣ *Results-Based Pay for those it motivates.*
 - ▣ *Don't waste it on employees who aren't wired that way.*
- ▣ **“I'm Too Busy to Move Forward!”**
 - **Solution:** *Systemization!*

QUESTIONS?



Tiburon CEO Summit XIX
October 7, 2010

Guest Speaker:
Judy Barber
(CEO, Family Money Consultants)



Judy Barber founded and serves as CEO of Family Money Consultants. Ms. Barber has worked with individuals, couples, families, & family enterprises regarding issues of accumulated, inherited, sudden, & diminished wealth. She assists participants in articulating shared goals, enhancing communications, addressing succession planning, inter-generation transfers, & governance issues. She is a licensed marriage & family therapist.

Ms. Barber has nearly twenty five years of experience in working with clients and financial advisors. She is a founding member of the American Bar Association's psychological & emotional issues of estate & financial planning sub-committee of the real property, probate, & trust law section. She is an advisor member of the Institute for Private Investors. Ms. Barber also was inaugurated as a Family Firm Institute fellow in 2001. She is also a member of Attorneys for Family-Held Enterprise and the Association for Dispute Resolution.

Ms. Barber will address issues on wealth transfer, philanthropy, & overlapping family enterprise issues.



Biography & Presentation Topics

- **CEO of Family Money Consultants**
- **Key Memberships**
 - **American Bar Association**
 - **Institute of Private Investors**
 - **Fellow of Family Firm Institute**
 - **Attorneys for Family-Held Enterprises**
 - **Association for Dispute Resolution**
- **Topics**
 - **Wealth transfer, philanthropy, & overlapping family enterprise issues**

The Challenges of Wealth: Understanding From the Inside Out

Judy Barber
Family Money Consultants, LLC

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Family Money Consultants, LLC

- Focus on high net worth clients and the advisors who serve them
 - Provide Family Wealth Educational Workshops
 - Address conflict in families who co-own assets
 - Teach sales force skills to lead clients from irrational to rational decision-making
 - Referred by investment, estate and tax advisors
- Judy Barber
 - Twenty-five years of facilitating conversations with families of founders of mutual funds, venture capital, and family business
 - Licensed Marriage, Family Therapist

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Getting Back Into The Market

Leading Clients from Irrational to Rational Decision-making

- Trust is key - what is the balance of confidence in advisor or the media?
- Identify with fear - what if clients continue to postpone getting back into the market?



Getting Back Into The Market

Generate a Conversation to Flush Out the Anxiety

- What keeps you up at night?
- How do you compare our firm's view of the market to Jim Cramer's Mad Money
- What would need to happen to "put your toe" back in the investment pond?
- What is our next step?



CAN'T SLEEP:

A Dialogue Understanding From the Inside Out

5

Sales Rep

1. What are you worried about?
3. Yes we did. Let me make sure I understood what you said. Part of your confusion is that it's hard to know whether to trust me or what you hear in the media.
5. What you said makes sense. Your confusion is understandable. What may I do to lesson your worries?

Client

2. I'm confused. Don't know whether to believe you or Jim Cramer. Worked with you 15 years, want to trust you but we lost a lot of money
- 4 That's right.

5

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Understand Unique Issues Families of Wealth Face

6

- Teach and learn value of money - how to manage
- Balance independence with family connection while forging own identity
- Sort out meaning and necessity of earning in context of family money
- Contend with inheritance as catalyst for positive or negative behavior



6

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Balance Benefits of Wealth with Motivation, Self Reliance and Self Esteem⁷

Senior Generation

- Avoid competition by focusing on accomplishments of the next generation
- Assess how your identity may be wrapped up in choices of the next generation
- Give next generation room to make mistakes, without judgment - avoid bail outs

Next Generation

- Experience of moving outside the shadow of family legacy
- Credibility: Do I feel self-confident? Can others validate that perspective?
- Sort out meaning of friendships - avoid lending money

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Does the Next Generation Understand Your Expectations?⁸

- What might the next generation do with financial resources that would disappoint you?
- What are your expectations of what the next generation would do with transfers to them?
- What is the balance between self-sufficiency and living on family money?
- Do members of the next generation share your expectations and values?



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Communication through Understanding

9

- Know when to talk and when to listen
- Avoid interruption at all costs
- Listen for the feelings behind the words
- Understand by summarizing without editorializing or interpretation person:

“Let me see if I got that right....?”

“Did I get that?”

“Is there more?”

“What you said makes sense because . . . “

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Lastly....

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*Life is the first gift, love is the
second and understanding is the
third*

Marge Piercy, American novelist

10 of 10

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Tiburon CEO Summit XIX

*Day #2 Closing Presentation
San Francisco, CA
October 7, 2010*



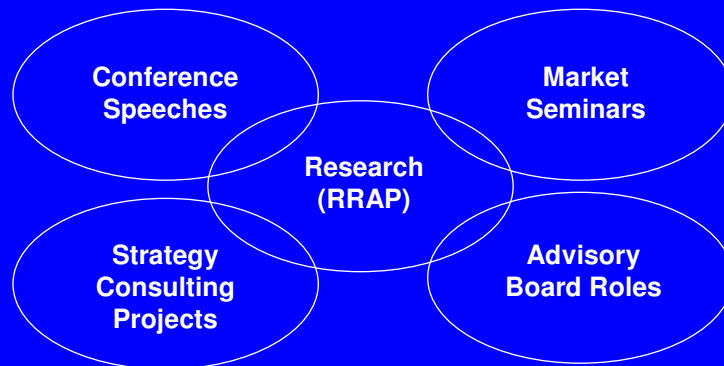
Outline

- **Tiburon Strategic Advisors**
- **Tiburon CEO Summit XX**
- **Tiburon CEO Summit XIX Highlights**



Tiburon Strategic Advisors Services

Tiburon Strategic Advisors Services



Source: Tiburon Research & Analysis

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Outline

- **Tiburon Strategic Advisors**
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- **Tiburon CEO Summit XIX Highlights**



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Tiburon CEO Summit XX – Award Recipients & Guest Speakers

Tiburon CEO Summit XX Award Recipients & Guest Speakers (April 13-14, 2011 * Ritz Carlton Hotel * New York, NY)

- Jack Bogle (The Vanguard Group)
(Award Recipient)
- Charles Brandes
(Brandes Investment Partners)
- Ric Edelman
(Edelman Financial Services)
- Ed Finn (Barron's)
- Allen Thorpe (Hellman & Friedman)



Source: Tiburon Research & Analysis

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Outline

- Tiburon Strategic Advisors
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Tiburon CEO Summit XIX – Tiburon Client Panelists Highlights

Tiburon CEO Summit XIX Tiburon Client Panelists Highlights

Dennis Clark	Jeffrey Dunham	Gerry McGraw	David Smith
• --	• --	• --	• --



Source: Tiburon Research & Analysis

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Tiburon Strategic Advisors



Comments

- Focus on corporate-level strategy
 - Serve senior executives only at financial services companies
 - Key services: market seminars, market research, & strategy consulting
 - Served over 300 corporate clients and completed over 1,300 projects since 1998
 - Host semi-annual CEO Summits, offer free weekly research releases, and offer free business benchmarking tools for all types of advisors
- Chip Roame background
 - McKinsey & Company
 - Charles Schwab & Company
 - Tiburon since 1998

Source: Tiburon Research & Analysis

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Tiburon Strategic Advisors

***Research-Based Strategy Consulting Services
for Financial Services Firms***



Tiburon Strategic Advisors

Tiburon Strategic Advisors was formed in 1998 to offer market research, strategy consulting, & other related services to all types of financial institutions and investment managers. The firm has served over 300 corporate clients and completed over 1,300 projects since its founding, and today, its knowledge base includes mutual fund distribution, separately managed account programs, alternative investments, wealth management, insurance products, banking services, the fee-based financial advisor market, the CPA firm market, the family office market, & various international markets. Three of Tiburon's core clientele groups are the CEOs and other senior executives of large US financial institutions faced with difficult strategic decisions, leading executives of foreign financial institutions trying to understand and/or enter the US markets, and a long list of venture capital & private equity firms, and investment banks, making investments in, and executing transactions in, areas where Tiburon has developed proprietary insights.

Tiburon Consulting Team

The Tiburon consulting team brings a balance of industry knowledge, consulting skills, research aptitude, & industry experience to all client projects.

Managing Principal

Charles ("Chip") Roame is the managing principal of Tiburon Strategic Advisors and a leading strategic consultant to CEOs, other senior executives, & boards of directors in the brokerage, investments, wealth management, banking, & insurance markets. Prior to forming Tiburon in 1998, Mr. Roame served in similar capacities, first as a management consultant at McKinsey & Company, and later as a business strategist at The Charles Schwab Corporation. Mr. Roame is quoted daily throughout the media and, due to Tiburon's widely shared research, he may be the most frequently demanded conference speaker, giving 75+ speeches each year. His particular expertise is that of corporate strategy for larger financial services firms, designing broad multi-faceted strategies and making trade-offs between alternative businesses, products, & markets. Click [here](#) for Mr. Roame's full biography.



Tiburon's Managing
Principal
Chip Roame

Consulting Staff

Tiburon's consulting staff is comprised of a core group of research associates & support professionals. Tiburon's research associates are critical to the development of research reports and the completion of client assignments; they are also frequently tapped by the media and conference planners. And in order to best serve its clients, Tiburon research associates also rotate through its marketing department, taking turns sharing the firm's research with its clients & prospects, and acting as the front-line of contact with the firm. Click [here](#) to read more about Tiburon's consulting staff.

Executive Program Members

In addition to its full-time consulting staff, Tiburon also has three established Executive Programs called its CEOs-in-Residence, Financial Advisor Roundtable, & Consulting Fellows. Tiburon established these three programs to add additional senior level industry experience to its clients. Click [here](#) to read more about Tiburon's executive programs.

Tiburon CEO Summits

Tiburon has hosted a series of unique semi-annual CEO Summits for its executive-level clients since 2001. Tiburon's CEO Summits provide a unique opportunity for a select cross-industry group of senior executives to discuss a broad swath of issues regarding the future of the brokerage, investments, advice, & wealth management businesses. Click [here](#) to learn more about Tiburon's CEO Summits.

Tiburon Tools

Tiburon sponsors a set of thirteen free web-based business benchmarking tools for various types of financial advisors. Each tool allows some group of financial advisors the ability to benchmark their business operations. Tiburon provides these tools free to practitioners as a goodwill gesture and to collect aggregate data for its own use. Click [here](#) to learn more about Tiburon's tools.

Tiburon Client Services

Tiburon services include market seminars, market research, strategy consulting, venture consulting, mergers & acquisitions advice, and retainers, board roles, & executive counseling. Click [here](#) to learn more about Tiburon's client services.

Market Seminars

Tiburon delivers semi-customized industry overview presentations covering a wide variety of market and product segments within the brokerage & investment management marketplace. Market seminars are ideal for clients who need a quick and yet in-depth understanding of the overall brokerage & investment management markets or any particular segment(s) of these markets. Specifically, Tiburon executives have been engaged by many firms to deliver presentations and lead brainstorming sessions with boards of directors, senior management teams, venture capital teams, & entrepreneurial groups. This is a great way to kick-off management committee or board meetings. Some Tiburon clients then develop their own strategies; others engage Tiburon for further research and strategy work. These sessions also provide substantial data and analysis for developing business plans. Click [here](#) for more information on Tiburon's market seminars.

Market Research

Tiburon utilizes a rigorous research-based method in helping its clients to develop leading-edge business strategies, and as a result, many other Tiburon clients have engaged the firm to complete market research assignments. Market research projects are customized to explore each client's specific area of interest, and can include internal capabilities assessments, competitor & market analysis, and client research. Research projects typically take four-to-eight weeks to complete. Click [here](#) for more information on Tiburon's market research services.

Strategy Consulting

Strategy consulting is the foundation of what is delivered at Tiburon Strategic Advisors. Tiburon believes that it has developed processes specifically to help financial institutions develop leading-edge business strategies. As a result, Tiburon has been engaged to lead a wide variety of strategic projects for a broad spectrum of product and service providers in the financial services industry. Tiburon's core capabilities are building on a firm's strengths, assessing its opportunities, & recommending specific product and market strategies. Tiburon's strategy consulting process is based on its in-depth market knowledge and extensive customized research conducted on behalf of its clients. Strategy consulting projects typically take two-to-three months to complete. Click [here](#) for more information on Tiburon's strategy consulting services.



Other Tiburon Services

As a natural outgrowth of Tiburon's core services and research-based approach, Tiburon has been able to help clients in areas such as venture consulting and mergers & acquisitions advice, and to establish business relationships that allow Tiburon to play an on-going role in its clients' businesses such as retainers, board roles, & executive counseling.

Tiburon Research Reports & Research Report Access Program

Tiburon has created a series of research reports to help educate its clients in a low-cost way on a wide variety of topics in the brokerage, investments, private banking, & wealth management markets. At the suggestion of numerous Tiburon clients, Tiburon created a client service allowing unlimited access to all of its research reports for an entire calendar year via the online Tiburon Library for only \$25,000. Click [here](#) to learn more about Tiburon's research reports & research access program.

Tiburon Conference Speeches

Tiburon executives have given hundreds of speeches to both financial industry executives and financial advisors. Common audiences for Tiburon speakers include board meetings, executive offsites, employee meetings, national & regional trade group meetings, financial advisor annual conferences, financial advisor top producers trips, financial advisor regional forums, & financial advisor due diligence trips. Click [here](#) to learn more about Tiburon conference speeches.

