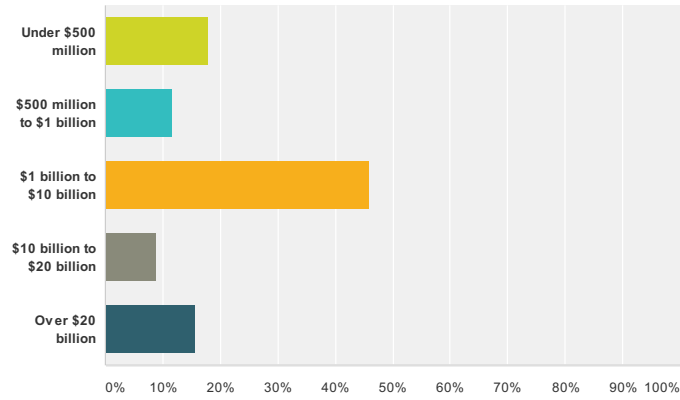


2014 Investment Management Compliance Testing Survey

Q1 What is your firm's total AUM (assets under management)?

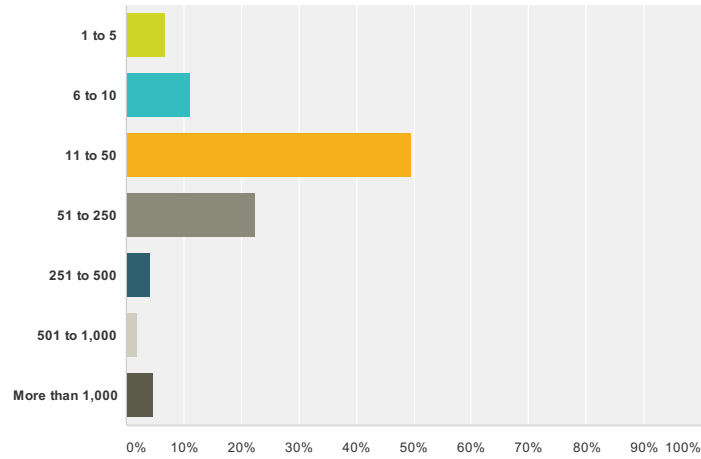
Answered: 362 Skipped: 7



Answer Choices	Responses	
Under \$500 million	17.96%	65
\$500 million to \$1 billion	11.60%	42
\$1 billion to \$10 billion	45.86%	166
\$10 billion to \$20 billion	8.84%	32
Over \$20 billion	15.75%	57
Total		362

Q2 How many full and part time employees does your firm employ?

Answered: 364 Skipped: 5

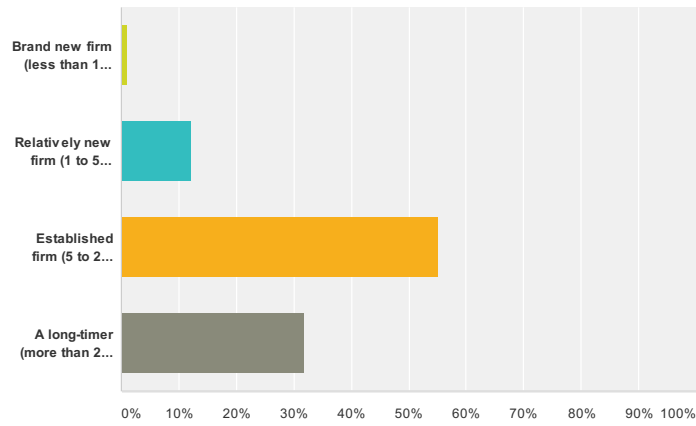


Answer Choices	Responses	
1 to 5	6.59%	24
6 to 10	10.99%	40
11 to 50	49.45%	180
51 to 250	22.25%	81
251 to 500	4.12%	15
501 to 1,000	1.92%	7
More than 1,000	4.67%	17
Total		364

2014 Investment Management Compliance Testing Survey

Q3 How would you describe your firm?

Answered: 363 Skipped: 6

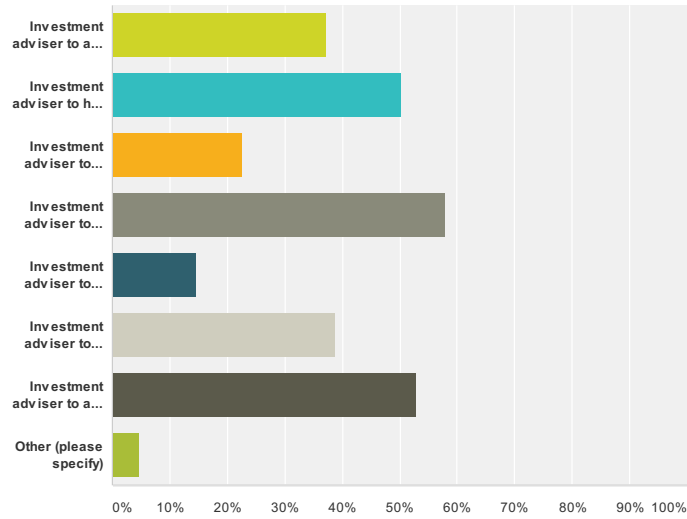


Answer Choices	Responses
Brand new firm (less than 1 year in business)	1.10% 4
Relatively new firm (1 to 5 years in business)	12.12% 44
Established firm (5 to 25 years in business)	55.10% 200
A long-timer (more than 25 years in business)	31.68% 115
Total	363

2014 Investment Management Compliance Testing Survey

Q4 What are the primary services offered at your firm? (check all that apply)

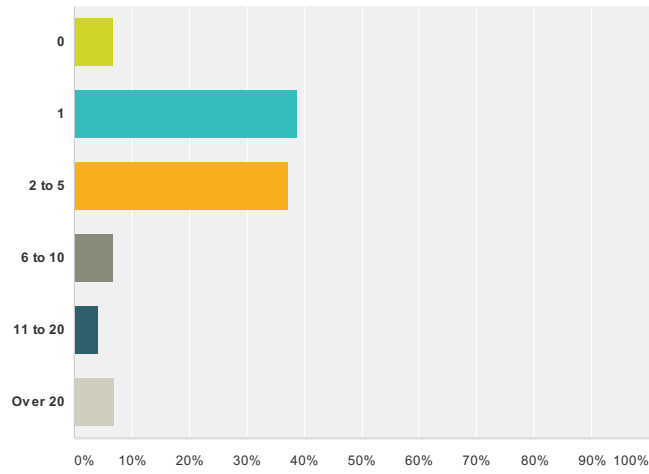
Answered: 365 Skipped: 4



Answer Choices	Responses	Count
Investment adviser to a registered investment company.	37.26%	136
Investment adviser to high net worth individuals (typical account size \$1mm or more).	50.41%	184
Investment adviser to retail individuals (typical account size \$1mm or less).	22.47%	82
Investment adviser to institutional clients.	57.81%	211
Investment adviser to family office.	14.52%	53
Investment adviser to ERISA assets/pension consultant.	38.90%	142
Investment adviser to a private fund (e.g., private partnership, hedge fund, private equity fund).	52.88%	193
Other (please specify)	4.66%	17
Total Respondents: 365		

Q5 How many full time employees are currently employed in your firm's legal and/or compliance departments?

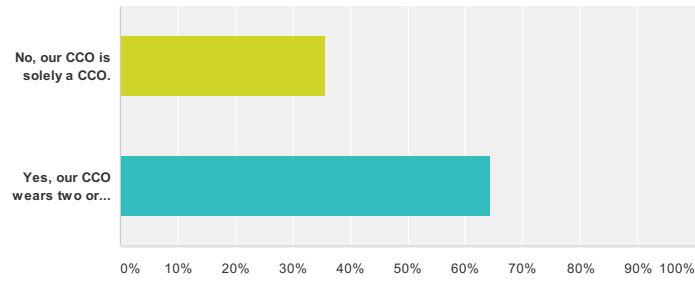
Answered: 364 Skipped: 5



Answer Choices	Responses	
0	6.59%	24
1	38.74%	141
2 to 5	37.09%	135
6 to 10	6.59%	24
11 to 20	4.12%	15
Over 20	6.87%	25
Total		364

Q6 Does your firm's CCO perform non-CCO functions (for example, by also serving as your firm's COO or CFO)?

