

Dear Sirs and Madams:

(We are / I am) considering hiring (your firm) to assist (us / me) in managing (our / my) investment accounts. (We / I) have the following questions that (we / I) would like answered in writing. (Our / My) goal is to evaluate your clients' actual long term (at least 10 year) performance outcomes in the following categories: group, individual and as different "risk" groups.

1. Has anyone in your firm ever been involved in insider trading, front running, receiving kickbacks or taking commissions for placing investments? Please understand, if your company is involved in receiving commissions or can participate in receiving commissions that does not necessarily mean we will disqualify your firm from our search.
2. Was your firm or anyone in your firm ever fined (or through an arbitration process), been required to pay for breach of fiduciary duty, self-dealing or excessive commissions (churning)?
3. When you show performance, is it with actual performance for all clients you have or have had /2 or is it someone else's performance that your firm is now endorsing? What actual client outcomes over the past 1, 3, 5, and 10 year periods have your clients had as a result of your investment advice?
4. So (we / I) can get an idea of your investing style, can you show (us / me) your year end asset allocation for 1996, 1999, 2000, 2001 and 2006? For example, what percentage of all clients' holdings were in US stocks, global stocks, convertible bonds, government bonds, preferred stocks / corporates, etc.?
5. What was your company's worst 12-month period for each client investment group's style over the past 10 years? \*(We are / I am) assuming that you rank clients by some form of "risk" assessment such as income, capital preservation, balanced, growth, etc.
6. Does your firm manage any ETF's, mutual fund or annuity accounts that have fees or commissions layered over your fees? Does your firm manage mutual funds that pay sales commission loads to you, your company, brokers or charge 12(B)1 fees to your clients also?

Note: If you work as an "advisor" who picks managers or funds, please give this performance information even if those who managed these portfolios or the firms or funds you previously used are no longer part of your or your firm's current strategy. If you used or use "outside" managers or mutual funds but "no longer" do so, that is fine; however, please provide the actual performance of your clients. (We / I) wish to evaluate your client outcomes because (we are / I am) looking for a firm to guide (our/my) investments and (our/my) investment policy and help (us / me) manage risk. (We / I) want to know how your clients' (as a range, by risk and collectively) actual investment accounts have performed over the past 1, 3, 5, 10 years etc. Please provide net returns after all fees, commissions and expenses. This information can be provided in a format based on different risk categories but needs to be complete for all categories.

7. Please give us data on all accounts, your higher risk accounts and lower risk accounts, combined and separated, using the system that your firm uses to differentiate between these accounts. For example your categories might be similar to the following: accounts with approximately 35% value at risk (VAR), 25% VAR, 15% VAR and all accounts. These numbers do not need to be audited, but should have the back up data to support your statistics and be, in your opinion as a fiduciary and advisor, representative of all your clients' actual experience.
8. (We / I) also have some questions regarding your firm and its culture. Please answer the following questions. A simple "yes" or "no" is adequate.
  - a) Are you and your firm fee only – all the time? b) Have you and your firm always been fee only? c) Is your firm audited annually by an independent CPA firm? d) Do you or any of your employees have any outside business interests that could pay you commissions? e) Do you or does your company have any performance sharing relationships?
9. It is not necessary to answer the following questions; however, we are/ I am curious as to your thoughts or corporate policies regarding the following:
  - a) Does your company, as a policy, avoid investing in companies that, for example, manufacture cigarettes, produce pornography, or create products that are harmful to society and their customers, or are your investment policy values neutral? b) Do you avoid investing in companies whose current management has a history of dishonest, misleading, or unethical behavior, or is this not a consideration in your investment analysis?
10. Please forward the following information:
  - a) Marketing materials which include your investment team members' qualifications experience and service time with your firm b) Your firm's investment philosophy, values statement, mission statement, etc. for review.
11. (We / I) would like to know if your firm team manages accounts or if (our / my) portfolio is tied to a specific manager.
12. (We / I) would like to know if you believe that indexing, passive investing or benchmark oriented portfolio construction is superior to an active, globally oriented, go anywhere to invest, total return, price matters strategy implemented by seasoned, experienced managers with a long term track record of success. Please explain.
13. Would you please add the following text to your signed reply to this inquiry:

I believe that my firm and I have the skills, education, experience and training to guide you and your wealth effectively. We have completed the answers to your inquiry to the best of our knowledge completely and accurately. We are fiduciaries and are thus held to the highest standards of proper behavior. We commit to exercise our best efforts to act in good faith and in your best interest. If we become part of any entity that allows me or my

firm to receive any form of commission, financial kick backs, or any direct or indirect form of compensation; I promise to disclose these developments to you in writing. If my company or its principals have any significant issues\* that could impair our ability to effectively, competently and responsibly carry out your fiduciary duty to you, we will disclose that as well. \* Significant issues may be changes in staff, loss of a key employee thru sickness, death, retirement etc. , a change of control, a merger, or sale of our business.

(We / I) realize that (we / I) have asked for a great deal of information and do appreciate your cooperation and confidentiality.

Sincerely,

[name] cc: CPA (if possible); other Advisors (if possible); Lawyer (if possible)