Tiburon Industry Knowledge

- The Future of Advice: Defining the Winning Product, Channel, & Tactical Strategies

Key Driving Factors Reports	Product & Service Reports	Market & Distribution Channel Reports	Tactical Issues Reports	Strategic Conclusions Reports	Strategic Advisors Reports
Summary Report □ Key Driving Factors Economy & Markets Reports □ Economy & Markets Corporate Scandals Reports □ Corporate Scandals Financial Services Industry Stumbles Reports □ Financial Services Industry Stumbles Consumer & Institutional Wealth Reports □ Total Wealth □ Consumer Wealth □ Institutional Markets Legislation & Regulatory Agenda Reports □ Legislative & Regulatory Agenda Natural Disasters Reports □ Natural Disasters World Affairs Reports □ World Affairs Valuation Reports □ FSI Valuations □ Bank Valuations □ Brokerage Firm Valuations □ Insurance Company Valuations □ Investment Manager Valuations □ Financial Advisor Valuations	Summary Report □ Products & Services Investable Assets Reports □ Investable Assets □ Cash Investments □ Bank Deposits □ Money Market Funds □ Individual Securities & Capital Markets □ Equity Capital Markets □ NYSE Listed Equities □ NASDAQ (OTC) Listed Equities □ Fixed Income Capital Markets □ Corporate Bonds □ Government Bonds □ Agency Bonds □ Municipal Bonds □ Initial Public Offerings (IPOs) □ Mutual Funds □ Fee-Accounts □ ETFs & Indexing □ Hedge Funds □ Venture Capital & Private Equity □ Real Estate □ Wine Investments □ Other Financial Alternative Investments □ Other Non-Financial Alternative Investments Lending Reports □ Lending Services □ Credit Cards □ Mortgages & Home Equity Loans □ Specialized Lending □ Corporate & Industrial Lending Insurance Reports □ Insurance Products □ Health Care Insurance □ Disability Insurance □ Long-Term Care Insurance □ Property & Casualty Insurance □ Annuities & Other Retirement Income Products □ Life Insurance Wealth Management Services Reports □ Aggregation & Financial Planning □ College Saving Market (529 Plans) □ Estate Planning & Charitable Giving □ Impact Investing □ Reverse Mortgages □ Family Office Services	Summary Report □ Markets & Distribution Channels Direct Distribution Channels Reports □ Direct Distribution Channels □ Online Tools & Advice □ Online Brokerage □ Online Banking & Mortgages □ Online Insurance Financial Advisor Channels Reports □ Financial Advisor Channels □ Retail Banks □ Full-Service Brokerage Firms □ Discount Brokerage Firms □ Independent Reps □ Fee-Based Financial Advisors (RIAs) □ Insurance Agents □ Life Insurance Agents □ Property & Casualty Insurance Agents □ Real Estate Professionals □ Real Estate Agents □ Mortgage Brokers □ Upscale Channels □ Private Banks □ Separate Account Managers □ Sports Agents & Entertainment Business Managers □ Family Offices Institutional Channels Reports □ Institutional Channels □ Workplace Investing □ Defined Contribution Plans □ Defined Benefit Plans □ Endowments & Foundations □ Corporate Cash & Treasury Services □ Sovereign Wealth Funds & Other Foreign Investors International Markets Reports □ International Market □ English Speaking Countries Markets □ Europe, Middle East, & Africa □ Asia Pacific □ Latin America □ Offshore Markets	Summary Report □ FSI & FA Winning Tactics Financial Services Institutions Tactics Reports □ FSI Winning Tactics □ FSI Target Markets □ FSI Sales & Marketing □ FSI Staffing & Compensation □ FSI Firm Cultures □ FSI Benchmarking & Practices □ Bank Benchmarking & Practices □ Brokerage Firm Benchmarking & Practices □ Insurance Company Benchmarking & Practices □ Money Manager (RIA) Benchmarking & Practices □ FSI Technology □ FSI Industry Networking Financial Advisor Tactics Reports □ FA Winning Tactics □ FA Target Markets □ FA Sales & Marketing □ FA Staffing & Compensation □ FA Firm Cultures □ FA Benchmarking & Best Practices □ Broker Benchmarking & Best Practices □ Bank Broker Benchmarking & Best Practices □ Private Banker Benchmarking & Best Practices □ Independent Rep Benchmarking & Best Practices □ Fee-Based Financial Advisor (RIA) Benchmarking & Best Practices □ Life Insurance Agent Benchmarking & Best Practices □ Third-Party Administrator Benchmarking & Best Practices □ Property & Casualty Insurance Agent Benchmarking & Best Practices □ Real Estate Agent Benchmarking & Best Practices □ Mortgage Broker Benchmarking & Best Practices □ Tax Pro Benchmarking & Best Practices □ Trusts & Estate Attorney Benchmarking & Best Practices □ Family Office Benchmarking & Best Practices □ FA Technology □ FA Industry Networking □ FA Profiles Investment Servicing Business Reports □ Investment Servicing Firms □ Transfer Agents □ Institutional Custodians □ Fund Accountants □ Clearing Brokers □ Prime Brokers	Summary Report □ Financial Services Industry Investment Opportunities Strategic Conclusions Reports □ FSI Venture Capital Opportunities □ FSI Private Equity Opportunities □ FSI Mergers & Acquisitions □ FA Mergers & Acquisitions CPA Firms Reports □ CPA Firms □ Audit □ Tax & Financial Planning Law Firms Reports □ Law Firms □ Corporate Law □ Litigation □ Lobbying □ Trusts & Estates Investment Banks Reports □ Investment Banks □ Securities Underwriting □ Mergers & Acquisitions Advisory □ Institutional Sales & Trading □ High Net Worth Brokerage Investment Consultants Reports □ Investment Consultants	Summary Report □ Strategic Advisors Consulting Industry Reports □ Consulting Industry □ Strategy Consulting □ Sales & Marketing Consulting □ Operations & Technology Consulting □ Human Capital Consulting

Tiburon CEO Summit XIX
October 6-7, 2010

Tiburon Managing Principal

Tiburon is led by Charles ("Chip") Roame whose personal experience and capabilities exemplify the combination of industry knowledge, consulting skills, research aptitude, & industry experience that serve as the foundation of Tiburon and the requirements for all Tiburon principals.

Charles ("Chip") Roame
Managing Principal
Tiburon Strategic Advisors



Charles ("Chip") Roame is the Managing Principal of Tiburon Strategic Advisors and a leading strategic consultant to CEOs, other senior executives, & boards of directors in the brokerage, investments, banking, & insurance markets. Prior to forming Tiburon in 1998, Mr. Roame served in similar capacities, first as a management consultant at McKinsey & Company, and later as a business strategist at The Charles Schwab Corporation. Mr. Roame is quoted daily throughout the media and, due to Tiburon's widely shared research, he may be the most frequently demanded conference speaker. His particular expertise is that of corporate strategy for larger financial services firms, designing broad multi-faceted strategies and making trade-offs between alternative businesses, products, & markets.

At Tiburon, Mr. Roame has responsibility for all of the firm's consulting, research, & marketing activities which keeps him on the leading-edge of strategic initiatives in the industry's fastest growing businesses - mutual funds, exchange traded funds, separately managed accounts, hedge funds & other alternative investments, financial planning, wealth management services, life insurance, annuities, family office services, online financial services, and the growing independent advisor markets. He has also taken a substantial interest in financial services industry venture capital & private equity opportunities and investment banking transactions. At Tiburon, Mr. Roame has led over 1,300 client engagements for over 300 corporate clients since 1998.

Mr. Roame has won numerous awards throughout the consulting and financial services industries, including being named one of the power 25 elite by Investment News, one of the twenty-five most influential people in financial planning by Investment Advisor magazine, & one of the five experts with the answers by Boomer Market Advisor. Tiburon has also been named one of the fastest growing companies by the San Francisco Business Times in multiple years.

Mr. Roame is now intending to refocus some of his time to serve on a few Tiburon client company boards. In the past, he has served on a variety of boards, including those for start-up ventures Anira Advisory Group, One Harbor, & Prima Capital Holdings, the SA Funds mutual fund family, and Institute of Investment Management Consultants trade group. Mr. Roame's ability to add value to financial services company boards comes from his breadth and depth of his strategic, product, and distribution experiences at Tiburon, and in his previous roles at The Charles Schwab Corporation and McKinsey & Company.

Mr. Roame is a native of Detroit and a graduate of the University of Michigan (MBA) and now lives in Belvedere, CA, less than a mile from the firm's main office. Chip can be reached at CRoame@TiburonAdvisors.Com or 415-789-2541.



About Tiburon

Tiburon Client Services

Tiburon Research Reports

Tiburon Conference Speeches

Tiburon People

Tiburon CEO Summits

- Upcoming Tiburon CEO Summit

- CEO Summit Invitations

- CEO Summit Sponsors

- CEO Summit Media Sponsors

- Prior Tiburon CEO Summits

Tiburon Toolkit

Tiburon CEO Summits

Tiburon hosts unique semi-annual CEO Summits for its executive-level clients. Tiburon CEO Summit XIX will be held October 6-7, 2010 at the Ritz Carlton Hotel in San Francisco, CA; please click [here](#) to review the tentative meeting agenda and client attendee list for this upcoming Tiburon CEO Summit.

Tiburon CEO Summit XVIII was held this past April 14-15, 2010 at the Ritz Carlton Hotel in New York, NY; please click [here](#) to read about this hugely successful CEO Summit and the preceding CEO Summits as well.

Tiburon's CEO Summits provide a unique opportunity for a select cross-industry group of senior executives to discuss a broad swath of issues regarding the future of the banking, brokerage, investments, insurance, advice, & wealth management businesses. Tiburon's CEO Summits likely provide the only true forum where financial services industry CEOs from across traditional industry silos gather to discuss business opportunities. The list of business relationships resulting from prior Tiburon CEO Summits is impressive.

Tiburon CEO Summits last two-to-three days and focus on in-depth discussions of Tiburon research and leading-edge business models through guest presentations, panel discussions, and break-out sessions. Guest speakers often address industry mergers & acquisitions, venture capital & private equity trends, corporate governance, & public policy issues. Panel discussions are structured to solicit opinions from various industry players, including consumers, financial advisors, gatekeepers, journalists, stock analysts, & others. Break-out sessions allow for more in-depth discussions on timely topics as chosen by attendees.

Tiburon executive-level clients are invited to participate in a forum of open sharing and discussion of industry trends. The meetings have become a hot ticket for industry executives. There is no cost to attend beyond one's travel expenses. Attendance is by invitation only; all attendees are ongoing Tiburon clients. Repeated cancelations or unwillingness to participate in the feedback process leads to invitees not being invited back.

Tiburon CEO Summit XIX: October 6-7, 2010

Tiburon CEO Summit XIX will officially start at 7:45am on Wednesday, October 6, 2010, include a group dinner that night and finish at 1:00pm on Thursday, October 7, 2010. There are over twenty planned sessions. Along with Tiburon's Managing Principal Chip Roame, Tiburon CEO Summit XIX will also feature the second annual Tiburon CEO Summit Award presentations to Joe Mansueto (CEO) & Don Phillips (President, Fund Research) of Morningstar. Guest speakers will include Judy Barber (CEO, Family Money Consultants), Dale Brown (CEO, Financial Services Institute), Ron Carson (CEO, Carson Wealth Management), Harold Evensky (President, Evensky & Katz), Jeff Maggioncalda (CEO, Financial Engines), Meir Statman (Professor, Santa Clara University), & Mark Yusko (CEO, Morgan Creek Capital Management).

Planned sessions include:

Tiburon CEO Summit Welcome

"Tiburon is proud to host the CEO Summits, which it created as a unique forum for its executive-level clients to brainstorm, discuss, and debate cross-industry issues"



Chip Roame
Managing Principal
Tiburon Strategic Advisors



Executives L-R: Chip Roame (Managing Principal, Tiburon Strategic Advisors) and Charles Schwab (Chairman, The Charles Schwab Corporation)

- A pre-opening cocktail reception held from 6:00pm to 9:00pm on Tuesday, October 5, 2010 at the Ritz Carlton Hotel to allow casual introductions amongst attendees
- A general session keynote opening presentation by Tiburon's Managing Principal Chip Roame regarding the state of the financial services industry. This presentation serves as the backdrop and overview of the entire CEO Summit.
- The second annual Tiburon CEO Summit awards presentation to Joe Mansueto (CEO, Morningstar) & Don Phillips (President, Fund Research, Morningstar)
- General session guest presentations by Judy Barber (CEO, Family Money Consultants), Dale Brown (CEO, Financial Services Institute), Ron Carson (CEO, Carson Wealth Management), Harold Evensky (President, Evensky & Katz), Jeff Maggioncalda (CEO, Financial Engines), Meir Statman (Professor, Santa Clara University), & Mark Yusko (CEO, Morgan Creek Capital Management)
- A day two debrief and question & answer session to allow challenges to conventional wisdom
- Break-out sessions during lunch on day one with topics to be chosen by popular vote of attendees and sessions facilitated by Tiburon CEO Summit sponsors
- A casual dinner at a water-front restaurant in Tiburon

Click [here](#) for more details on the upcoming Tiburon CEO Summit XIX. Follow on links will include the tentative meeting agenda and client attendee list, as well as details on hotels & other logistics.

Prior Tiburon CEO Summits

Tiburon CEO Summit XVIII was held April 14-15, 2010 at the Ritz Carlton Hotel in New York, NY. The CEO Summit started at 7:45am on Wednesday, April 14, 2010, included a dinner that evening at Delmonico's Restaurant, & concluded at 1:30pm on Thursday, April 15, 2010. Almost 150 senior industry executives took two days out of their busy schedules to participate. In addition to Chip Roame (Managing Principal, Tiburon Strategic Advisors), guest speakers included Ed Bernard (Vice Chairman, T. Rowe Price Group), Abby Cohen (President, Global Markets Institute, Goldman Sachs Group), Steve Forbes (CEO, Forbes Media), Jim McCool (Executive Vice President, The Charles Schwab Corporation), Jonathan Steinberg (CEO, Wisdom Tree Investments), David Tittsworth (Executive Director, Investment Adviser Association), & Fred Tomczyk (CEO, TD Ameritrade). Click [here](#) to read about all prior Tiburon CEO Summits.