Answered: 358 Skipped: 11

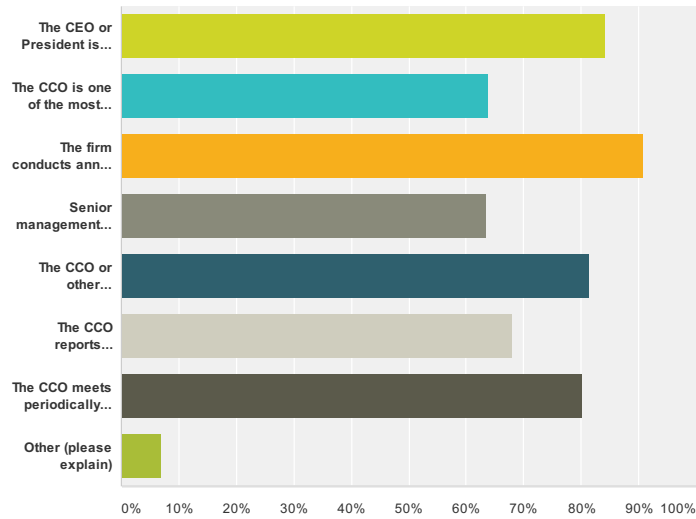


Answer Choices	Responses
No, our CCO is solely a CCO.	35.75% 128
Yes, our CCO wears two or more hats and performs other non-CCO roles.	64.25% 230
Total	358

2014 Investment Management Compliance Testing Survey

Q7 How does your firm demonstrate that you have developed and promote a culture of compliance? (check all that apply)

Answered: 359 Skipped: 10

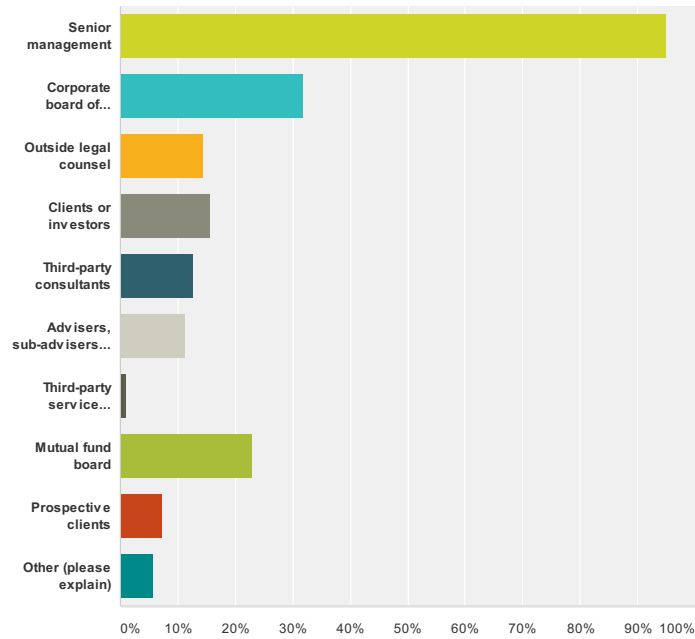


Answer Choices	Responses
The CEO or President is immediately apprised of material compliance issues/breaches.	84.12% 302
The CCO is one of the most senior executives.	63.79% 229
The firm conducts annual (or more frequent) employee compliance training.	90.81% 326
Senior management participates in SEC inspections, such as by participating in the opening interview.	63.51% 228
The CCO or other compliance personnel attend various committee meetings (such as best execution committee meetings).	81.34% 292
The CCO reports directly to the CEO or President.	67.97% 244
The CCO meets periodically with the CEO or President to discuss compliance issues and initiatives.	80.22% 288
Other (please explain)	6.96% 25
Total Respondents: 359	

2014 Investment Management Compliance Testing Survey

Q8 What constituencies receive notification of the results or a copy of any report produced as a result of the annual review? (check all that apply)

Answered: 352 Skipped: 17

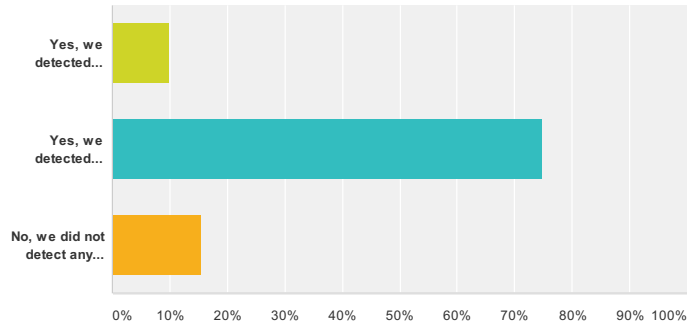


Answer Choices	Responses
Senior management	94.89% 334
Corporate board of directors	31.82% 112
Outside legal counsel	14.49% 51
Clients or investors	15.63% 55
Third-party consultants	12.78% 45
Advisers, sub-advisers, and/or wrap sponsors	11.36% 40
Third-party service providers	1.14% 4
Mutual fund board	23.01% 81
Prospective clients	7.39% 26
Other (please explain)	5.68% 20
Total Respondents: 352	

2014 Investment Management Compliance Testing Survey

Q9 Over the previous year, has your compliance testing detected any issues?

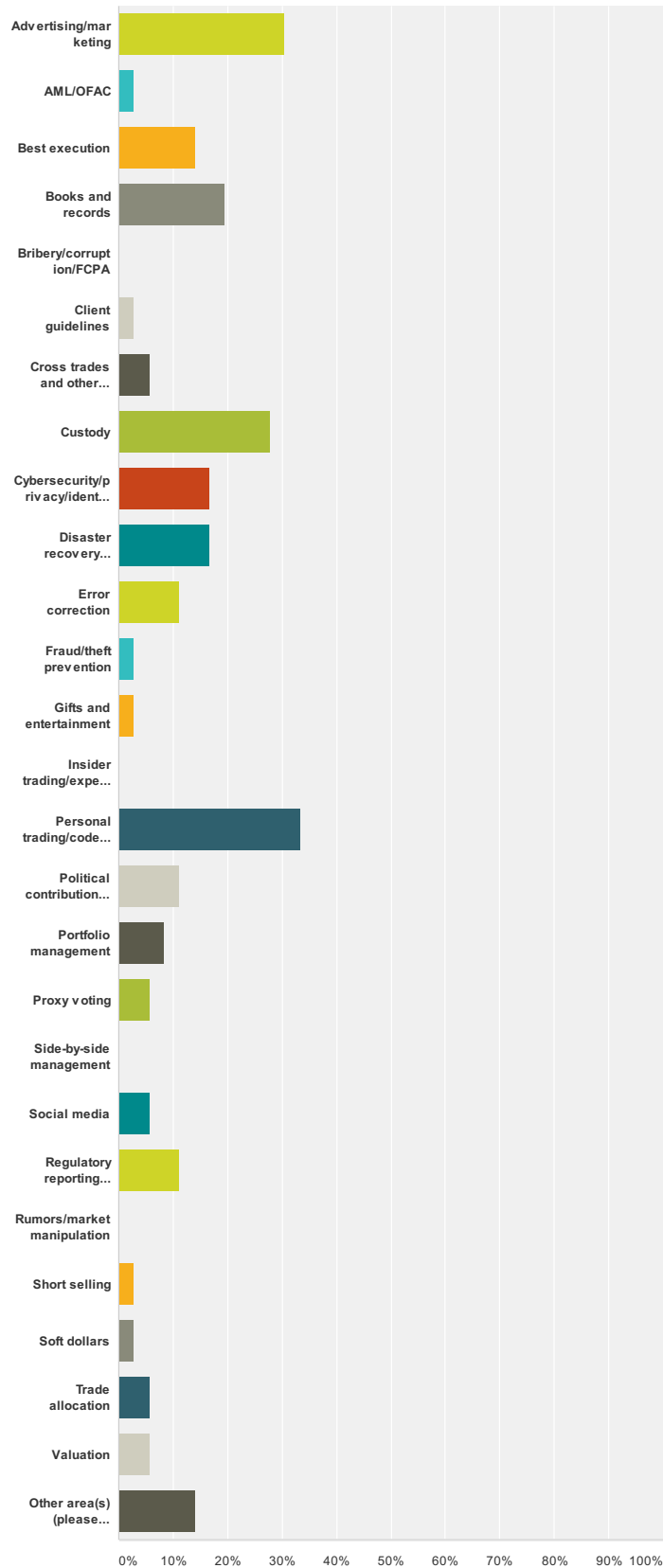
Answered: 355 Skipped: 14



Answer Choices	Responses	Count
Yes, we detected material compliance issues.	9.86%	35
Yes, we detected compliance issues, none of which we deemed to be material.	74.65%	265
No, we did not detect any compliance issues.	15.49%	55
Total		355

