



Communicating with Callan

AN OVERVIEW OF CALLAN'S INVESTMENT
MANAGER DUE DILIGENCE AND SEARCH PROCESS,
AND TIPS FOR COMMUNICATING WITH
CALLAN SPECIALTY AND FUND SPONSOR CONSULTANTS

Callan Research

Research is a core competency of our firm and supports every step of the investment process for our clients. Our proprietary Global Manager Research Database is a vital source of data. We work together with investment managers to collect and analyze this information to best serve our fund sponsor clients.

Investment Manager Research

Callan conducts manager due diligence through electronic data collection, communication from investment managers on organizational and product updates, meetings with managers in our offices and on-site visits. Callan's research resources include 26 dedicated asset class professionals averaging 13 years investment experience and nine years at Callan, supported by 22 fund sponsor consultants averaging 19 years of industry experience and 12 years with Callan.

Callan's Global Manager Research Database—one of the largest and most comprehensive in the industry—covers more than 1,200 organizations and 6,000 distinct products. Database inclusion is open to all investment managers at no cost.

The Callan Search Process

Callan's manager search process is disciplined and customized to meet the unique needs of each client. We do not maintain rankings or a buy list. Our process employs a formal peer review committee to ensure our work reflects the best thinking across the firm and leverages the knowledge of both research specialists and fund sponsor consultants.



Communication Tips

Following are communication tips and preferences for working with Callan consultants and investment specialists.

- ✓ Update and review your firm's Investment Manager Questionnaire* at www.callan.com on a quarterly basis for returns, portfolio holdings and product assets. Update organizational and product level information annually or more frequently if a specific request dictates.
- ✓ Communicate organizational and/or product changes directly to the relevant asset class specialists and, in the case of common clients, any fund sponsor consultant(s). Email is generally the preferred method of communication. For more significant changes, please follow up with a phone call.
- ✓ Provide product updates to research specialists. We generally like to meet with investment managers annually, preferably with professionals directly involved with the investment process. Effective meetings are focused to cover a reasonable amount of information in approximately one hour. Please be sure to include the following during the course of the meeting:
 - Organizational highlights.
 - Product developments, including an update on the team, process and performance results and attribution.
 - Common clients.
 - New product development.
- ✓ Market commentary and written performance reviews are useful. Electronic communications can be sent to gmrsearch@callan.com and will be distributed to the relevant asset class specialists and consultants.
- ✓ White papers and industry research can be forwarded to gmrsearch@callan.com for distribution to the appropriate individuals.
- ✓ When using email, a descriptive subject line is preferred for easy archiving. If an attachment or link is included, please provide descriptive text within the body of the email.
- ✓ Communicate the individual(s) responsible for Callan from your organization. If there are multiple points of contact for Callan, please indicate how we should best interact with your firm.

*If your firm is new or has not completed a questionnaire in the past, please contact gmrsearch@callan.com for assistance.

Ranking Best Practices

Following are strategies identified by Callan consultants as general communication best practices that distinguish investment management firms from their peers.

Investment management firms are most effective (8) or least effective (1) when they:

- Are proactive and candid when communicating change.
6.4
- Are prompt in responding to consultant inquiries and providing requested information.
6.1
- Consistently and accurately set expectations.
4.7
- Contact the consultant concurrently when alerting the client of any changes.
4.4
- Have a designated "go to" person who makes sure all inquiries are directed to the right person.
4.2
- Do not try to put a positive "spin" on a problem.
4.1
- Provide consultants with relevant research on timely market topics.
3.7
- Communicate new products to Callan's database and manager research consultants prior to contacting fund sponsor consultants.
3.0

Rank:
8 = most effective
1 = least effective



Callan Research Professionals

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Callan Manager Search Committee Members

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On-site visits at Callan with portfolio managers, product specialists and others involved in the investment process are typically focused on a few relevant topics and last no more than one hour. Email meeting materials to consultants in advance and expect questions on recent performance, organizational updates or other changes.



To organize meetings with consultants at each of our regional offices, please call the number below and ask to speak with the person who coordinates manager meetings.

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