Tiburon CEO Summit XVIII attendees pose for the traditional group picture

Tiburon CEO Summit Videos

Some representative Tiburon CEO Summit videos are included below:



Tiburon Managing Principal Chip Roame delivers highlights of Tiburon's signature keynote speech The Future of the Advice to media representatives who attended Tiburon CEO Summit XVIII



Jon Baum (CEO, The Dreyfus Corporation) discusses client service with media representatives who attended Tiburon CEO Summit XVIII



Tiburon Managing Principal Chip Roame discussed product trends during a review of Tiburon's signature keynote speech The Future of the Advice with media representatives who attended Tiburon CEO Summit XVIII



Jim McCool (Executive Vice President, The Charles Schwab Corporation) discusses employer support for retirement plans with media representatives who attended Tiburon CEO Summit XVIII



Tiburon Managing Principal Chip Roame addresses wirehouse trends at Tiburon CEO Summit XIV



Gib Watson (CEO, Prima Capital Management) addresses passive versus active investment strategies at Tiburon CEO Summit XVIII

Tiburon CEO Summit Presentations

Some representative Tiburon CEO Summit presentations are included below:



[Chip Roame's Tiburon CEO Summit XVIII Opening Keynote Presentation](#)



[Ed Bernard \(Vice Chairman, T. Rowe Price Group\) Tiburon CEO Summit XVIII Presentation](#)



[Mark Casady \(CEO, LPL Financial\) Tiburon CEO Summit XVI Presentation](#)



[Walt Bettinger \(President, The Charles Schwab Corporation\) Tiburon CEO Summit XIV Presentation](#)



[Myron Scholes \(Professor, Stanford University\) Tiburon CEO Summit XI Presentation](#)

Tiburon CEO Summit Media Coverage

Some representative Tiburon CEO Summit media coverage is included below:



[PR Newswire: Tiburon Honors Charles Schwab and Ken Fisher](#)



[RIA Biz: Two Upcoming Elite Industry Summits](#)



[Research Magazine: Time for Something Real at the Wirehouses, Says Industry Consultant](#)



[Registered Rep: Low Cost Index Securities, Hedge Funds Poised for Boom](#)



[Fierce Finance: CEO Summit XVIII First Day Summary](#)

Tiburon CEO Summit Advertisements

Some representative Tiburon CEO Summit advertisements are included below:



[Tiburon CEO Summit
XIX](#)



[Tiburon CEO Summit
XVIII](#)



[Tiburon CEO Summit
XVII](#)



Coming Soon



Coming Soon

Tiburon CEO Summit Feedback

Some representative Tiburon CEO Summit feedback is included below:



[Steve Forbes
Congratulatory Letter](#)



[Ritz Carlton Hotel
Congratulatory Letter](#)



Coming Soon



Coming Soon



Coming Soon

Tiburon CEO Summits Award Recipients

Tiburon's CEO Summits have come to support three central themes and Tiburon recognizes industry executives who exemplify these attributes. Those themes are:

- **Focusing on Consumer (and Other Client) Needs:** Tiburon has long been known for promoting the importance of staying close to (and listening to) clients and focusing on clients' needs. Tiburon has long argued that the financial services industry conducts too little consumer research, opting to design products before listening to consumers. To foster such a focus at the Tiburon CEO Summits, Tiburon starts every CEO Summit with a review of consumer wealth & sentiments and many Tiburon CEO Summits have included three related panel discussions representing three levels of clients; these include Ask the Consumers, Ask the Advisors, & Ask the Gatekeepers panels, all of which allow direct open dialog with industry clients
- **Challenging Conventional Industry Wisdom (Innovation):** Tiburon has long perceived certain segments of the financial services industry to be caught up in group think and the firm has become known for challenging conventional industry wisdom. Tiburon's Managing Principal Chip Roame does this through research and sharing factual data that often calls into question commonly perceived industry truths. Tiburon welcomes and encourages this critical thinking as part of its CEO Summits and this is a key attribute of invited guest speakers. Furthermore, Tiburon is most often engaged in moving beyond factual data to help its clients develop innovative business strategies. In this light, Tiburon appreciates the innovators in the industry and seeks to recognize them, whether they are employees within large financial services firms or entrepreneurs leading smaller firms
- **Responsibility:** Tiburon appreciates industry executives who make time to address consumers' savings needs, socially responsible business practices, & industry development beyond their own businesses and sees such responsibility and participation as both integral to consumers' success and the industry's success. Tiburon applies this thinking at its own CEO Summits by requiring participation; all attendees are asked to participate in presenting and/or serving as panelists in an attempt to create open communications and wide-ranging debate. All attendees are also asked to complete feedback forms and nominate future award recipients & guest speakers

Tiburon initiated its CEO Summit Awards in 2009 to further support the above mentioned themes. Past & upcoming award winners have included:

- Jack Bogle (Founder, The Vanguard Group)
- Ken Fisher (CEO, Fisher Investments)
- Joe Mansueto (CEO, Morningstar)
- Don Phillips (President, Fund Research, Morningstar)
- Charles Schwab (Chairman, The Charles Schwab Corporation)



CEO Summit XX
Award Recipient
Jack Bogle (Founder,
The Vanguard Group)



CEO Summit XVII
Award Recipient
Ken Fisher (CEO,
Fisher Investments)



CEO Summit XIX
Award Recipient
Joe Mansueto (CEO,
Morningstar)



CEO Summit XIX
Award Recipient
Don Phillips (President,
Fund Research,
Morningstar)



CEO Summit XVII
Award Recipient
Charles Schwab
(Chairman, The Charles
Schwab Corporation)

Tiburon CEO Summits Guest Speakers

Based on feedback from prior Tiburon CEO Summits, Tiburon predominantly invites financial services industry CEOs for the CEO Summit guest speaker slots. Attendees repeatedly report that they take away the most from other CEOs in like situations, and this fosters the collaborative environment sought. Speakers, who are never compensated for their participation, are asked to discuss both their views on industry developments and their businesses. Tiburon deliberately structures time for questions & answers with each speaker, again to foster the collaborative environment.

Aside from Tiburon's own Managing Principal Chip Roame (who kicks-off each Tiburon CEO Summit), past & upcoming speakers have included:

- Judy Barber (CEO, Family Money Consultants)
- Jon Baum (CEO, The Dreyfus Corporation, The Bank of New York Mellon Corporation)
- Jud Bergman (CEO, Envestnet Asset Management)
- Ed Bernard (Vice Chairman, T. Rowe Price Group)
- Walt Bettinger (President, The Charles Schwab Corporation)
- Jessica Bibliowicz (CEO, National Financial Partners)
- Bruce Bond (CEO, Power Shares, Invesco)
- Dale Brown (CEO, Financial Services Institute)
- Mike Byrum (President, Rydex Investments, Security Benefit Group)
- John Calamos (CEO, Calamos Asset Management)
- David Carroll (President, Capital Management Group, Wachovia Corporation)
- Mark Casady (CEO, LPL Financial)
- Abby Cohen (President, Global Markets Institute, Goldman Sachs Group)
- Kip Condrón (CEO, Axa Financial, Axa Group)
- Joe Deitch (CEO, Commonwealth Financial Network)
- John DesPrez (CEO, John Hancock Financial Services, Manulife Financial)
- Stephanie DiMarco (CEO, Advent Software)
- Jeffrey Dunham (CEO, Dunham & Associates)
- Ric Edelman (CEO, Edelman Financial Services)
- Harold Evensky (President, Evensky & Katz)
- Ed Finn (President, Barron's)
- Ken Fisher (CEO, Fisher Investments)
- Steve Forbes (CEO, Forbes Media)
- Mike Fraizer (CEO, Genworth Financial)
- George Gatch (CEO, JP Morgan Funds Management, JP Morgan Asset Management, JP Morgan Chase)
- John Gunn (CEO, Dodge & Cox)
- John Hailer (CEO, North America & Asia, Natixis Global Asset Management, Natixis)
- Ed Haldeman (CEO, Putnam Investments, Marsh & McLennan)
- Bill Hambrecht (CEO, WR Hambrecht + Company & Former CEO, Hambrecht & Quist)
- Roger Ibbotson (Professor, Yale University; Chairman, Zebra Capital Management; & Former CEO, Ibbotson Associates)
- Greg Johnson (CEO, Franklin Resources)
- Fred Jonske (CEO, M Financial Group)
- Deena Katz (Chairman, Evensky & Katz and Associate Professor, Texas Tech University)
- Stan Kelly (President, Wealth Management, Wachovia Corporation)
- Pete Kight (Vice Chairman, Fiserv)
- Lee Kranefuss (CEO, Intermediary & Exchange Traded Funds Business, Barclays Global Investors, Barclays)
- Steve Lockshin (CEO, Convergent Wealth Advisors, Convergent Capital Management, City National Corporation)
- Jeff Maggioncalda (CEO, Financial Engines)
- Norm Malo (CEO, National Financial Services, Fidelity Investments)
- Joe Mansueto (CEO, Morningstar)
- Tim McCarthy (CEO, Nikko Asset Management, Nikko Cordial Group)
- Jim McCool (Executive Vice President, The Charles Schwab Corporation)
- Joe Moglia (CEO, TD Ameritrade, TD Bank Financial Group)
- Jeff Montgomery (CEO, NFP Securities, National Financial Partners)
- John Murphy (CEO, Oppenheimer Funds, Mass Mutual Financial Group)
- Ron Peyton (CEO, Callan Associates)
- Don Phillips (President, Fund Research, Morningstar)
- Dave Pottruck (CEO, Red Eagle Ventures & Former CEO, The Charles Schwab Corporation)
- Scott Powers (CEO, State Street Global Advisors, State Street Corporation)
- Bob Pozen (Chairman, MFS Investment Management, Sun Life of Canada)
- Norton Reamer (CEO, Asset Management Finance Corporation & Former CEO, United Asset Management)
- Jim Riepe (Former Vice Chairman & Senior Advisor, T. Rowe Price Group)
- Andrew Rudd (CEO, Advisor Software & Former CEO, Barra)
- Ron Ryan (CEO, Ryan ALM)
- Michael Sapir (CEO, Pro Funds Group)
- Myron Scholes (Professor, Stanford University; Chairman, Platinum Grove Asset Management; & Winner, 1997 Nobel Prize for Economics)
- Charles Schwab (Chairman, The Charles Schwab Corporation)
- Meir Statman (Professor, Santa Clara University)
- Jonathan Steinberg (CEO, Wisdom Tree Investments)
- Michael Steinhardt (Managing Member, Steinhardt Management & Chairman, Wisdom Tree Investments)
- Paul Stevens (CEO, Investment Company Institute)
- David Tittsworth (Executive Director, Investment Adviser Association)
- Fred Tomczyk (CEO, TD Ameritrade)
- Steve Wallman (CEO, Foliofn)
- Jim Weddle (Managing Partner, Edward Jones & Company)
- Mark Yusko (CEO, Morgan Creek Capital Management)



CEO Summit XVIII
Guest Speaker
Ed Bernard (Vice
Chairman, T.
Rowe Price Group)



CEO Summit XIV
Guest Speaker
Walt Bettinger
(President, The Charles
Schwab Corporation)



CEO Summits
VIII & XVI
Guest Speaker
Jessica Bibliowicz
(CEO, National
Financial Partners)



CEO Summits
X & XVI
Guest Speaker
Mark Casady (CEO,
LPL Financial)



CEO Summit XVIII
Guest Speaker
Abby Cohen (President,
Global Markets Institute,
Goldman Sachs Group)



CEO Summit XI
Guest Speaker
John DesPrez (CEO,
John Hancock
Financial Services,
Manulife Financial)



CEO Summit XVIII
Guest Speaker
Steve Forbes (CEO,
Forbes Media)



CEO Summits
VII & XV
Guest Speaker
Bill Hambrecht (CEO,
WR Hambrecht +
Company & Former
CEO, Hambrecht &
Quist)



CEO Summit XVI
Guest Speaker
Roger Ibbotson
(Professor, Yale
University; Chairman,
Zebra Capital
Management; & Former
CEO, Ibbotson
Associates)



CEO Summit X
Guest Speaker
Greg Johnson (CEO,
Franklin Resources)



CEO Summit XIV
Guest Speaker
Bob Pozen (Chairman,
MFS Investment
Management, Sun Life
of Canada)



CEO Summit XI
Guest Speaker
Myron Scholes
(Professor, Stanford
University; Chairman,
Platinum Grove Asset
Management; & Winner,
1997 Nobel Prize for
Economics)



CEO Summit XIV
Guest Speaker
Michael Steinhardt
(Managing Member,
Steinhardt Management
& Chairman, Wisdom
Tree Investments)



CEO Summit XVIII
Guest Speaker
Fred Tomczyk (CEO,
TD Ameritrade)



CEO Summit XVII
Guest Speaker
Jim Weddle (Managing
Partner, Edward Jones
& Company)

Tiburon CEO Summits Attendee Policy

Tiburon maintains a list of over 3,000 executive-level clients at over 300 companies who have engaged the firm, many of whom have actively participated in prior Tiburon CEO Summits. Attendance at each Tiburon CEO Summit is limited to 150 executives and is reserved for Tiburon's clients. If you are an executive-level Tiburon client and would like to participate in a future Tiburon CEO Summit, please [contact](#) Tiburon's Managing Principal Chip Roame. If you are not yet a client and interested, please contact Sarah Sage.



Attendees at Tiburon CEO Summit VI in San Francisco, CA listen intently to a general session speaker

More specifically, there are two specific attendee policies:

- Seniority: Tiburon is making a big effort to limit attendance to the CEOs and leading strategy makers from its client companies. Almost all attendees have C level titles (CEOs, COOs, CFOs, & CIOs); a handful are executive vice presidents leading core business units and/or internal business strategy groups and a few others are business heads. Other managing directors and senior vice presidents are not invited in order to keep the discussion focused on CEO-level issues and to try to manage the size of each CEO Summit to 150 client attendees
- Clients: Since Tiburon hosts the events, it is economic reality that the group must be limited to senior executives who have previously benefited from Tiburon's research-based strategy consulting work

Once invitations are extended, delegation is not allowed. Tiburon realizes that if substitutes are allowed, the firm may quickly end up hosting a vice presidents Summit, instead of a CEOs Summit. Due to the frequency and other commitments, many Tiburon clients attend Tiburon's CEO Summits only periodically, but are still granted seats as long as they remain active Tiburon clients.

Tiburon CEO Summits Media Policy

Tiburon defines a media policy for each Tiburon CEO Summit. Depending on client & speaker requests, sometimes select media representatives are permitted to participate in a media program at Tiburon's CEO Summits.