Q10 You have indicated that you detected material compliance issues. In which of the following areas have you detected material compliance issues? (check all that apply)

Answered: 36 Skipped: 333



Answer Choices	Responses
Advertising/marketing	30.56% 11

2014 Investment Management Compliance Testing Survey

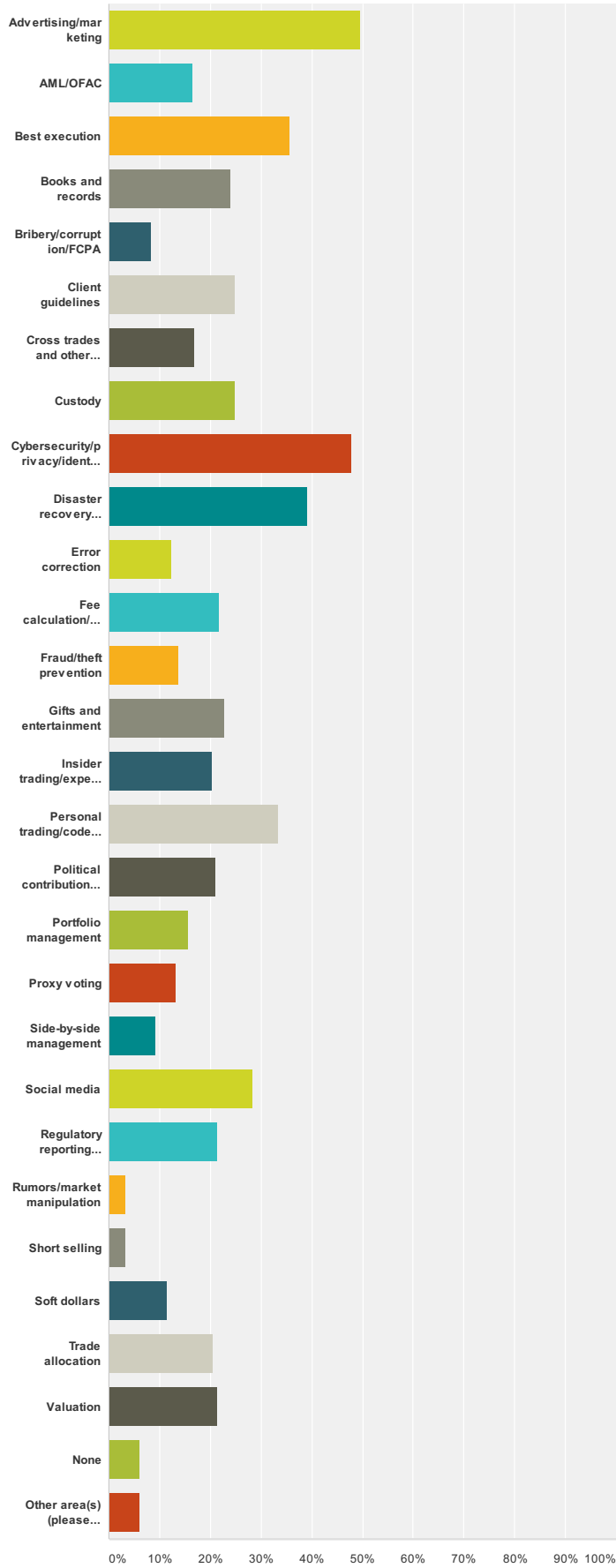
AML/OFAC	2.78%	1
Best execution	13.89%	5
Books and records	19.44%	7
Bribery/corruption/FCPA	0.00%	0
Client guidelines	2.78%	1
Cross trades and other trading issues	5.56%	2
Custody	27.78%	10
Cybersecurity/privacy/identity theft	16.67%	6
Disaster recovery planning	16.67%	6
Error correction	11.11%	4
Fraud/theft prevention	2.78%	1
Gifts and entertainment	2.78%	1
Insider trading/expert networks	0.00%	0
Personal trading/code of ethics	33.33%	12
Political contributions/Pay-to-play	11.11%	4
Portfolio management	8.33%	3
Proxy voting	5.56%	2
Side-by-side management	0.00%	0
Social media	5.56%	2
Regulatory reporting (e.g., Form ADV, Form 13F)	11.11%	4
Rumors/market manipulation	0.00%	0
Short selling	2.78%	1
Soft dollars	2.78%	1
Trade allocation	5.56%	2
Valuation	5.56%	2
Other area(s) (please specify)	13.89%	5
Total Respondents: 36		

2014 Investment Management Compliance Testing Survey

Q11 In which of the following areas have you increased the type, scope, and/or frequency of compliance testing (since January 1, 2013)? (check all that apply)

Answered: 351 Skipped: 18

2014 Investment Management Compliance Testing Survey



Answer Choices	Responses	
Advertising/marketing	49.57%	174
AML/OFAC	16.52%	58
Best execution	35.61%	125

