

Products and Services for Investment Management Firms

1. Strategic Consulting – this service provides consulting guidance during the critical planning and development stages of a firm’s growth, transition and succession planning.
2. Communication Consulting – this service provides assistance in developing effective communication materials to ensure the consistency and clarity of investment manager clients’ marketing messages.
3. Product Consulting – this service provides an examination of investment products’ market and demand influences, as well as competitive features, and advises on how to position products to align them with buyers’ needs.
4. Performance Evaluation Program (PEP) – this service provides a flexible PC-based tool to produce performance analysis reports in color.
5. Investment Product Analysis – this service is a quarterly report which provides a comprehensive and comparative review of a product incorporating analysis of performance, portfolio characteristics, product assets, fees and product resources.
6. Style, Trend, Analysis, and Research Report (“STAR”) – this service provides an annual report which quantifies the institutional pool of assets and flows within a style, examines asset concentration and the largest players and identifies top asset gatherers by product size.
7. Callan Investments Institute – The Callan Investments Institute functions as an educational institution servicing organizations (including fund sponsors, investment managers, investment consultants and financial intermediaries) by independently analyzing problems and opportunities in the industry via research communications and conference programs. In addition to conference and workshop participation, client organizations receive research papers, research presentations with talking points, Callan *Insights* (an electronic news service that reports developments within the institutional investment arena), surveys and quarterly performance data produced during the course of a year. Client organizations also receive periodicals including the Capital Markets Newsletter, Callan Letter, Defined Contribution Opinions and Observations newsletter, Alternative Investment Trends newsletter and conference summaries, and have access to the Institute’s library, which features past conference materials and articles via tape and printed media.
8. Center for Investment Training – The Center for Investment Training, also know colloquially as “Callan College”, is an approximately two and one-half day program, offered several times each year and via private label, and is designed to provide investment fiduciaries, their advisors and investment consultants with basic- to intermediate-level of instruction on prudent investment practices. The subjects discussed include fiduciary standards and responsibilities, capital market theory, asset allocation and the writing of investment policy statements, investment manager structure and search, and performance measurement and evaluation.

Fees for Investment Management Organizations:

The fee for the above consulting services varies depending upon the type and complexity of the assignment, with a normal fee range being between \$3,000 and \$300,000 per project service or suite of services (retainer) per year. Callan Investments Institute fees for investment manager clients, at the election of the manager, range from \$16,000 to \$54,000 per organization per year (not per individual)

dependent upon the complexity of the services selected by the client organization. The investment manager "Callan College" registration fees, per session, are \$2,500 per person.

As a very strictly followed policy, Callan does not consider in any way an investment manager's business relationships with Callan, or lack thereof, in performing evaluations for or making recommendations to its other clients. Callan informs its investment manager clients of this strict policy at the start of the relationship and informs all clients of on a routine basis.