For Tiburon CEO Summit XIX, select media will be welcome to attend and participate in the following events:

- Tiburon CEO Summit XIX Keynote Opening Presentation by Tiburon Managing Principal Chip Roame
- Tiburon CEO Summit XIX Awards Presentation

A few media policies are necessary for maintaining the openness of the Tiburon CEO Summits:

- Media representatives seeking entrance should have previously worked closely with Tiburon's media relations manager leveraging Tiburon's core research
- Media representatives should be planning to utilize Tiburon CEO Summit learnings in story development, with attribution if appropriate
- Media representatives must respect that Tiburon CEO Summit attendees have the right to declare any statement as not for publication
- Media representatives shall not record, print, or otherwise use the last names and financial information of consumer panelists

Tiburon is happy to have media representatives attend its CEO Summits and spread the word about maintaining a focus on consumer needs and challenging conventional wisdom. But that said, frank and open conversations will be prioritized every time over media coverage.

Tiburon CEO Summit Sponsors

Due to the incredible demand from a large number of its executive-level clients to attend its CEO Summits, Tiburon now holds its CEO Summits at the Ritz Carlton Hotels in New York, NY & San Francisco, CA. Several long-time Tiburon clients, including Advisor Software, Alston & Bird, Charles Schwab, Dunham & Associates, Envestnet Asset Management, Ever Bank Financial, Fidelity Investments, Fiserv Investment Services, Folio Institutional, Forward Management, Genworth Financial Wealth Management, Jefferson National Financial, LPL Financial, Mass Mutual Financial Group, Meridian-IQ, & TD Ameritrade Institutional are offering financial support for Tiburon CEO Summit XIX, while media sponsors include Barron's, Boomer Market Advisor Magazine, Financial Advisor Magazine, Private Wealth Magazine, Registered Rep Magazine, The Wall Street Journal, and Trusts & Estates Magazine. Tiburon is grateful for this assistance. To become a Tiburon CEO Summit [click here](#) or contact Sarah Sage at SSage@TiburonAdvisors.Com or 415-789-2540.

Tiburon CEO Summit XIX Sponsors



Tiburon CEO Summit XIX Media Sponsors





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[contact](#) Tiburon's Managing Principal Chip Roame. Prospective clients can also contact [Sarah Sage](#) about becoming Tiburon clients.



Executives L-R: Jeff Lancaster (Managing Principal, Bingham, Osborn, & Scarborough, Boston Private Financial Holdings), Chip Roame (Managing Principal, Tiburon Strategic Advisors), and Andrew Rudd (CEO, Advisor Software & Former CEO, Barra)

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Tiburon CEO Summits Attendee Policy Suggestions

The easiest way to continue as an ongoing Tiburon client is to subscribe to Tiburon's research report access program (\$25,000), which gives all employees at a firm access to all Tiburon research reports for a calendar year. Most Tiburon CEO Summit attendees' firms subscribe to this service. Another easy way to engage Tiburon is to schedule a Tiburon executive for a conference speech or to present a

half day market seminar to a firm's management team on any topic which Tiburon has previously researched (\$20,000-\$25,000 plus travel). And periodically, Tiburon CEO Summit sponsor opportunities arise (\$15,000), so prospective clients may feel free to consider that as an option as well. All prospective clients, who qualify as C-level executives, executive vice presidents, or other business heads, who take any of those actions (or become a Tiburon client in any other way, even buying a single Tiburon research report - \$5,000), are invited. Prospective clients can even order TBD research reports, pay the bill to qualify as clients, and pick such reports later when a specific need arises. Three useful links:

- [Tiburon Research Reports](#)
- [Tiburon Market Seminars](#)
- [Tiburon Conference Speeches](#)

Prospective clients can also contact [Sarah Sage](#) about becoming Tiburon clients.

Tiburon CEO Summits Media Attendee Policy

Tiburon defines a media policy for each Tiburon CEO Summit. Depending on client & speaker requests, sometimes select media representatives are permitted to participate in a media program at Tiburon's CEO Summits.

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Tiburon CEO Summit Sponsors

Due to the incredible demand from a large number of its executive-level clients to attend its CEO Summits, Tiburon now holds its CEO Summits at the Ritz Carlton Hotels in New York, NY & San Francisco, CA. Several long-time Tiburon clients has supported Tiburon in this move.

**Tiburon
CEO Summit
XIX Sponsors**

Tiburon clients Advisor Software, Alston & Bird, Charles Schwab, Dunham & Associates, Investnet Asset Management, Ever Bank Financial, Fidelity Investments, Fiserv Investment Services, Folio Institutional, Forward Management, Genworth Financial Wealth Management, Jefferson National Financial, LPL Financial, Mass Mutual Financial Group, Meridian-IQ, & TD Ameritrade Institutional are offering financial support for Tiburon CEO Summit XIX.



Prior Tiburon CEO Summits

Tiburon CEO Summit XIX Sponsors

Tiburon CEO Summit XIX Sponsorship Opportunities

In an ongoing effort to share its research with its clients, for the past nine years, Tiburon has hosted a unique series of semi-annual events called the Tiburon CEO Summits. Aside from presenting Tiburon research, each Summit features a terrific list of CEO-level guest speakers, break-out sessions, casual

dinners, and lots of networking time with a very senior group of clients. To maintain an intimate setting, each Tiburon CEO Summit is limited to 150 CEO-level attendees, all of whom are Tiburon clients. Tiburon clients include CEOs from investment management firms, banks, brokerage firms, insurance companies, related technology companies, and other firms. Frankly, many of the attendees are likely clients or partners of the most appropriate CEO Summit sponsors.

Tiburon seeks to build a sponsor group of just twenty sponsors who can envision participating for the long-term. The cost to become a sponsor for a Tiburon CEO Summit is \$15,000 (\$30,000 for the two CEO Summits each year). Tiburon CEO Summit sponsors receive:

- Publicity & brand association
- Attendee access & enhanced networking
- Broader participation opportunities
- Tiburon Research Report Access Program (annual subscription) (\$25,000 value)

To become a Tiburon CEO Summit Sponsor email [Sarah Sage](#). Sarah or another Tiburon team member will be happy to explain the sponsor benefit package in more detail to any qualified attendee (e.g., C level executives, executive vice presidents, & other business heads).



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Tiburon CEO Summit XIX Media Sponsors

Tiburon clients Barron's, Boomer Market Advisor Magazine, Financial Advisor Magazine, Private Wealth Magazine, Registered Rep Magazine, The Wall Street Journal, and Trusts & Estates Magazine are assisting in promoting Tiburon CEO Summit XIX.



Executives L-R: Paul Stevens (CEO, Investment Company Institute) and Ed Haldeman (CEO, Putnam Investments, Marsh & McLennan)

Tiburon CEO Summit XIX Media Sponsors



Tiburon CEO Summit XIX Media Sponsorship Opportunities

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Tiburon seeks to build a media sponsor group of publications that serve the financial services industry who can envision participating for the long-term. Tiburon seeks no funding from media sponsors but rather a simple swap of some advertising space for the same rights as a traditional sponsor:

- Publicity & brand association
- Attendee access & enhanced networking
- Broader participation opportunities
- Tiburon Research Report Access Program (annual subscription) (\$25,000 value)

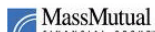
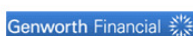
All media sponsors run two full page advertisements for each CEO Summit that they sponsor (one promoting the event and one thanking the speakers and sponsors).

To become a Tiburon CEO Summit Media Sponsor email [Sarah Sage](#). Sarah or another Tiburon team member will be happy to explain the sponsor benefit package in more detail to any qualified attendee (e.g., C level executives, executive vice presidents, & other business heads).

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Tiburon CEO Summit XIX Sponsors



Tiburon CEO Summit XIX Media Sponsors



Tiburon CEO Summit XIX Sponsors

Advisor Software



Advisor Software's institutional heritage is at the core of its founding and product development strategy. The firm's CEO Andrew Rudd was a co-founder and the former CEO of Barra, a company which led the market in portfolio risk management and was eventually acquired by Morgan Stanley. Advisor Software leverages institutional-caliber analytics, enabling financial advisors to create insightful actionable investment plans to help investors achieve their goals.

Through relationships with financial institutions such as TD Ameritrade Institutional, Schwab Advisor Services, & LPL Financial, Advisor Software's rebalancing solution is available to over 10,000 financial advisors. Advisor Software's core portfolio construction and proposal generation solution has been used by over 45,000 financial advisors who are clients of a wide-variety of financial institutions, including ETF asset managers and several global asset management firms, including Barclays Global Investors, State Street Global Advisors, Russell Investments, First Trust Portfolios, & Power Shares Capital Management.

Advisor Software is represented at Tiburon CEO Summit XIX by Dennis Clark, Neal Ringquist, & Andrew Rudd. Dennis can be reached at DClark@AdvisorPartners.Com or 415-477-9977; Neal can be reached at NRingquist@AdvisorSoftware.Com or 925-444-1350; & Andrew can be reached at AndrewR@AdvisorSoftware.Com or 925-444-1320. All can also be reached via Advisor Software's web site at www.AdvisorSoftware.Com.

Alston & Bird



Alston & Bird was founded in 1893 and is a leading Am Law 100 firm, with offices in Atlanta, Charlotte, Dallas, Los Angeles, New York, Research Triangle, Silicon Valley, Ventura County, & Washington, DC. The firm's 800 attorneys provide a full range of services to domestic and international clients. The firm's core practice areas are intellectual property, complex litigation, corporate & tax, with national industry focuses on energy & sustainability, health care, financial services, and public policy.

Alston & Bird has been ranked on Fortune magazine's 100 Best Companies to work for list for eleven consecutive years, an unprecedented accomplishment among law firms in the United States. The recognition speaks to the culture of the firm and the environment in which it practices law and provides service to clients. Alston & Bird is ranked fourth in BTI's Client Service 30 for 2010 - the elite law firms that clients rank as absolute best at client service.

Alston & Bird is represented at Tiburon CEO Summit XIX by Dave Baum, David Brown, Todd David, & Randy Moore. Dave can be reached at David.Baum@Alston.Com or 202-239-3346; David can be reached at David.Brown@Alston.Com or 202-239-3345; Todd can be reached at Todd.David@Alston.Com or 404-881-7357; & Randy can be reached at Randy.Moore@Alston.Com or 404-881-7794. All can also be reached via Alston & Bird's web site at www.Alston.Com.

Charles Schwab

 The Charles Schwab Corporation provides securities brokerage and financial services to individual investors and independent investment advisors who work with them.

Institutional Services provides dedicated support for independent investment advisors, employers, & third-party benefit plan administrators, and includes four business units, each focused on a distinct set of client needs. Advisor Services provides custody, trading, technology, practice management, & other services to support more than 6,000 independent investment advisors and the clients they serve. Retirement Plan Services manages bundled workplace retirement plans for thousands of employers representing more than 1.5 million retirement plan participants. Corporate Brokerage Services handles brokerage-related corporate services, including stock plan services, designated brokerage, mutual fund clearing, & investment-only sales to employers. Retirement Business Services serves retirement advisors and independent record keepers and manages the Business Trust division of Charles Schwab Bank.

The Charles Schwab Corporation is represented at Tiburon CEO Summit XIX by Bernie Clark & Jim McCool. Bernie can be reached at Bernie.Clark@Schwab.Com or 415-636-5833. Jim can be reached at James.McCool@Schwab.Com or 415-667-9603. The Charles Schwab Foundation is represented by Kim Wright-Volich. Kim can be reached at Kim.Wright-Volich@Schwab.Com or 415-636-9101. All can also be reached via The Charles Schwab Corporation's web site at www.AboutSchwab.Com.

Dunham & Associates



Dunham & Associates was founded in 1985 and offers a family of mutual funds with performance-based sub-advisor compensation, also commonly known as fulcrum fees. Dunham Funds are available individually or as part of a turnkey asset management program. Fund objectives range from capital preservation to aggressive growth.

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Dunham & Associates, Dunham Funds, and Dunham Trust Company are represented at Tiburon CEO Summit XIX by Sal Capizzi, Jeffrey Dunham, & David Holmes. Sal can be reached at Sal.Capizzi@Dunham.Com or 858-964-0500; Jeffrey can be reached at Jeffrey.Dunham@Dunham.com or 858-964-0500; & David can be reached at David.Holmes@Dunham.Com or 775-826-7900. All can also be reached via Dunham & Associates' web site at www.Dunham.Com.

Investnet Asset Management

INVESTNET Investnet Asset Management delivers separately managed accounts, mutual funds, & alternative investments to independent financial advisors. Investnet's investment offerings are supported by a proprietary technology platform that delivers customized financial advisor web sites, consolidated views, & comprehensive reporting abilities to the nation's independent investment advisory firms.

Investnet is headquartered in Chicago with offices in Denver, Los Angeles, New York, Silicon Valley, & internationally. Investnet has more than \$38 billion in assets under management and administration with over 400,000 investor accounts.

Investnet is represented at Tiburon CEO Summit XIX by Mike Apker, Bill Crager, Pete D'Arrigo, Viggie Mokkarala, & Babu Sivadasan. Mike can be reached at Mike.Apker@Investnet.Com or 650-279-9626; Bill can be reached at BCrager@Investnet.Com or 212-642-7440; Pete can be reached at Pete.DArrigo@Investnet.Com or 312-827-3998; Viggie can be reached at Viggie.Mokkarala@Investnet.Com or 408-962-7845; Babu can be reached at Babu@WLA.Investnet.Com or 510-209-8691. All can also be reached via Investnet Asset Management's web site at www.Investnet.Com.

EverBank Financial



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EverBank Direct operates nationally in consumer direct banking & lending with over \$6.3 billion in deposits. EverBank offers the WorldCurrency family of deposits to clients seeking global currency diversification and has developed EverBank Metals Select to hold precious metals in custody for clients seeking exposure to these markets. EverBank's Community Banking division has expanded from its original base in Jacksonville, FL to cover the east and west coast of south Florida through FDIC assisted acquisition of Bank of Florida in 2010. EverBank's Advisors Program provides financial planning firms & investment professionals the opportunity to offer mortgage & banking services to clients. Ever Bank's Commercial Finance business (formerly Tygris) provides product financing & leasing solutions nationwide to business customers in the healthcare, office equipment, & technology markets. EverBank's EverHome Mortgage Company provides mortgage loan servicing and sub-servicing on loans with principal balances in excess of \$55 billion.