2014 Investment Management Compliance Testing Survey

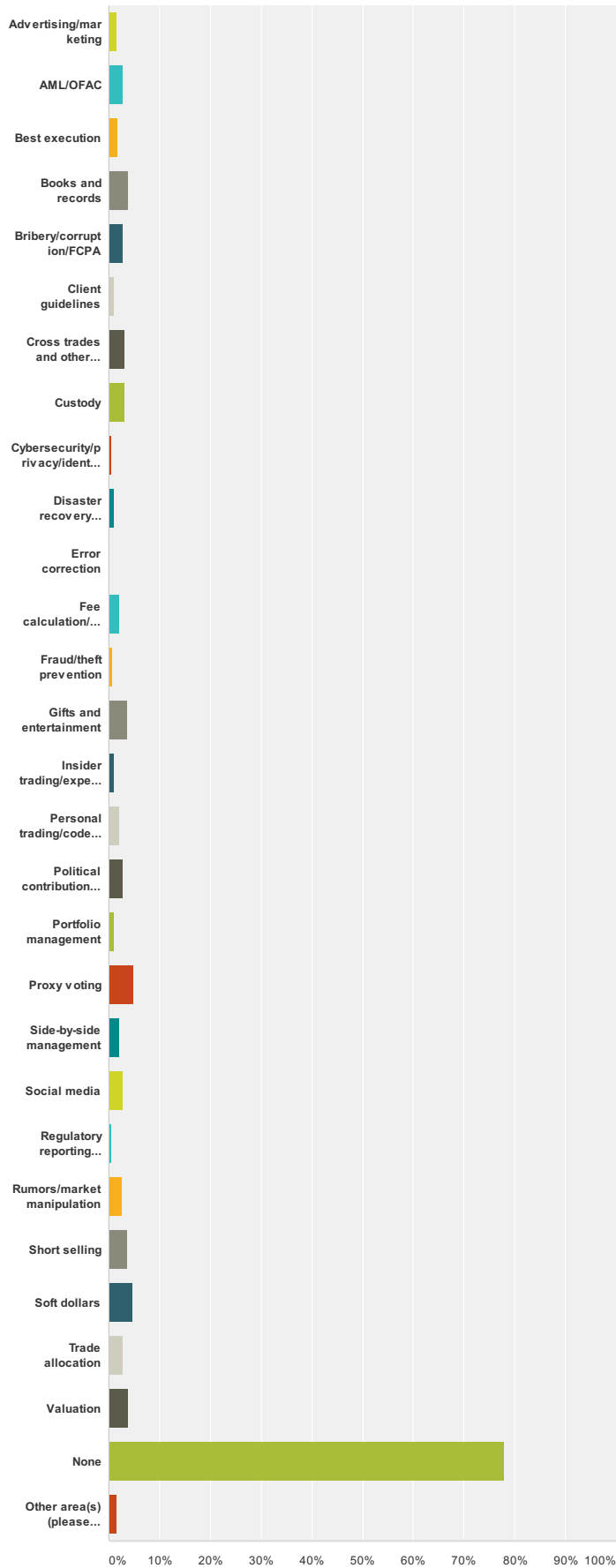
Books and records	23.93%	84
Bribery/corruption/FCPA	8.26%	29
Client guidelines	24.79%	87
Cross trades and other trading issues	16.81%	59
Custody	24.79%	87
Cybersecurity/privacy/identity theft	47.86%	168
Disaster recovery planning	39.03%	137
Error correction	12.25%	43
Fee calculation/billing	21.65%	76
Fraud/theft prevention	13.68%	48
Gifts and entertainment	22.79%	80
Insider trading/expert networks	20.23%	71
Personal trading/code of ethics	33.33%	117
Political contributions/Pay-to-play	21.08%	74
Portfolio management	15.67%	55
Proxy voting	13.11%	46
Side-by-side management	9.12%	32
Social media	28.49%	100
Regulatory reporting (e.g., Form ADV, Form 13F)	21.37%	75
Rumors/market manipulation	3.42%	12
Short selling	3.42%	12
Soft dollars	11.40%	40
Trade allocation	20.51%	72
Valuation	21.37%	75
None	5.98%	21
Other area(s) (please specify)	5.98%	21
Total Respondents: 351		

2014 Investment Management Compliance Testing Survey

Q12 In which of the following areas have you decreased the type, scope, and/or frequency of compliance testing (since January 1, 2013)? (check all that apply)

Answered: 286 Skipped: 83

2014 Investment Management Compliance Testing Survey



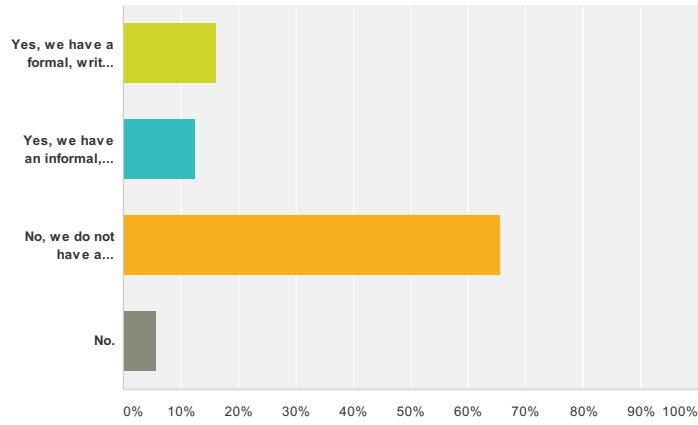
Answer Choices	Responses
Advertising/marketing	1.40% 4
AML/OFAC	2.80% 8
Best execution	1.75% 5

2014 Investment Management Compliance Testing Survey

Books and records	3.85%	11
Bribery/corruption/FCPA	2.80%	8
Client guidelines	1.05%	3
Cross trades and other trading issues	3.15%	9
Custody	3.15%	9
Cybersecurity/privacy/identity theft	0.35%	1
Disaster recovery planning	1.05%	3
Error correction	0.00%	0
Fee calculation/billing	2.10%	6
Fraud/theft prevention	0.70%	2
Gifts and entertainment	3.50%	10
Insider trading/expert networks	1.05%	3
Personal trading/code of ethics	2.10%	6
Political contributions/Pay-to-play	2.80%	8
Portfolio management	1.05%	3
Proxy voting	4.90%	14
Side-by-side management	2.10%	6
Social media	2.80%	8
Regulatory reporting (e.g., Form ADV, Form 13F)	0.35%	1
Rumors/market manipulation	2.45%	7
Short selling	3.50%	10
Soft dollars	4.55%	13
Trade allocation	2.80%	8
Valuation	3.85%	11
None	77.97%	223
Other area(s) (please specify)	1.40%	4
Total Respondents: 286		

Q13 Does your firm have a cybersecurity program?

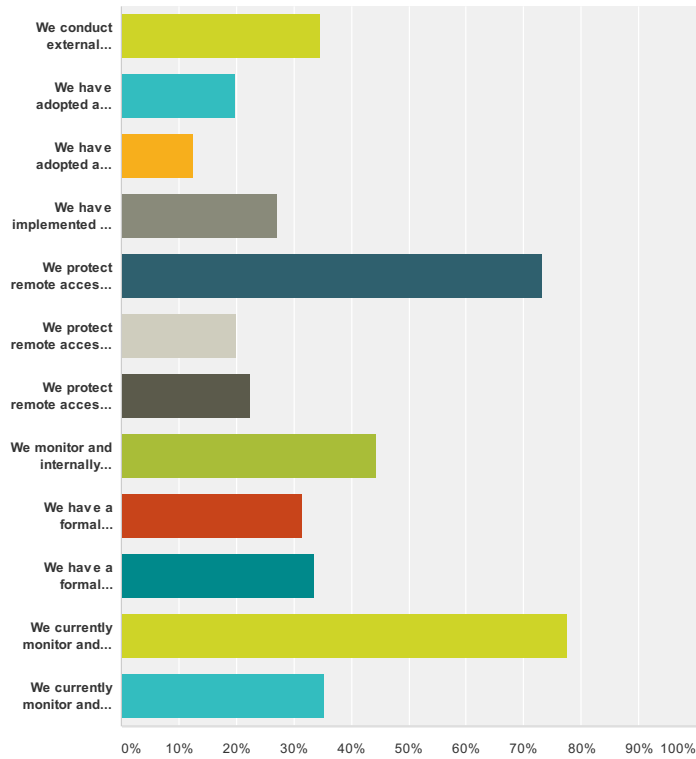
Answered: 349 Skipped: 20



Answer Choices	Responses
Yes, we have a formal, written cybersecurity program.	16.05% 56
Yes, we have an informal, unwritten cybersecurity program.	12.61% 44
No, we do not have a standalone cybersecurity program, but cybersecurity policies and procedures are incorporated into other policies and procedures (e.g., Red Flags Rule/Identity Theft Prevention Program; Privacy Policy).	65.62% 229
No.	5.73% 20
Total	349

Q14 Which of the following cybersecurity practices does your firm implement? (Select the best options that apply)