EverBank is represented at Tiburon CEO Summit XIX by John Surface & Frank Trotter. John can be reached at John.Surface@EverBank.Com or 904-281-6127. Frank can be reached at Frank.Trotter@EverBank.Com or 314-951-1600. Both can also be reached via EverBank Financial's web site at www.EverBank.Com.

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Fidelity Investments is one of the world's largest providers of financial services, with assets under administration of over \$3.1 trillion, including managed assets of \$1.4 trillion. Founded in 1946, the firm is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, & many other financial products & services to more than 20 million individuals.

Fidelity also maintains a very strong presence in the broker/dealer and registered investment advisor space by providing clearing and custody services to over 5000 intermediaries representing some of the most prominent names in the financial services industry.

Fidelity Investments is represented at Tiburon CEO Summit XIX by Mike Durbin, Gerry McGraw, Sanjiv Mirchandani, & John Phillips. Mike can be reached at Michael.Durbin@FMR.Com or 617-392-8580; Gerry can be reached at Gerard.McGraw@FMR.Com or 212-335-5259; Sanjiv can be reached at Sanjiv.Mirchandani@FMR.Com or 617-563-7520; & John can be reached at John.D.Phillips@FMR.Com or 617-563-2253. All can also be reached via Fidelity's web site at www.Fidelity.Com.

Fiserv Investment Services



Fiserv is a worldwide leader in financial services technology solutions. The firm is both a Fortune 500 company and ranked number one on the Fin Tech 100 survey of top partners to the financial services industry. Fiserv is a leader in solutions for payments, processing services, risk compliance, customer & channel management, and insights & optimization. The firm serves more than 16,000 clients worldwide, including banks, credit unions, mortgage lenders & leasing companies, brokerage & investment firms, and other business clients.

Fiserv Investment Services provides a broad range of investment management solutions and outsourced services to hundreds of financial services organizations. Fiserv is the leading portfolio management and trading platform for managed accounts. The firm recently acquired Advice America and, with an industry leading financial planning & proposal tool, can now deliver the first of its kind total solution to the financial industry which includes financial planning, portfolio management, trading, & client reporting. Fiserv's portfolio of solutions delivers on the vision of the unified managed household. Fiserv also supports institutional business through its software solutions that include portfolio accounting, post trade processing, and fee billing & revenue management.

Fiserv and Fiserv Investment Services are represented at Tiburon CEO Summit XIX by Peter Crenier, Cheryl Nash, & Purna Pareek. Peter can be reached at Peter.Crenier@Fiserv.Com or 201-369-3566; Cheryl can be reached at Cheryl.Nash@Fiserv.Com or 201-324-5106; & Purna can be reached at Purna.Pareek@Fiserv.Com or 510-824-3701. All can also be reached via Fiserv's web site at www.Fiserv.Com.

Folio Institutional



Foliofn was founded in 1998 by Steven Wallman, a former commissioner of the United States Securities & Exchange Commission who was widely recognized during his tenure for advocacy efforts on behalf of individual investors. Foliofn's innovative online brokerage platform empowers consumers and financial advisors to invest smarter - by proving a cost effective way to build, maintain, & rebalance fully diversified portfolios. Clients enjoy the same simplicity and diversification offered by mutual funds, but with full transparency and flexibility.

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Foliofn & Folio Institutional are represented at Tiburon CEO Summit XIX by Greg Vigrass & Steve Wallman. Greg can be reached at VigrassG@FolioInstitutional.Com or 703-245-5757. Steve can be reached at WallmanS@Foliofn.Com or 703-245-4842. Both can also be reached via the company's web sites at www.FolioInvesting.Com & www.FolioInstitutional.Com.

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Forward Management identifies and often invests in money managers with expertise in unique investment styles and asset classes-managers which the larger marketplace may have overlooked. As part of its forward-thinking approach, Forward leverages its relationships with financial advisors, family offices, money managers, & the academic community to harvest wisdom that benefits investors.

Forward Management is represented at Tiburon CEO Summit XIX by Jeff Cusack, Norman Mains, & Paul Schaeffer. Jeff can be reached at JCusack@ForwardMgmt.Com or 415-869-6350; Norman can be reached at NMains@ForwardMgmt.Com or 415-869-6326; & Paul can be reached at PSchaeffer@ForwardMgmt.Com or 415-869-6304. All can also be reached via Forward Management's web site at www.ForwardMgmt.Com.

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Genworth Financial is a publicly traded global financial security company with more than \$100 billion in assets and a presence in more than 25 countries. The firm is recognized in Standard & Poor's 500 index of leading US companies and is ranked in the Fortune 500.

Genworth Financial works with its distribution partners to help people at key stages in their life through a wide-array of innovative products & financial services. From protecting & growing retirement income, to creating security through life, long term care, & Medicare supplement insurance, to wealth management offerings & financial advisory services, to providing a safer, more secure path to homeownership, Genworth provides a comprehensive array of financial security solutions.

Genworth Financial is represented at Tiburon CEO Summit XIX by Gurinder Ahluwalia & Ron Cordes. Gurinder can be reached at Gurinder.Ahluwalia@Genworth.Com or 925-521-2747. Ron can be reached at Ron.Cordes@Genworth.Com or 925-788-0227. Both can be also reached via Genworth Financial Wealth Management's web site at www.GenworthWealth.Com.

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Jefferson National is a recognized innovator of financial products for fee-based and fee-only financial advisors. The company created a new product category and changed industry perceptions with the launch of its flagship product, Monument Advisors - the first variable annuity with a flat insurance fee and a tax-deferred investing platform of more than 250 funds. Jefferson National has been the number one RIA-sold product for three consecutive years, according to Morningstar, helping financial advisors bring more assets under management, and helping their clients save nearly \$10 million in insurance fees. Jefferson National has built a strong foundation for future growth by developing a leading technology platform, highly efficient operations, and cost-effective servicing capabilities. The firm's latest innovative resource for fee-based and fee-only financial advisors is a newly launched TPIA Marketplace offering a range of proven asset management strategies from a selected group of recognized third-party investment advisors.

Jefferson National serves more than 50,000 customers with more than 44,000 accounts and more than \$2.1 billion in assets. The company is domiciled in Dallas, TX with authority in 49 states and the District of Columbia, operations in Louisville, KY, and offices in New York, NY.

Jefferson National is represented at Tiburon CEO Summit XIX by Mitch Caplan, Larry Greenberg, & David Lau. Mitch can be reached at MCaplan@JeffNat.Com or 212-220-5851; Larry can be reached at LGreenberg@JeffNat.Com or 212-220-5851; & David can be reached at DLau@JeffNat.Com or 502-587-3842. All can also be reached via Jefferson National Financial's web site at www.JeffNat.Com.

LPL Financial



LPL Financial is an independent broker/dealer with over 2,500 employees and offices in Boston, Charlotte, & San Diego. The firm and its affiliates offer proprietary technology, comprehensive clearing & compliance services, practice management programs & training, and independent research to over 12,000 independent financial advisors and financial advisors at financial institutions.

Additionally the firm supports over 4,000 financial advisors who are affiliated and licensed with insurance companies with customized clearing, advisory programs, & technology solutions.

LPL Financial is represented at Tiburon CEO Summit XIX by Derek Bruton and Stephen Langlois. Derek can be reached at Derek.Bruton@LPL.Com or 858-909-7619. Stephen can be reached at Stephen.Langlois@LPL.Com or 617-897-4393. Both can also be reached via LPL Financial's web site at www.LPL.Com.

Mass Mutual Financial Group



Mass Mutual Financial Group was founded in 1851 and is a mutually owned financial protection, accumulation & income management company headquartered in Springfield, MA, with major affiliates including Babson Capital Management, Barings, CM Life Insurance Company, Cornerstone Real Estate Advisors, First Mercantile, Mass Mutual Asset Finance, Mass Mutual International, Mass Mutual Investors Services, Oppenheimer Funds, & The Mass Mutual Trust Company.

Mass Mutual provides products & services to help meet the financial needs of individual & business clients, including life insurance, disability income insurance, long term care insurance, annuities, executive benefits, benefit funding vehicles, & trust services. Mass Mutual also owns a series of independently managed asset management businesses offering mutual funds, separately managed accounts, investment management for institutions & sub-advisory services, 529 college savings plans, fixed income & absolute return strategies, & medium-term notes to individual and institutional investors.

Mass Mutual Financial Group executives can be reached via Mass Mutual Financial Group's web site at www.MassMutual.Com.

Meridian-IQ



Meridian-IQ was founded in 2010 by industry executives who have spent over two decades marketing to, selling to, & analyzing Registered Investment Advisors. The executive team recognized that there was a need to create solutions that combine the best-in-class database of financial advisors with applications that make it easier to identify and work with the financial advisor community.

Meridian-IQ RIA database has hundreds of data points on every RIA in the industry with unique and actionable information. Meridian-IQ has workflow tools that make it easier to work with - and sell to - financial advisors. The system was designed by executives in the RIA industry and the firm constantly evolves its database with industry-leading product development. Meridian-IQ also offers a proprietary service called Meridian-DHS (Data Hygiene Services). Meridian-DHS is an outsourced, cost-effective, & custom solution for firms seeking expert support in the area of data hygiene and maintenance.

Meridian-IQ is represented at Tiburon CEO Summit XIX by Gary Liberman & Nick Stuller. Gary can be reached at GLiberman@AIQDirectory.Com or 646-867-6450. Nick can be reached at NStuller@AIQDirectory.Com or 917-533-5593. Both can also be reached via Meridian-IQ's web site at www.Meridian-IQ.Com.

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TD Ameritrade & TD Ameritrade Institutional are represented at Tiburon CEO Summit XIX by Tom Bradley & Skip Schweiss. Tom can be reached at Tom.Bradley@TDAmeritrade.Com or 201-369-8499. Skip can be reached at Skip.Schweiss@TDAmeritrade.Com or 303-294-5853. Both can also be reached via TD Ameritrade's web site at www.TDAmeritrade.Com.

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Boomer Market Advisor



Boomer Market Advisors delivers real-world case studies and sales & marketing strategies that financial advisors need to succeed with the demands of their boomer clients. Boomer Market Advisor's mission is to help comprehensive independent advisors grow lucrative practices that results in continued success.

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Financial Advisor Magazine



Financial Advisor Magazine delivers essential market information and strategies that financial advisors need to succeed in their increasingly complex environment. The magazine focuses on sophisticated planning and investment strategies as well as practice management ideas to help financial advisors build their firms. Financial Advisor also produces numerous conferences.

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Private Wealth Magazine



Private Wealth Magazine delivers thought leadership to financial advisors and other providers who serve the affluent by providing cutting-edge news and research on the target market, the competition, the latest financial & legal strategies, and key lifestyle issues. Private Wealth produces the Innovative Alternative Investment Strategies conference and the Fiduciary Summit, and co-produces the Inside ETFs conference.

Private Wealth Magazine is represented at Tiburon CEO Summit XIX by David Smith. David can be reached at DSmith@FA-Mag.Com or 732-450-8866. David can also be reached via Private Wealth Magazine's web site at www.PW-Mag.Com.

Registered Rep Magazine



Registered Rep Magazine is the most trusted magazine for the retail investment professional, serving brokers, financial advisors and financial planners with award-winning coverage of industry trends, news about the firms, and the latest products and innovations. Each month, the editors of Registered Rep Magazine cover all the issues facing this evolving profession - from new products to regulatory changes and practice-management topics.

Registered Rep Magazine representatives can be reached via Registered Rep Magazine's web site at www.RegisteredRep.Com.

Trusts & Estates Magazine



Trusts & Estates Magazine is the town center where experts who serve the planning needs of the ultra-wealthy gather to gain insight into their specialties and to learn about related professions. Community members include estate-planning lawyers, corporate and individual trustees, financial planners, accountants, investment advisors, charitable giving specialists, family office executives, insurance agents, & valuation experts.

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The Wall Street Journal



The Wall Street Journal is the largest national daily newspaper in the U.S. and its award-winning journalists have garnered 33 Pulitzer Prizes through the years. The Wall Street Journal employs more than 2,000 journalists reporting in 58 countries. The Wall Street Journal offers expert insight on the market and economy and how both can impact everyday finances and personal investments.

The Wall Street Journal representatives can be reached via The Wall Street Journal's web site at Online.WSJ.Com.

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Tiburon's CEO Summits could not be planned without a lot of help from many others. Tiburon CEO Summit volunteers invest dozens of hours into confirming attendees and helping onsite. Tiburon is grateful for their assistance.

Tif Joyce Joyce Financial Management Tiburon FA Roundtable



Tif Joyce is founder & president of Joyce Financial Management, providing financial planning & investment management services to its clients. Mr. Joyce is registered principal with and offers securities through LPL Financial.

Prior to forming Joyce Financial Management, Mr. Joyce was a registered representative with Liberty Financial, serving as an advisor to clients of a northern California community bank. Prior to that, Tif was a financial advisor with American Express Financial Advisors (now Ameriprise Financial).

Mr. Joyce joined Tiburon's Financial Advisor Roundtable program in 2000 to assist the firm in addressing financial advisor and consumer needs. Tif often manages the popular Ask the Consumers panel at Tiburon's CEO Summits. Mr. Joyce resides in Sonoma County, CA and can be reached directly at Thomas.Joyce@LPL.Com or 707-874-3790.

Kirk Michie Triton Pacific Securities



Kirk Michie is president of Triton Pacific Securities, a subsidiary of the Triton Pacific Group. He directs the firm's capital markets activities, including fund raising, investor relations, & marketing communications. In addition to being a member of Triton Pacific Capital Partners' investment committee, he is also the firm's primary linkage to the investor community. Having held several key positions in the early growth & development of asset and wealth management organizations Kirk has been an early change agent and advocate of more comprehensive & forward looking approaches to the delivery of financial services to wealth individuals and family offices. An early adopter of social media, Kirk has a substantial web presence via Linked In, Twitter, & substantial numbers of print & electronic media references around this rapidly growing arena. Additionally, Mr. Michie is a frequent speaker at investment and family office conferences on the subjects of integration of alternatives into traditional portfolios, benefits of private equity investing for individuals, endowment style investing for taxable families, the future of financial services, & the integration of social media into marketing communications for investment advisors.