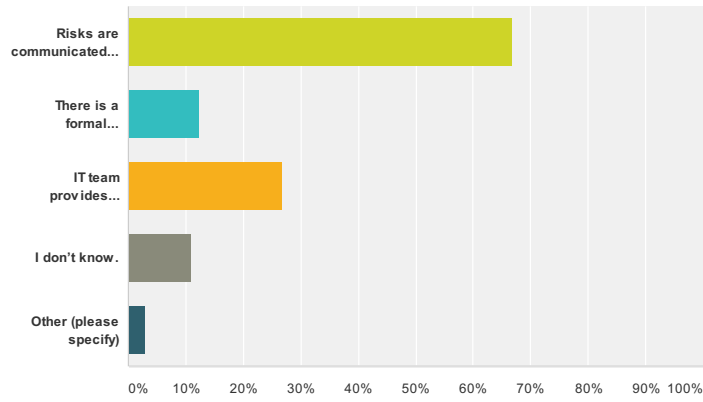
Answered: 318 Skipped: 51



Answer Choices	Responses
We conduct external independent vulnerability reviews/penetration tests.	34.59% 110
We have adopted a formally documented incident response plan with cross functional involvement on material items (i.e., IT, compliance, legal).	19.81% 63
We have adopted a formally documented incident response plan which is IT-centric only.	12.58% 40
We have implemented an informal incident response plan.	27.04% 86
We protect remote access to our systems with user ID and passwords.	73.27% 233
We protect remote access to our systems with user ID and passwords and a second form of authentication in some cases (i.e., token, biometric, etc.).	20.13% 64
We protect remote access to our systems with user ID and password and second form of authentication in all cases.	22.33% 71
We monitor and internally report on vulnerability attempts (i.e., hacking) made against our network to senior management.	44.34% 141
We have a formal intrusion detection/prevention program using software managed by internal IT team.	31.45% 100
We have a formal intrusion detection/prevention program using software and services monitored by external managed service provider.	33.65% 107
We currently monitor and block for malware and explicit content.	77.67% 247
We currently monitor and block restricted business content.	35.22% 112
Total Respondents: 318	

Q15 How does your firm's leadership stay informed about potential and current cyber risks? (check all that apply)

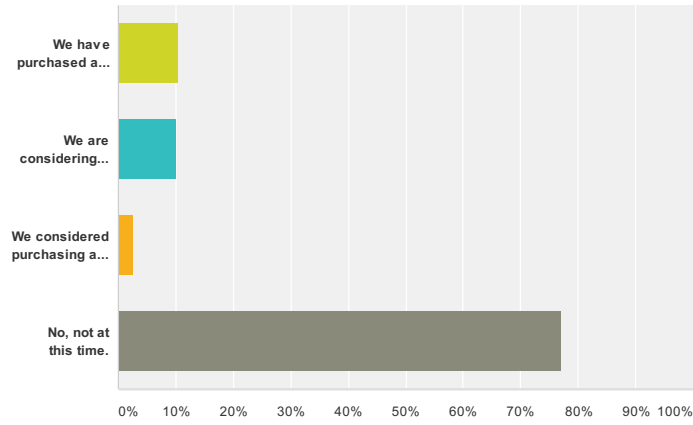
Answered: 332 Skipped: 37



Answer Choices	Responses
Risks are communicated to senior management on an ad hoc basis as they become material.	66.87% 222
There is a formal enterprise risk program in place that includes cyber risk monitoring and immediate escalation to senior management.	12.35% 41
IT team provides specific monitoring and reporting to senior management on a regular basis.	26.81% 89
I don't know.	10.84% 36
Other (please specify)	3.01% 10
Total Respondents: 332	

Q16 Has your firm purchased a specific cyber insurance policy?

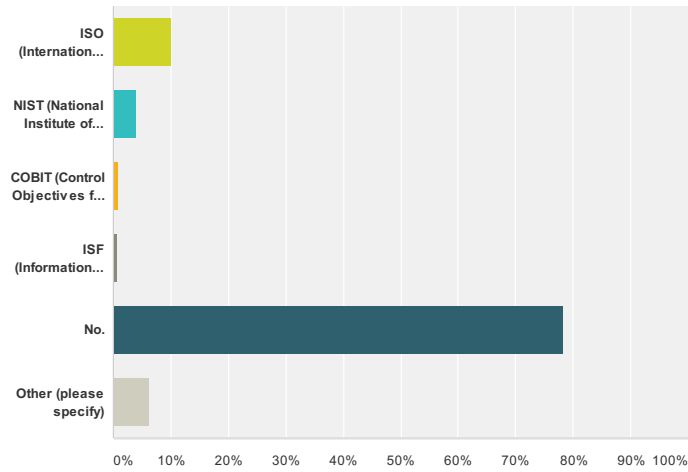
Answered: 326 Skipped: 43



Answer Choices	Responses
We have purchased a cybersecurity insurance policy.	10.43% 34
We are considering purchasing a cybersecurity insurance policy.	10.12% 33
We considered purchasing a cybersecurity insurance policy but opted not to.	2.45% 8
No, not at this time.	76.99% 251
Total	326

Q17 Does your firm benchmark to a specific industry IT security/control framework?

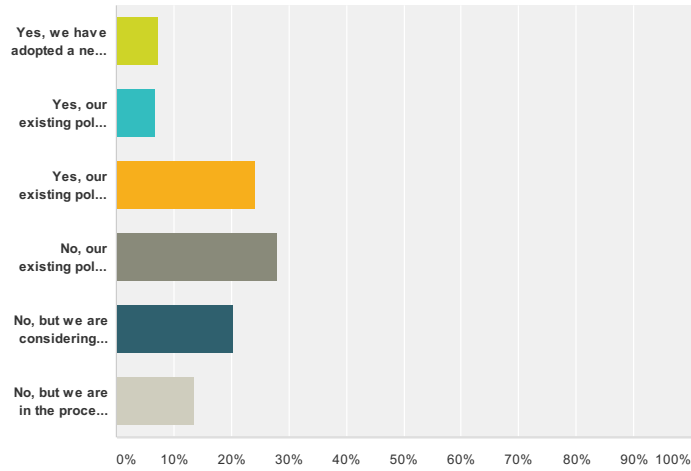
Answered: 321 Skipped: 48



Answer Choices	Responses
ISO (International Organization for Standardization).	9.97% 32
NIST (National Institute of Standards and Technology).	4.05% 13
COBIT (Control Objectives for Information and Related Technology).	0.93% 3
ISF (Information Security Forum).	0.62% 2
No.	78.19% 251
Other (please specify)	6.23% 20
Total	321

Q18 Since January 1, 2013, has your firm's cybersecurity program changed?

Answered: 330 Skipped: 39



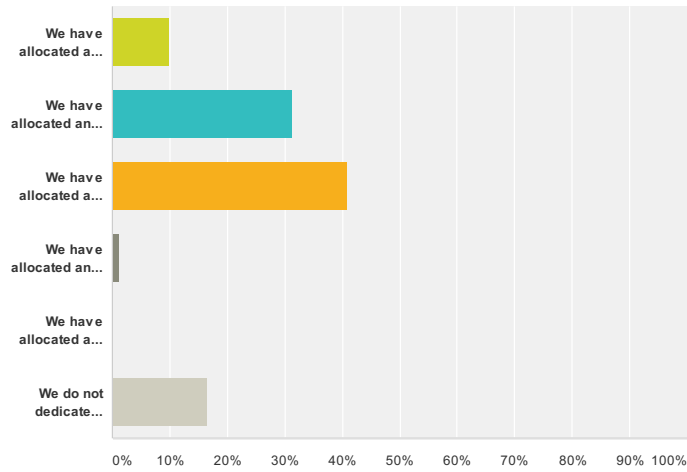
Answer Choices	Responses
Yes, we have adopted a new policy.	7.27% 24
Yes, our existing policy has changed significantly.	6.67% 22
Yes, our existing policy changed slightly.	24.24% 80
No, our existing policy has stayed about the same.	27.88% 92
No, but we are considering instituting a policy.	20.30% 67
No, but we are in the process of instituting a policy.	13.64% 45
Total	330

Q19 You indicated that your firm has significantly changed its cybersecurity program. Please describe. (Note: Your candid, detailed answer to this question will benefit you and your peers. The survey organizers will be selecting the most insightful responses to this question and will share them as part of the final survey.)

Answered: 14 Skipped: 355

Q20 How has your firm's approach towards investing in cybersecurity programs changed since January 1, 2013?