Prior to joining Triton Pacific, Kirk led the development of the Private Client division at Kayne Anderson Rudnick, and went on to run one of Wells Fargo Corporation's brokerage division's largest regional sales forces. In client facing roles, Mr. Michie worked with wealthy investors and families at Alliance Bernstein, Bessemer Trust, Merrill Lynch, & Swiss Bank Corporation.

Mr. Michie was a long time Tiburon FA Roundtable member and has been a frequent Tiburon CEO Summit contributor. Kirk can be reached directly at KMichie@TritonPacific.Com or 310-300-0846.

Marie Swift
Impact Communications
Tiburon Fellow



Marie Swift is CEO of Impact Communications, a full-service public relations & marketing communications firm serving a select group of independent financial advisors and allied institutions. Marie also serves as a coach for Source Media's Advisor Max and is frequently quoted in or published by industry magazines such as Financial Planning, Research, Financial Advisor, Investment Advisor, Transitions, Advisor Today & Morningstar Advisor. Ms. Swift is a popular speaker at industry events, including multiple appearances at FPA national and regional events, NAPFA, Lockwood University, & the NFL Players Association (Financial Advisor Program). Marie is the co-author of Just Give Me the Answer\$: Expert Advisors Address Your Most Pressing Financial Questions and contributed the marketing chapter to Garrett's Guide to Financial Planning.

Prior to establishing her own firm in 1993, she served as director of corporate communications for Worldwide Investment Network in Irvine, California, where she helped FNIC's then top producer attain & maintain that title for five consecutive years. She managed a staff of twenty that supported two dozen successful registered representatives, estate planners, & wealth managers.

Ms. Swift joined Tiburon's Fellows program in 2007 to introduce her clients to the benefits of Tiburon's research & consulting services, and to offer assistance to Tiburon's clients in the areas of public relations, targeted media placement, & marketing communications. Marie resides in Leawood, KS and can be reached directly at MarieSwift@ImpactCommunications.Org or 800-974-7753.

Mitch Vigeveno
Turning Point
Tiburon Fellow



Mitch Vigeveno is the CEO of Turning Point, based in Clearwater, FL, which was founded in 1994 to provide executive search & consulting services to the financial services industry. The first purpose is to connect great companies with great people by guiding its clients in the identification, assessment, & acquisition of the best available talent for their mission-critical positions. Turning Point specializes in placing high quality professionals with broker/dealers, insurance companies, banks, & investment advisory firms.

Mr. Vigeveno has over 25 years of experience in financial services on both the insurance and securities sides of the business.

Mr. Vigeveno joined Tiburon's Fellows program in 2001 to introduce his clients to the benefits of Tiburon's research & consulting services, and to offer assistance to Tiburon's clients in their search for top executive talent. Mr. Vigeveno worked collaboratively with Tiburon on a competitive analysis research project regarding the offerings of independent broker/dealers. He has written for, and been quoted in, several industry publications, including Financial Planning Magazine, Financial Advisor, Registered Representative, Investment Advisor, Investment News, & On Wall Street. Turning Point is a member of the career Banking & Financial Services Network and the Top Echelon Network. Mitch resides in Clearwater, FL and can be reached directly at Mitch@TPISearch.Com or 727-725-8876 or via Turning Point's web site at www.TPISearch.Com.

Jamie Ziegler
AUM Partners
Tiburon Fellow



Jamie Ziegler is a partner at AUM Partners, a Chicago-based management consulting firm that works with investment organizations to align their leaders, organize their teams, develop their talent, and improve their performance.

Prior to founding AUM Partners in 2009, Ms. Ziegler was a principal at Focus Consulting Group for five years, working with investment firms in North America, Europe, & Asia. Previously, Ms. Ziegler served for ten years as senior vice president of global marketing for Northern Trust Global Investments, overseeing the growth in assets under management from \$80 billion to \$600 billion. She began her career as a mutual funds analyst. Ms. Ziegler has co-authored two books - High Performing Investment Teams; and Investment Management: Meeting the Noble Challenges of Funding Pensions, Deficits, & Growth - and is a guest lecturer at the Kellogg school

of Management at Northwestern University. She is also a member of the CFA Retained Speakers Program and the International Enneagram Institute.

Ms. Ziegler joined Tiburon's Fellows program in 2009. Jamie resides in Wilmette, IL and can be reached directly at JZiegler@AUMPartnersLLC.Com or 847-853-8251.

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Tiburon's CEO Summits could not be planned without a lot of help from many others. The Tiburon CEO Summit onsite volunteers invest dozens of hours into helping onsite. Tiburon is grateful for their assistance.

Marie Swift, Impact Communications



Marie Swift is CEO of Impact Communications, a full-service public relations & marketing communications firm serving a select group of independent financial advisors and allied institutions. Ms. Swift is a popular speaker at industry events, including multiple appearances at FPA national and regional events, NAPFA,

Lockwood University and the NFL Players Association (Financial Advisor Program). Marie is the co-author of *Just Give Me the Answer: Expert Advisors Address Your Most Pressing Financial Questions* and contributed the marketing chapter to *Garrett's Guide to Financial Planning*.

Ms. Swift joined Tiburon's Fellows program in 2007 to introduce her clients to the benefits of Tiburon's research & consulting services, and to offer assistance to Tiburon's clients in the areas of public relations, targeted media placement, & marketing communications. Marie resides in Leawood, KS and can be reached directly at MarieSwift@ImpactCommunications.Org or 800-974-7753.

Roxanne Brecek, Impact Communications



Roxanne Brecek has been providing financial advisors & financial institutions with marketing, sales, & public relations support for over a decade, having previously worked as a marketing professional for two broker/dealers, a large insurance company, & a third-party money management firm,

prior to joining Impact Communications. As a relationship manager for Impact Communications, Roxanne enjoys partnering with clients to provide professional support, creative ideas, & compelling materials to strengthen their marketing & public relations efforts.

Ms. Brecek resides in Sacramento, CA and can be reached directly at RoxanneBreck@ImpactCommunications.Org or 800-974-7753.

Judy Joyce, Joyce Financial Management



Judy Joyce is Tif Joyce's wife and business partner in their Sonoma county-based financial planning practice Joyce Financial Management. She is a registered representative with LPL Financial.

Ms. Joyce resides in Sonoma County, CA. She is a friend to Tiburon and often pitches in to help with the CEO Summits. She can be reached directly at Judith.Joyce@LPL.Com or 707-874-3790.

RIABiz – <http://www.riabiz.com/a/2413305>



10 things I learned at yesterday's Tiburon CEO Summit

Chip Roame puts wirehouses, new regulations and the economic downturn into perspective

Thursday 10.7.10 by Brooke Southall

Chip Roame says wirehouses can overcome their tarnished brands but may stumble on their lack of a strategy.

Brooke's Note: With so many leaders of the RIA industry in one small room being led to provocative thinking by an intense consultant, it is like sipping from a fire hose to report on the proceedings. I took pages of notes. Here is some of what I

gleaned from the torrents of discourse.

The Tiburon CEO Summit is not for wimps.

On a bright San Francisco day, all seats were filled by 7:45 a.m. by the 118 attendees, and Skip Schweiss, managing director, advisor advocacy & industry affairs for TD AMERITRADE, was laying down some 'tough love' directives for the attendees. A longtime participant at and sponsor of the event, he was serving as the event's emcee held at the Ritz-Carlton.

If you RSVP, show up because the expenses associated with a slot are about \$1,000. Fill out the attendee survey. There was a 'tough love' comment for the reporter in the room to respect the executives' rights to strike comments from the record at this semi-annual convention put on by Tiburon [Calif.] Strategic Advisors, a management consultancy for financial executives. For the record, nobody asked to strike comments from the record – except for some of the personal sidebars I had with executives outside the main sessions.

I was there primarily to hear Tiburon's managing principal give his opening talk, which is a high-level distillation of Charles "Chip" Roame's 75 research reports — produced for various slices of the advisory industry over the past decade — spiced with many of his contemporary thoughts.

Here are some observations that I made of the Roame's presentation and of the conference in general:

1.) Roame is giving his speech to a disparate group of CEOs – and yet a group that has many common interests. Roame has a stock explanation about how leaders in multiple advice silos venture to his conference to compare notes and create a hybrid vigor of intellectual capital. He says that the model drew inspiration from Allen & Co.'s famous Sun Valley Conference for the media, which regularly draws the likes of Bill Gates, Rupert Murdoch and Oprah Winfrey.

As an RIABiz reporter, I'd say Tiburon's attendees are the leaders of companies that are rapidly forming a parallel universe designed to supplant Wall Street brokerage and other legacy firms with a more adviser friendly

and consumer-friendly alternative. They don't suggest it's altruism but they all draw energy from being part of a force for good.

2.) Major banks, wirehouses and the like are often less heavily represented [and Roame noted that of the multitude of award nominations he receives, one has yet to be received for a wirehouse executive]. Tiburon honors top execs who are best at either maintaining focus on the consumer or challenging conventional wisdom.

The RIA universe was very strongly represented at the conference – especially by the heads of custodians. Michael Durbin and Gerard McGraw were there for Fidelity. Jim McCool and Bernie Clark were there from Schwab. Craig Gordon was there for RBC, Frank Maiorano for Trust Company of America and Greg Vigrass for Folio Institutional.

Some IBD executives like Barnaby Grist of Cetera – an Oxford grad drinking tea among us coffee hounds – and Stephen Langlois, executive vice president, LPL Financial were present.

3.) Roame showed slides that reminded us that these are not normal times. We will return to pre-2008 crash levels of wealth in the United States by 2015, he says. We lost \$12.8 trillion of net worth in the U.S. at the worst and we've regained \$2.9 trillion of it. For perspective, these losses are seven times what was lost during the tech implosion of 2002. The double whammy for advisors: as assets and revenues declined, costs spiraled upward for servicing [i.e. handholding] clients.

4.) Roame makes clear that wirehouses are not well-positioned but he offers a different spin from the standard take on Merrill Lynch, Morgan Stanley Smith Barney, UBS and Wells Fargo and the \$6 trillion or so of assets they control. "Wirehouse brands are tarnished; I don't think that's relevant. The problem is that none of them has a strategy...I can't figure out what any of them are doing." The one strategy that wirehouses make apparent is that they're 'bribing' advisors to stay on board.

The greatest vulnerability of wirehouses isn't so much that they'll lose clients. The personal relationships that brokers have with clients will see to that. "More interesting: Are the advisors going to bail?"

5.) Roame notes that two former CEOs from the four are now at the head of well-financed efforts aimed at independents. Don Marron, formerly of Paine Webber that merged with UBS, now heads Cetera through his Lightyear venture. Cetera owns the old ING IBDs. Philip Purcell, former Morgan Stanley CEO who resigned in 2005, is a major investor in HighTower Advisors in Chicago – a high-powered aggregator.

6.) Roame made two bold predictions: First, one wirehouse will spin off its sales force in the next two years — much in the style that big insurance companies did a few years ago. Second, another wirehouse will acquire a large independent broker-dealer. He made a third half-joking prediction that LPL will acquire a wirehouse. "That's out-of-the-box-thinking," he said.

7.) Roame asks unrhethorically why it is that there are actually the same number of financial advisors today as there were 13 years ago? He reminds that there are more Baby Boomers of retirement age or nearing it – seemingly driving demand. The two channels that have lost the most advisors over the past 13 years – insurance

8.) Financial advisors — aside from throwing RIAs with less than \$100 million to the states — won't be affected much by what is going on in Washington. "Investment management was primarily a side note" of financial reform, Roame says. Banks facing new consumer-related laws and investment banks facing restrictions on how they do proprietary trading with derivatives may have the most to worry about. In attendance yesterday were Harold Evensky, president of Evensky & Katz LLC and Dale E. Brown, president & CEO of the Financial Services Institute. Roame allowed that these advocates might have much more to say on the fiduciary issue later on during the conference. See: [Why Harold Evensky believes that a FINRA-as-devil attitude is counterproductive](#).

9.) Morningstar's Don Phillips, president, fund research, and Joe Mansueto, CEO, received the Tiburon CEO Summit awards for challenging conventional wisdom, showing intensive attention to the consumer and showing responsibility — [won last year by Charles 'Chuck' Schwab and Ken Fisher](#). Instead of handing them gold watches, Roame grilled them with questions on stage and got good answers about where the big Chicago asset-tracker is headed. The company is rethinking how it delivers data in light of the move to mobile devices. "We have to reinvent ourselves; it's a little like the 1990s when the Internet came along," Mansueto says. Morningstar's business model is shifting more from a data content provider to that of an aggregator relying on third-party providers. It is reacting to the intense growth of ETFs and has upped its research staff from three to 15 devoted to exchange traded funds.

Morningstar has also re-energized its research efforts to base it more on a journalistic model of covering what's hot. Best-of-breed funds get covered four times a year, other funds twice a year and small funds, once. Research analysts are quick to write breaking analysis when, for instance, a manager leaves.

10.) I left the conference with a much better read on the industry. Grist made me truly understand Cetera's strategy [stay tuned]. McCool filled me in on the twist to expect at IMPACT 2010. Stay tuned. A number of executives offered [somewhat speculative] thoughts about what to think about the planned LPL IPO that is starting to take on an overdue feel. Roame alluded to the LPL IPO in his speech, mentioning that two long-time clients of his, Envestnet and Morningstar, had pulled off IPOs. He pointed to the LPL exec, Langlois, and noted the LPL IPO is in the works.

Brooke's Final Note: Skip Schweiss gave RIABiz a plug in his opening remarks by saying that anyone associated with RIAs who isn't reading it ought to be. I appreciated it.