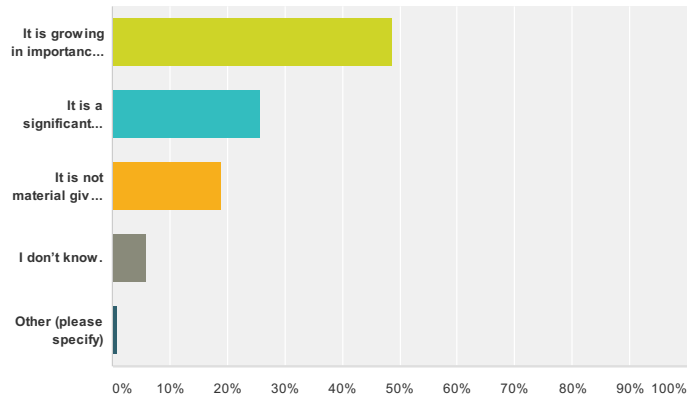
Answered: 323 Skipped: 46



Answer Choices	Responses
We have allocated a significant increase in resources.	9.91% 32
We have allocated an incremental increase in resources.	31.27% 101
We have allocated a similar investment to previous years.	40.87% 132
We have allocated an incremental decrease in resources.	1.24% 4
We have allocated a significant decrease in resources.	0.31% 1
We do not dedicate resources to this area.	16.41% 53
Total	323

Q21 How does your firm currently view cybersecurity risk versus other material risks to your firm?

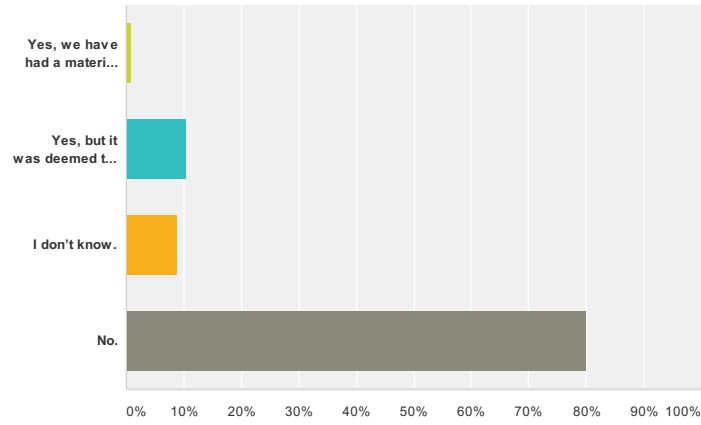
Answered: 327 Skipped: 42



Answer Choices	Responses
It is growing in importance, but other risks (performance, mandate management, operational, etc.) are a higher concern.	48.62% 159
It is a significant risk and priority for our business.	25.69% 84
It is not material given our business model and other risks.	18.96% 62
I don't know.	5.81% 19
Other (please specify)	0.92% 3
Total	327

Q22 Has your firm been a victim of a cyber-breach in the past 18 months?

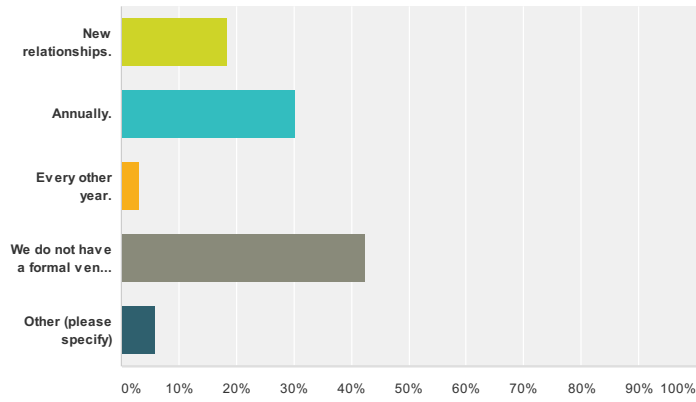
Answered: 329 Skipped: 40



Answer Choices	Responses	
Yes, we have had a material breach.	0.91%	3
Yes, but it was deemed to be immaterial.	10.33%	34
I don't know.	8.81%	29
No.	79.94%	263
Total		329

Q23 How often does your firm conduct due diligence on how your key vendors manage cybersecurity?

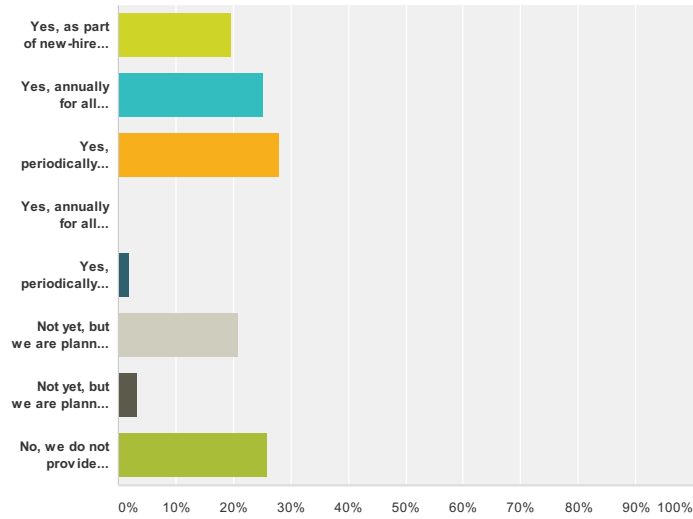
Answered: 326 Skipped: 43



Answer Choices	Responses	
New relationships.	18.40%	60
Annually.	30.37%	99
Every other year.	3.07%	10
We do not have a formal vendor management review policy.	42.33%	138
Other (please specify)	5.83%	19
Total		326

Q24 Does your firm perform cybersecurity awareness training? (check all that apply)

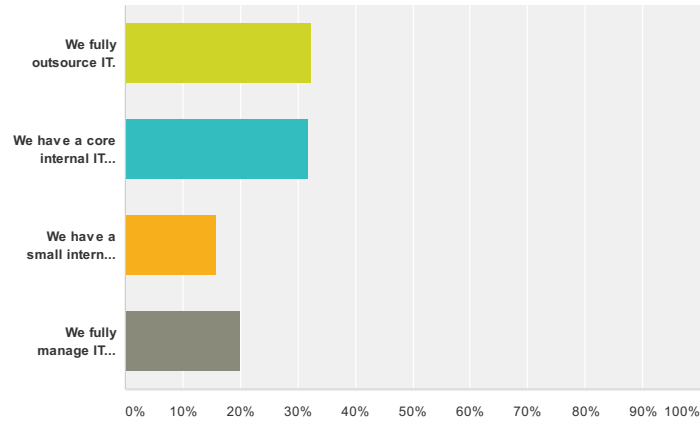
Answered: 325 Skipped: 44



Answer Choices	Responses
Yes, as part of new-hire training for new employees.	19.69% 64
Yes, annually for all employees.	25.23% 82
Yes, periodically as needed for all employees.	28.00% 91
Yes, annually for all clients.	0.31% 1
Yes, periodically as needed for all clients.	1.85% 6
Not yet, but we are planning such training for employees.	20.92% 68
Not yet, but we are planning such training for clients.	3.38% 11
No, we do not provide training to employees or clients.	25.85% 84
Total Respondents: 325	

Q25 Does your firm outsource some or all of its information technology (IT)?

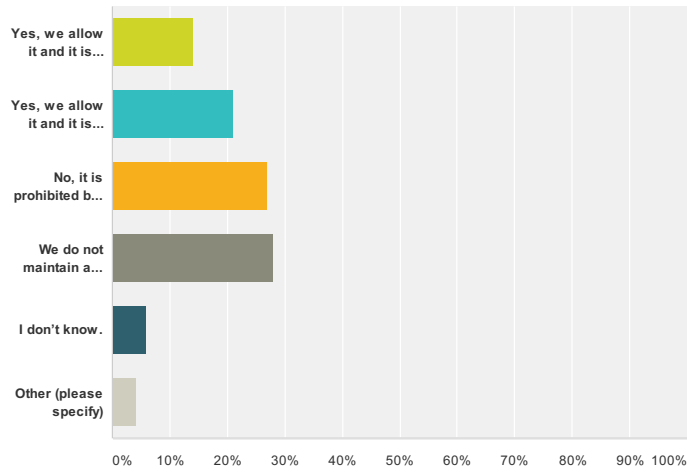
Answered: 328 Skipped: 41



Answer Choices	Responses
We fully outsource IT.	32.32% 106
We have a core internal IT team, but we outsource select IT functions for skill or scale benefits.	31.71% 104
We have a small internal IT team, but we rely heavily on IT outsourcing to support our business.	15.85% 52
We fully manage IT in-house and leverage little or no IT outsourcing.	20.12% 66
Total	328

Q26 Does your firm allow the use of Cloud-based file sharing programs (i.e., Dropbox, Box.com, Sharefile, etc.)?