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Tiburon CEO Summit XVIII was held April 14-15, 2010 in New York, NY at the Ritz Carlton Hotel

Tiburon would like to thank the seven terrific guest speakers
for their dynamic presentations:

Ed Bernard, *Vice Chairman, T. Rowe Price Group*
Abby Cohen, *President, Global Markets Institute, Goldman Sachs Group*
Steve Forbes, *CEO, Forbes Media*
Jim McCool, *Executive Vice President, The Charles Schwab Corporation*
Jonathan Steinberg, *CEO, Wisdom Tree Investments*
David Tittsworth, *Executive Director, Investment Advisor Association*
Fred Tomczyk, *CEO, TD Ameritrade*

Tiburon also thanks several long-time clients who made the event possible, including:

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And of course, Tiburon extends a special thanks to all of its C-level executive client attendees for their participation at the recent Tiburon CEO Summit XVIII:

Chip Roame (Managing Principal, Tiburon Strategic Advisors), Rick Adler (CEO, Convergent Capital Management), Adam Antoniadis (CEO, First Allied), Chuck Baldswieler (CEO, TCW Funds, TCW Group), Keith Banks (Head, US Trust, Columbia Management, & Alternative Investments, Bank of America Corporation), Tony Batman (CEO, 1st Global Capital Corporation), Michael Bell (CEO, Curian Capital), Mark Benson (President, Banc of America Investments), Ed Bernard (Vice Chairman, T. 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Tiburon also thanks the twenty-five long-time clients who made the event possible by sponsoring, including:





Charles Schwab and Ken Fisher Share Spotlight, Receive Awards at Tiburon CEO Summit XVII

NEW YORK, Nov. 19 /PRNewswire/ -- Tiburon Strategic Advisors, a market research & strategy consulting firm serving a wide variety of financial institutions and investment managers, recently awarded its inaugural Tiburon CEO Summit Awards to Charles Schwab (Chairman, The Charles Schwab Corporation) & Ken Fisher (CEO, Fisher Investments). This release highlights some of the key points made by both award recipients.

Tiburon's CEO Summits are built around two key themes:

- Maintaining a focus on consumer needs
- Challenging conventional wisdom

In the spirit of recognizing leaders in the financial services industry who have excelled at applying one or both of these concepts, Tiburon awarded its inaugural Tiburon CEO Summit Awards. Charles Schwab (Chairman, The Charles Schwab Corporation) received Tiburon's award for Maintaining a Focus on Consumer Needs. Ken Fisher (CEO, Fisher Investments) received Tiburon's award for Challenging Conventional Wisdom. Tiburon believes that maintaining a focus on consumer needs and challenging conventional wisdom are two of the keys to success in the rapidly evolving financial services industry. These awards were presented at Tiburon CEO Summit XVII on October 7, 2009:

Charles Schwab (Chairman, The Charles Schwab Corporation) - Tiburon's Maintaining a Focus on Consumer Needs Award

Charles Schwab started the well-known San Francisco based brokerage firm that goes by his name in the early 1970s. Subsequently, Mr. Schwab has served as chairman of The Charles Schwab Corporation since incorporation of the firm in 1986. He also served as CEO or co-CEO from 1986 to 2008. Today, The Charles Schwab Corporation is one of the nation's leading providers of financial services, with 12,000 employees, more than 300 branches nationwide, approximately 10 million client accounts, & \$1.2 trillion in client assets.

Mr. Schwab is the author of several books, was named chairman of the President's Advisory Council on Financial Literacy in 2008, and, along with his wife Helen, is the co-founder & chairman of the Charles & Helen Schwab Foundation, a nonprofit organization that focuses on helping children with learning disabilities and supporting low income families through initiatives in poverty prevention, homelessness, & substance abuse.

Mr. Schwab was presented Tiburon's Maintaining a Focus on Consumer Needs award because of the numerous consumer-centric innovations of The Charles Schwab Corporation, including its discount

brokerage, telephone-based services, branches, web based trading, mutual fund supermarket, and its custodial, operational, & trading support services for independent fee-based financial advisors.

Mr. Schwab sat down with Tiburon managing principal Chip Roame to discuss some of the factors that have contributed to his success as well as to discuss some of his opinions about the state of the financial services industry. Some of the highlights are included:

When Mr. Roame asked how Mr. Schwab has been able to maintain a focus on consumer needs while also consistently introducing innovations to the industry, *Mr. Schwab said that timing is everything. He went on to say that it is important not only to be in the right place at the right time, but to recognize and then act on opportunities as they present themselves. One of Mr. Schwab's key points was that he has always asked himself how a given situation will affect the common guy, and that this consideration, more than any other, caused him to rethink what a customer was and to reclassify customers as clients. Mr. Schwab referred to ETFs as Schwab's next big initiative.*

When Mr. Roame asked about Mr. Schwab's insights into what might lead the recovery of the financial services industry, *Mr. Schwab said that the basic fundamental values of middle America - family, saving, & college education - are still the leading factors in considering how to reach clients. He also went on to acknowledge the debate over how to move forward ideologically, and said that in any case, the financial services industry must evolve to inherently embrace high ethical standards.*

When an audience member asked how Mr. Schwab has been able to consistently generate ideas that work, *Mr. Schwab talked about the value of testing - starting small market and moving bigger as successful testing warranted. He specifically mentioned that he has oftentimes considered his own needs when considering the needs of the masses. In one case, as Mr. Schwab preferred no-load mutual funds in his IRA account, this may have led to the genesis of the mutual fund marketplace at The Charles Schwab Corporation.*

Ken Fisher (CEO, Fisher Investments) - Tiburon's Challenging Conventional Wisdom Award

Ken Fisher has been CEO of Fisher Investments since founding the firm in 1979. His firm is the largest direct marketer in asset management and depending on one's definition, the largest fee-based financial advisor. Today, Fisher Investments has 950 employees, 85 professional sales people, tens of thousands of clients, and more than \$30 billion assets under management.

Mr. Fisher's theoretical work in the early 1970s yielded a tool known as the price-to-sales ratio, now a core element of financial curriculum. Mr. Fisher is also known for his Portfolio Strategy financial investment column featured monthly in Forbes magazine, where his 25-year tenure makes him the fourth longest-running columnist in the magazine's 92-year history. His recent research, published in professional & scholarly journals, focuses on behavioral finance.

Mr. Fisher was presented Tiburon's Challenging Conventional Wisdom award because in almost every facet of his business he has challenged the trends of others, including his use of direct mail, web based advertising, & infomercials; the use of dedicated sales people and a separate dedicated service organization; aversion to hiring graduates of big name universities; telephone based service model; and well defined job descriptions with unparalleled levels of specialization of labor.

Mr. Fisher sat down with Tiburon managing principal Chip Roame to discuss some of the factors that have contributed to his success as well as to discuss some of Mr. Fisher's opinions about the state of the financial services industry. Some of the highlights are included:

When Mr. Roame asked how Mr. Fisher has been able to challenge conventional wisdom, *Mr. Fisher said that there are two ways to think about the question - internally & externally. Mr. Fisher said that externally, his only real contribution has been the price-to-sales ratio work that he did in prior decades, but that internally, at Fisher Investments, he continues to challenge conventional wisdom daily, saying that he prefers never-yet-done-practices over best-practices.*

When Mr. Roame asked about Mr. Fisher's insights into what might lead the recovery of the financial services industry, *Mr. Fisher said that financial services professionals must lead with innovations that are good for consumers. He also said it is vital that the industry monitor itself, that there always be a sense of Am I Doing the Right Thing? driving any decision that is made.*

When an audience member asked how Mr. Fisher maintains very high client retention at Fisher Investments despite the firm's unusual sales-oriented structure, *Mr. Fisher explained the value of binding both employees & clients to his firm. In binding employees to his firm, Mr. Fisher discussed the necessity of each employee having a breadth & depth of experience in order for promotion. In binding clients to his firm, Mr. Fisher discussed the importance of frequent client interactions and specifically about managing client expectations. He said that both considerations are important to maintaining a robust business.*

Tiburon CEO Summit XVII was held on October 7-8, 2009 at the Ritz Carlton Hotel in San Francisco, CA. Tiburon CEO Summit XVIII will be held April 14-15, 2010 at the Ritz Carlton Hotel in New York, NY. To learn more about this unique forum for debate & networking among financial services CEOs, go to www.TiburonAdvisors.com, or if you are a qualified Tiburon client and would like to attend the upcoming Tiburon CEO Summit XVIII, please contact Tiburon Managing Principal Chip Roame directly. Contact information can be found at www.TiburonAdvisors.com.

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Tiburon CEO Summit XIV: Chip Roame: “The News is Noise”

April 15, 2008

Tiburon Strategic Advisors held its CEO Summit XIV conference on April 11-12. This event attracts approximately 150 attendees, most of whom are CEOs or senior operating officers from mutual fund, financial advisory, brokerage and custodial firms. It was held in New York for the first time, after being held in prior years in San Francisco.

Chip Roame, Tiburon’s Managing Principal, delivered the opening keynote presentation, and offered Tiburon’s assessment of important events and trends in the financial services industry:

- Roame characterized the significant events of the last year, including sub-prime write-offs, Bear Stearns, sovereign wealth funds, Wall Street layoffs, and the collapse of the private equity industry as “noise.” The significant, lasting event of the prior year is the impact of declining real estate values on baby boomer liquefaction and retirement strategies.
- The decline in housing prices presents a significant challenge to the way in which baby boomers have “saved” for retirement. Baby boomers have saved for their retirements by assuming that they would liquefy the equity in their houses, and declining home values demonstrates that “this strategy is not working any more,” says Roame.
- Only 21% of baby boomers over age 55 have investable assets greater than \$100,000. Consumer household personal savings has been negative for the last three years (-\$34.8Bn in 2005, -\$96.4Bn in 2006, and -\$82.3Bn in 2007), after having been in excess of \$130Bn for the four years starting in 2001. Only 2% of baby boomers will inherit greater than \$100,000.
- The challenge facing baby boomers is compounded by increasing life expectancy. The average American lives to 77.5 but, as Roame notes “this really doesn’t matter – what matters is when you retire.” The life expectancy of someone reaching age 65 is now 87, and this is the metric against which the retirement industry must plan.
- For 90% of the households, health care and retirement savings are the twin challenges,” says Roame, adding “only 10% of households are focused on charitable giving.”



- “The next wave of investors is the retiring baby boomers, and many will not have investment experience,” says Roame, adding “they may be uninformed and will be influenced by brand names.” The challenge for the independent industry is to achieve differentiation against the wirehouse and commercial banking segments.
- Roame predicted continued, significant sub-prime-related write-offs from the financial services industry, and cited flawed compensation systems as an underlying cause. Roame said, “I am afraid the investment banking compensation system incents executives to take extreme risks (moral hazard). Just think back to the bonuses in the good years; do they give those back? Then why not take another big risk?”
- The total amount of investable assets held by consumer households is now \$22.8 trillion, of which \$13 trillion is held in retirement accounts. Since this represents the market size of the financial services industry, Roame notes that no single player has significant market share. Financial services is a fragmented industry, and even the largest players have market shares less than 2%.
- The mutual fund industry, with assets close to \$11 trillion, dwarfs all other investment products. “The mutual fund industry will be here for a long time,” says Roame, in response to those that forecast its demise. Although some products, such as ETFs, are experiencing significant growth in percentage terms, they are a long way from catching the mutual fund industry in absolute terms. The inflexion point for mutual fund growth was when they penetrated 401(k) accounts, and it will take a development of similar magnitude to accelerate the ETF markets.
- Roame is a “naysayer” on target date funds. He believes these funds are being misused, as retirees are holding additional funds (primarily equity funds), resulting in sub-optimal overall asset allocations. He said target date funds “are a nice idea, but they are not being used correctly.”
- Packaged fee accounts have grown substantially over the past eight years, to \$1.5 trillion in assets. Roame forecasts these becoming increasingly popular as baby boomers retire and liquefy their assets into these accounts.
- Roame pegged the U.S. hedge fund industry at \$1.9 trillion, larger than the ETF and SMA markets combined. “Hedge funds are by far the most profitable segment of the industry, making more than the rest of the



industry added together,” says Roame, although this was qualified by the fact that much of this profit is in the form of carried interest.

- There are approximately 400,000 financial advisors in the U.S. today, divided roughly equally across four segments: 22% are independent reps, 22% are bank brokers and trust officers, 23% are wirehouse and brokerage representatives, and 23% are life and property & casualty agents. Only 8% (30,024) are partners at fee-only financial advisory firms, although this segment has had the highest growth rate in AUM (18% annually over the last 12 years) of any channel. The final 2% are discount broker and mutual fund representatives. There are no significant flows, when measured by numbers of people, between these channels. However, when measured by AUM, there may be significant flows from captive to independent and fee-only channels, as those reps that do move may bring with them disproportionately larger assets.
- The advisory business is highly competitive, particularly with respect to the larger and more profitable accounts. 400,000 advisors are competing for the business of approximately 117 million households (an average of 300 households per advisor). These households have average investable assets of \$210,000, but the median investable assets are only \$8,100. Advisors are competing for the business of only the top 10% or 20% of households, or between 10 and 30 million households, which works out to only 50 accounts per advisor.

We will provide additional coverage of the Tiburon conference in next week's issue.

Our Analysis

Roame's characterization of the past year's events as "noise," with effects limited to the liquefaction of baby boomer retirement assets, understates the scope of the sub-prime crisis. Roame's assessment will be correct if there are no further significant declines in housing prices, the equity markets have already discounted most of the bad news, and we undergo an eight month recession, similar to the prior two recessions. However, as we have noted in prior [analyses](#), we believe the sub-prime crisis has the potential to be far more extensive than prior crises faced by the US markets, and we are not convinced future bad news (which Roame agrees is forthcoming) is fully discounted by the markets. Housing prices could decline by another 30% (see graph on this [page](#)) and evidence from other countries (see our [article](#) on this subject) suggests a two- or three-year recession. A prolonged recession, combined with current low interest rates and further declines in housing prices and equity markets, will



affect more than just baby boomer retirement assets. Retirees at or near the de-accumulation phase will see an immediate impact, and Gen-x and Gen-y investors will suffer significant erosion in their retirement assets. This is more than just “noise.”

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Charles "Chip" Roame's high-caliber attendees and the longevity of the Tiburon CEO Summit are making it a new standard of smaller event.

Two upcoming elite industry summits promise elbow rubbing and brainstorming par excellence

Brian Hamburger is gaining momentum with his MarketCounsel events in the wake of Chip Roame's long-term success

12h 42min ago by **Brooke Southall**

Brooke's Note: In recent months I have written about various intimate, elite national advisor conferences held by Barron's, Fidelity, Schwab and TD Ameritrade. Over the years I have also attended several Tiburon CEO Summits. All these select [but wide-drawing] events seem to share a common denominator — gushing enthusiasm from the participants. Small local events hazard feeling like a gathering of the Rotary Club. And big, national extravaganzas sometimes deliver more sensory overload and bewilderment than they are worth. The rise of national-

but-intimate events appears to be a gathering trend and this article is about two upcoming conventions: the long-established Tiburon CEO Summit, and a more nascent one produced by MarketCounsel that is rapidly growing in size and prominence.