Answered: 328 Skipped: 41

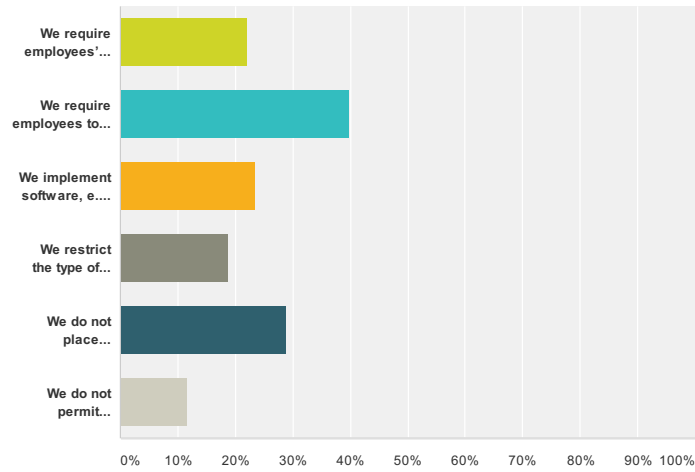


Answer Choices	Responses	
Yes, we allow it and it is self-managed by employees.	14.02%	46
Yes, we allow it and it is managed by our corporate IT department.	21.04%	69
No, it is prohibited by policy.	26.83%	88
We do not maintain a policy regarding these programs.	28.05%	92
I don't know.	5.79%	19
Other (please specify)	4.27%	14
Total		328

2014 Investment Management Compliance Testing Survey

Q27 Does your firm allow BYOD (bring your own device) mobile devices? If so, what does the BYOD program include? (check all that apply)

Answered: 326 Skipped: 43

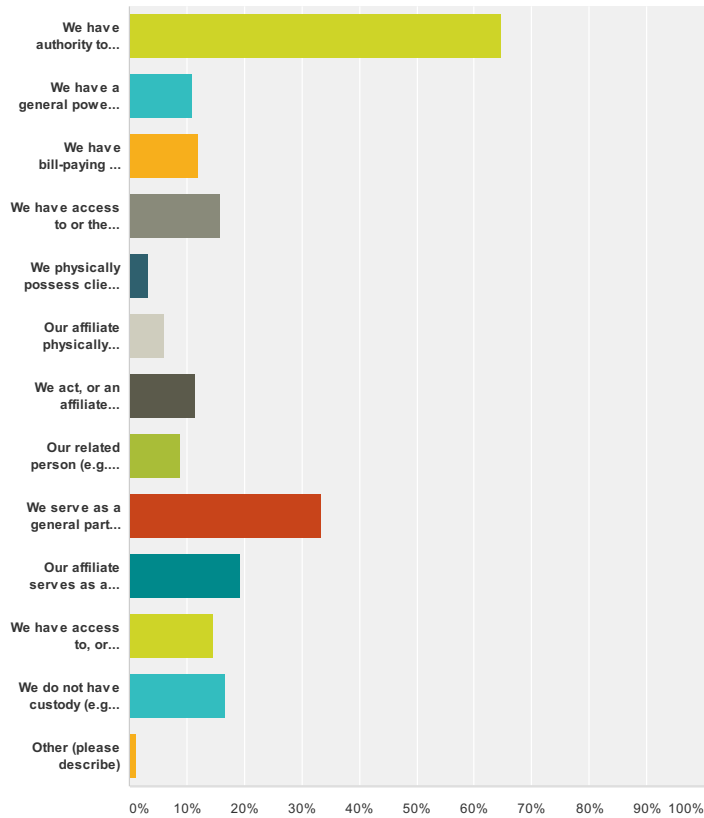


Answer Choices	Responses
We require employees' devices to be encrypted.	22.09% 72
We require employees to have complex passwords to access the device.	39.88% 130
We implement software, e.g., Good, that allows the firm to monitor/manage company content on personal devices.	23.31% 76
We restrict the type of devices that employees may use.	18.71% 61
We do not place restrictions on the use of employees' personal devices.	28.83% 94
We do not permit employees to use their own devices.	11.66% 38
Total Respondents: 326	

2014 Investment Management Compliance Testing Survey

Q28 Select the ways in which you have custody of client assets (check all that apply)

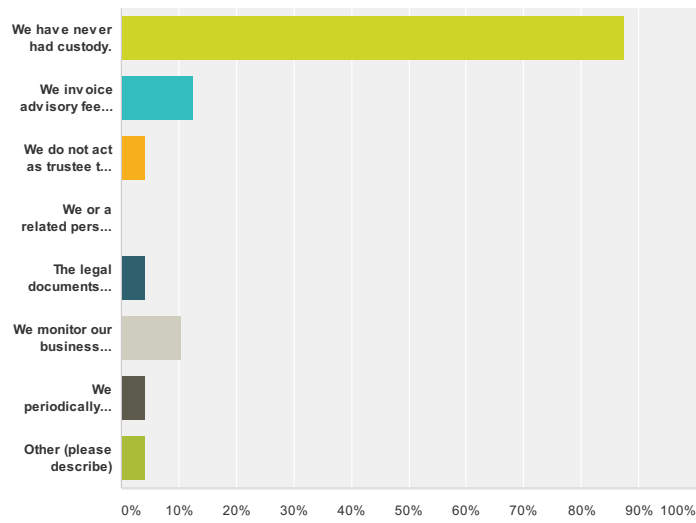
Answered: 329 Skipped: 40



Answer Choices	Responses
We have authority to deduct advisory fees.	64.74% 213
We have a general power of attorney.	10.94% 36
We have bill-paying or check-writing authority.	11.85% 39
We have access to or the ability to withdraw funds from client accounts.	15.81% 52
We physically possess client funds or securities.	3.34% 11
Our affiliate physically possesses client funds or securities in connection with advisory services we provide to clients.	6.08% 20
We act, or an affiliate (e.g., an employee) acts, as trustee and adviser to a trust (except as a result of a family, personal relationship or other exception).	11.55% 38
Our related person (e.g., an officer or director) acts as trustee of our firm's retirement plan, and we or our related person acts as an investment adviser to the plan or any investment option available under the plan.	8.81% 29
We serve as a general partner (or managing member) and an adviser to a pooled investment vehicle (limited partnership or limited liability company).	33.43% 110
Our affiliate serves as a general partner (or managing member) to a pooled investment vehicle (limited partnership or limited liability company) under our management.	19.15% 63
We have access to, or authority to access, client funds or securities.	14.59% 48
We do not have custody (e.g., we do not deduct advisory fees or have authority to deduct advisory fees).	16.72% 55
Other (please describe)	1.22% 4
Total Respondents: 329	

Q29 You indicated that your firm does not have custody. If you previously had custody, has your firm taken any of the following steps to avoid or limit having custody since January 1, 2013? (check all that apply)