Two small advisory conferences are expecting to hit attendance records this fall, helping to confirm a trend toward smaller conferences in the industry. Organizers of both a MarketCounsel conference, scheduled for Las Vegas Nov. 17-19 at the RedRock Resort and Casino, and a Tiburon [Calif.] Strategic Advisors conference, scheduled the Ritz Carlton in San Francisco on Oct. 6-7, say they are likely to have 150 attendees.

Among the speakers on tap for the Tiburon CEO Summit are: Judy Barber, CEO of Family Money Consultants, Ron Carson, LPL's top producer and Dale Brown, CEO of the Financial Services Institute.

Barber of San Francisco

Barber is San Francisco-based consultant who mediates on matters of sudden and diminished wealth and mediates among family members regarding shared wealth. For more on Carson's businesses, see: [The top LPL producer has a second RIA-related company that could eclipse the stature of the first one](#) For more on Brown's views, [Debate continues: Fiduciary standard no panacea](#).

Those lined up for the MarketCounsel conference include Michael Durbin, president of Fidelity Institutional Wealth Services, and Bill Crager, president of Envestnet. MarketCounsel is based in Englewood, N.J.

Durbin is expected to speak about the state of the advisory industry. Considering that his company has is trying to reinvent itself on a big scale on three parallel tracks, Durbin is likely to bring good perspective. Fidelity is radically

9/7/2010

Two upcoming elite industry summits p...

revamping its service from a silo-ed call-center approach to one of clusters. See: [Fidelity plows ahead in the RIA business with overhauls of service, technology and management](#)

Fidelity also continues to work on WealthCentral, a technology platform that Fidelity has spent heavily on, and, though it has abandoned its HybridOne brand, it is still working hard to compete with Pershing's NetX360, a hybrid platform. See: [Fidelity wins converts to WealthCentral, but most of its advisors have yet to make the switch](#)

Crager's speaking topic isn't set yet but Envestnet sits at the intersection of much that is interesting about the advisory industry.

The company not only completed an IPO this summer [showing what investment bankers think of the RIA business] but it's shifting its growth emphasis from IBD reps to RIAs. With concerns for both efficiency and fiduciary care on the rise, this company's scale, capitalization and ability to simplify and advisors life makes what Crager has to say potentially very interesting. See: [10 reasons why the Envestnet IPO filing is for real](#)

Full disclosure: I will be attending the MarketCounsel event and may help to moderate a panel.

Smaller events seem to be booming because of advisors' Goldilocks-style need to find an event that is not too large and not too small to network with their geographically fragmented peer group. Of course, both the MarketCounsel and Tiburon events are evolving in the shadow of the industry's biggest show, Schwab IMPACT 2010, which will be held at the Boston Convention and Exhibition Center Oct. 26-29. It will feature an appearance by Henry M. Paulson Jr, former U.S. Treasury Secretary, who will give an insider's account of the 2008 financial crisis.

Neither the Tiburon nor the MarketCounsel conference is, on its own, a money-maker for the respective firms. Tiburon has no admission fee but attendees must be active clients and receive an invitation.

"I think of the CEO Summits more as our reward to our clients, a way to keep them up to date on Tiburon research findings, and frankly to help them network amongst themselves, as they are a unique high-end cross-silo group," Roame says.

He adds: "Selfishly for me, it allows me to see many clients in an efficient way, which saves me from later traveling to many client sites when we are doing client projects. In other words, the phone later becomes the medium because the relationships are built over the years already."

There's another benefit to organizing a conference, adds Brian Hamburger, founder and managing director of MarketCounsel.

"We can literally set the agenda," he says.

MarketCounsel is also by invitation only but this year it's opening the registration to non-clients at a higher attendance fee. MarketCounsel did not disclose the fee.

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Set the agenda

In each case, the conferences are being run by consultants with followings in the industry. Roame, a former McKinsey consultant, has corporate strategy as a core competency. Hamburger, also proprietor of The Hamburger Law Firm, leverages his knowledge of legal and compliance issues.

Heading into its 10th year, Tiburon's 19th semi-annual conference continues to grow in size and firepower. It had 133 attendees confirmed on Friday with final numbers predicted to swell to about 150. Last year, Charles "Chuck" Schwab attended to receive an award.



Brian Hamburger: We can literally set the agenda.

Roame's mission is to bring together the CEOs from different, related industries – banks, insurance companies, IBDs, wirehouses and RIA custodians – and have them learn from each other. The idea is that they're all delivering financial advice and there should be cross-pollination across the divides of their industry channels, Roame has said at previous conferences.

The Tiburon CEO Summit rotates each six months between the Ritz-Carlton near Wall Street in New York and the Ritz in San Francisco.

MarketCounsel

This is the third year of MarketCounsel's event. The firm expects to triple the size [about 50 people] of its first event in 2008. Along with Durbin and Crager, other speakers will include: Scott Welch, co-founder and senior managing director of Fortigent, David Tittsworth, executive director of the Investment Adviser Association and Marilyn Mohrmann-Gillis, the CFP Board's managing director of public policy.

Hamburger's aim is to bring together disparate elements from the independent advisory realm.

In its narrowest sense, MarketCounsel is a compliance consultancy, but its practice and its conference are rapidly changing to meet new demands that the industry is placing on it.

"Compliance is not a module of these companies; it's woven into all the applications of the company," Hamburger says.

Reflecting that change at the MarketCounsel event, Paul Lally, president of Gladstone Associate LLC will speak about succession planning; David G. DeVoe, director of mergers and acquisitions in the strategic client group, will talk about what a firm is worth, and John Furey, principal of Advisor Growth Strategies, will moderate a panel related to bringing new advisors aboard a practice.

Avoiding repetition

Last year's emphasis on rollups will deliberately not be repeated this year. Avoiding the repetition helps to keep things fresh, according to Hamburger.

This is the third year of MarketCounsel's event and the 150 attendees triples the size of its inaugural 2008 event. It

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Two upcoming elite industry summits p...

was held in Princeton, N.J. last year in, ironically, a former training facility for Merrill Lynch brokers. [Merger and breakaway experts convene near Princeton at old Merrill Lynch lair](#) This year it's in Las Vegas. Hamburgers said he chose the casino capital precisely because so few financial conferences have been held there in recent years.

"It's a shift of the pendulum bringing the conference out there," he says.

Articles about other 'elite' conferences:

[Enthusiasm simmers in the wake of the by-invite-only Barron's Top 100 conference](#)

[TD Ameritrade is pulling out the stops for 100 advisors in Laguna Beach](#)

[A glimpse inside Schwab's EXPLORE conference](#)

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Article

‘Time for Something Real’ at the Wirehouses, Says Industry Consultant

Tiburon Strategic Advisors' Chip Roame shares his views on what BofA Merrill, Morgan Stanley Smith Barney, Wells Fargo - Wachovia and UBS need to do to win more clients and more advisors.

BY JANET P. LEVAUX

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Tiburon Strategic Advisors, led by Chip Roame, just wrapped up its 17th semi-annual Tiburon CEO Summit in mid-October in San Francisco. (It will host its 18th semi-annual event in April 2010 in New York).

This year, rather than give an overview on industry trends, Roame's group recognized two industry players as part of its inaugural Tiburon CEO Summit Awards. After the event, the consultant spoke with *Research* about these awards and trends affecting the wirehouse firms today.

Why did Tiburon start giving awards?

Awards given at the conference were based on two themes that I've held close to my heart for a while and have tried to promote at the CEO summits since the beginning.

The awards were based on the logic I believed in when I started Tiburon more than 10 years ago: the brokerage and investments industry, going back 100 years or more, has a history of building products and selling them. The history is not based on interviewing consumers to see what they want that most addresses their needs.

This summit focuses on consumers, includes a consumer panel and strives to get everyone in the industry focused on consumers and their needs. The award to Charles Schwab says that the company focuses on consumers, that it does lots of research and builds consumer-friendly products.

The award to Ken Fisher recognized his challenging of conventional wisdom. This industry can get caught up in myths, theories or data sets. I try to challenge such theories and so does Ken. Everything he does shouldn't work according to conventional wisdom, like his mailings, his 1-800-numbers and his use of professional sales staff.

What do you make of the so-called movement of brokers from the wirehouses (or the captive model) over to the independent model?

The wirehouses have 90,000-plus brokers. A big flow of them could be, say, 10 percent or 9,000. But that is not what is happening today. We saw about roughly 650 go independent in 2008, or about 1 percent.

Of course, recipients of this 1 percent are very pleased. It's a great trend for them.

But this doesn't mean that every wirehouse broker is going independent. Yes, some big, successful brokers are going independent. It is not decimating the wirehouses; that is taking it too far.

Can leaders like Sallie Krawcheck at Merrill, and perhaps Bob McCann at UBS, rebuild the wirehouse brands?

They have certain capabilities, skill sets, brands and other qualities that could allow them to win right now. To say that the wirehouse model or the captive model is the future is taking it too far, I'd say.

But they do have a great brand and a lot of productive brokers who, frankly, don't want to go independent. They have a lot working for them.

Culturally, though, they are getting it all wrong. They are trying to maintain control and haven't grasped yet that consumers are free agents, and brokers are, too. So, if you create the best environment for those brokers and their clients, you will win.

The vast majority of brokers do not want to go independent. Again, if you can create the right environment for them, you will win.

Leaders like Sallie Krawcheck and Bob McCann can still win. They can retain all their brokers, grow their firms and be fabulously successful wirehouses.

But will they? I need to see some proof that someone actually gets this (i.e., the need to create the right environment for both brokers and clients). I don't see anyone doing so right now. I see them maintaining the old ways. And the old way is gone; it's time to move on.

The reason there is a flow away from the wirehouses is that they don't get this, and that's been the case for a decade or so. Thus, the independent channel has emerged because of this.

Still, it doesn't mean the new leaders don't have a chance. They do. But they have to do more than make pronouncements. It's time to do something real.

Is this the situation for the four remaining wirehouses?

This is generally true for all four wirehouse firms, Merrill Lynch, UBS, Wells Fargo and Morgan Stanley.

Now, Morgan Stanley has done some interesting things, by lifting out the Smith Barney business and betting on James Gorman. This sends the message that, "We are the home for brokers who want to work in an investment-banking setting."

This is not necessarily enough, but it is admirable and clearly says who they are.

What are the major issues or trends that will affect the future of the wirehouses?

The first is does this flow to independence gain momentum? In other words, for the wirehouses, the question to ask is, are those advisors and assets that you've lost influencing a whole generation, a whole group that looks up to those going independent?

Your problem is not that there are a few horses out of the stable but that these horses are being watched by all the ponies.

Second, are the wirehouses done sorting themselves out culturally? Are they settled? If not, they need to be settled in a few months, not a few years. If a firm feels like it's in play, then you have to wonder. That's like walking on eggshells for an advisor.

Third, will any of them really innovate? For instance, will they make themselves fully transparent to their clients and will they be seamless in giving advisors a truly independent option. I believe that regardless of what the SEC says, for instance, all brokers should be treated as fiduciaries. Will any of the firms take this step before they are required to? If I were an advisor, I'd be impressed by the firm that takes the bold step towards consumer orientation.



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Tiburon CEO Summit XIX was held October 6-7, 2010 in San Francisco, CA, at the Ritz-Carlton Hotel.

Tiburon would like to thank these outstanding speakers for their dynamic presentations:

Judy Barber (CEO, Family Money Consultants)	Ron Carson (CEO, Carson Wealth Management Group)	Jeff Maggioncalda (CEO, Financial Engines)	Don Phillips Award Recipient (President, Fund Research, Morningstar)	Mark Yusko (CEO, Morgan Creek Capital Management)
Dale Brown (CEO, Financial Services Institute)	Harold Evensky (President, Evensky & Katz)	Joe Mansueto Award Recipient (CEO, Morningstar)	Meir Statman (Professor, Santa Clara University)	

Tiburon is proud that over 120 C-level clients took time out to attend:

Chip Roame (Managing Principal, Tiburon Strategic Advisors); Gurinder Ahluwalia (CEO, Genworth Financial Wealth Management); Mike Apker (Business Head, Reporting & Data Aggregation Services, Envestnet Asset Management); Chuck Baldiswieler (CEO, TCW Funds); Judy Barber (CEO, Family Money Consultants); Tony Batman (CEO, 1st Global Capital Corporation); Dave Baum (Partner, Alston & Bird); Jordan Berlin (Senior Managing Director, Advanced Equities Financial Corporation); Tom Bradley (President, TD Ameritrade Institutional Services); Dale Brown (CEO, Financial Services Institute); David Brown (Partner, Alston & Bird); Sal Capizzi (Chief Sales & Marketing Officer, Dunham & Associates Investment Counsel); Mitch Caplan (CEO, Jefferson National Financial); Ron Carson (CEO, Carson Wealth Management Group); Peng Chen (President, Ibbotson Associates); Bernie Clark (Executive Vice President, The Charles Schwab Corporation); Dennis Clark (President, Advisor Partners); Eric Clarke (President, Orion Advisor Services); Todd Clarke (President, CLS Investments); Craig Cloyed (President, Calvert Distributors); Steve Cohen (Chief Strategy Officer, Pro Funds Group); Ron Cordes (Co-Chairman, Genworth Financial Wealth Management); Trish Cox (Business Head, Corporate Brokerage Services Division, The Charles Schwab Corporation); Bill Crager (President, Envestnet Asset Management); Peter Crenier (Business Head, Information Systems, Fiserv Corporation); Ben Cukier (Partner, FTV Capital); Jeff Cusack (President, Forward Management); Pete D'Arrigo (Chief Financial Officer, Envestnet Asset Management); Todd David (Partner, Alston & Bird); Dick Davies (Senior Managing Director, Alliance Bernstein); Jeffrey Dunham (CEO, Dunham & Associates Investment Counsel); Steve Dunlap (President, Pershing Managed Account Solutions); Mike Durbin (President, Fidelity Institutional Wealth Services); Ric Edeiman (CEO, Edelman Financial Services); Cynthia Egan (President, Retirement Plan Services, T. 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