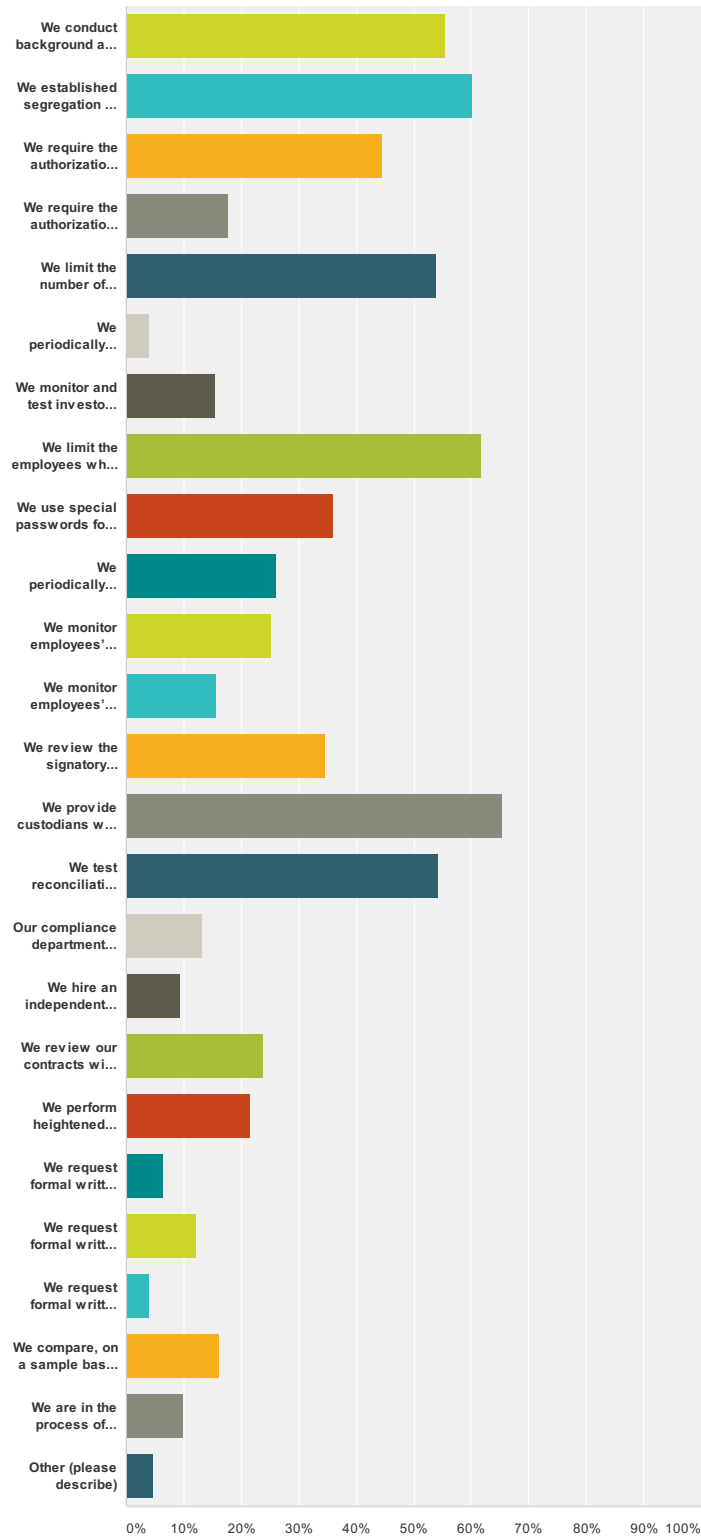
Answered: 48 Skipped: 321



Answer Choices	Responses
We have never had custody.	87.50% 42
We invoice advisory fees rather than deduct them.	12.50% 6
We do not act as trustee to a trust (except under a family, personal relationship or other exception).	4.17% 2
We or a related person do not act as trustee to our in-house retirement plan.	0.00% 0
The legal documents governing private funds that we manage restrict the general partner's ability to transfer money.	4.17% 2
We monitor our business activities to confirm whether we continue to not have custody.	10.42% 5
We periodically require certifications from our employees.	4.17% 2
Other (please describe)	4.17% 2
Total Respondents: 48	

Q30 What written policies and procedures and/or testing have you implemented to safeguard client assets and prevent misappropriation? (check all that apply)

Answered: 306 Skipped: 63



Answer Choices	Responses
We conduct background and credit checks on employees who have access (or could acquire access) to client assets to determine whether it would be appropriate for those employees to have such access.	55.56% 170
We established segregation of employee duties.	60.13% 184

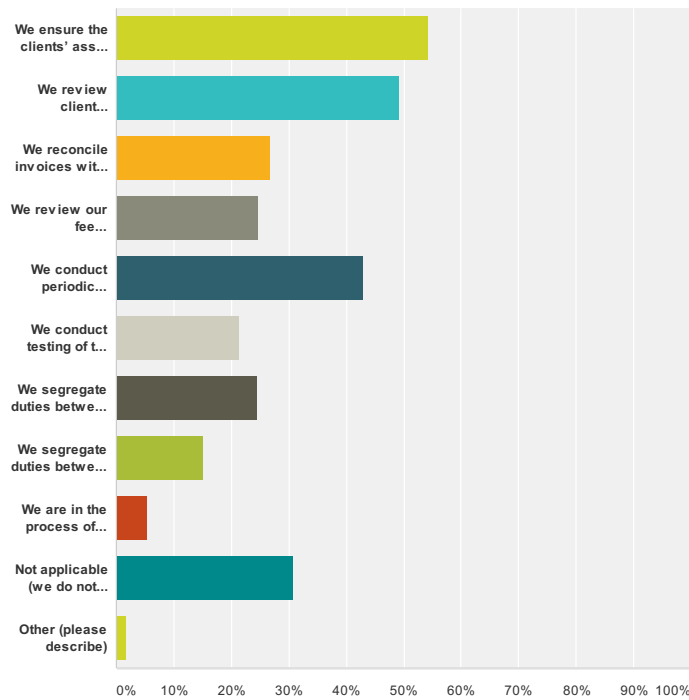
2014 Investment Management Compliance Testing Survey

We require the authorization of more than one employee before the movement of assets within, and withdrawals or transfers from, a client's account.	44.44% 136
We require the authorization of more than one employee before changes to client account ownership information, including address changes.	17.65% 54
We limit the number of employees who are permitted to interact with custodians with respect to client assets.	53.92% 165
We periodically rotate the employees who are permitted to interact with custodians with regard to client assets.	3.92% 12
We monitor and test investor withdrawals from funds for pooled investment vehicles.	15.36% 47
We limit the employees who are authorized to transmit trade orders for client accounts.	61.76% 189
We use special passwords for employees with respect to electronic trading software and systems.	35.95% 110
We periodically review account trading patterns to monitor for signs of unauthorized trading.	26.14% 80
We monitor employees' ability to become trustees for client accounts.	25.16% 77
We monitor employees' ability to agree to obtain powers of attorney for clients separate and apart from the firm.	15.69% 48
We review the signatory authorities on client accounts.	34.64% 106
We provide custodians with a list of employees authorized to provide instructions.	65.36% 200
We test reconciliation of account statements prepared by our firm with account statements prepared by the custodians.	54.25% 166
Our compliance department requests holdings reports directly from outside custodians and uses them to reconcile a sample of firm account statements to custodial statements, in order to provide an independent check on the regular reconciliations that are performed by the firm's portfolio managers, accounting department, or other area of the firm.	13.07% 40
We hire an independent third-party to request holdings reports directly from the outside custodians and use them to reconcile a sample of firm account statements to custodial statements, in order to provide an independent check on the regular reconciliations that are performed by the firm's portfolio managers, accounting department, or other area of the firm.	9.48% 29
We review our contracts with the custodian(s) to ensure that proper controls are in place.	23.86% 73
We perform heightened oversight of the outside custodians (such as requesting SSAE 16s or performing on-site due diligence visits).	21.57% 66
We request formal written confirmations of account balances from DTC (or other relevant securities depository) and attempt to reconcile client account balances, as reported on the books of the custodian, directly with DTC (or other relevant securities depository).	6.54% 20
We request formal written confirmations of account balances from the custodians or underlying fund managers (for fund-of-fund firms).	12.09% 37
We request formal written confirmations of account balances from our own clients.	3.92% 12
We compare, on a sample basis, client addresses obtained from the custodian with our firm's data.	16.01% 49
We are in the process of adopting additional policies and procedures in this area.	9.80% 30
Other (please describe)	4.58% 14
Total Respondents: 306	

2014 Investment Management Compliance Testing Survey

Q31 If you directly debit advisory fees, what written policies and procedures and/or testing have you implemented to ensure that no inappropriate fee deductions take place? (check all that apply)

Answered: 300 Skipped: 69

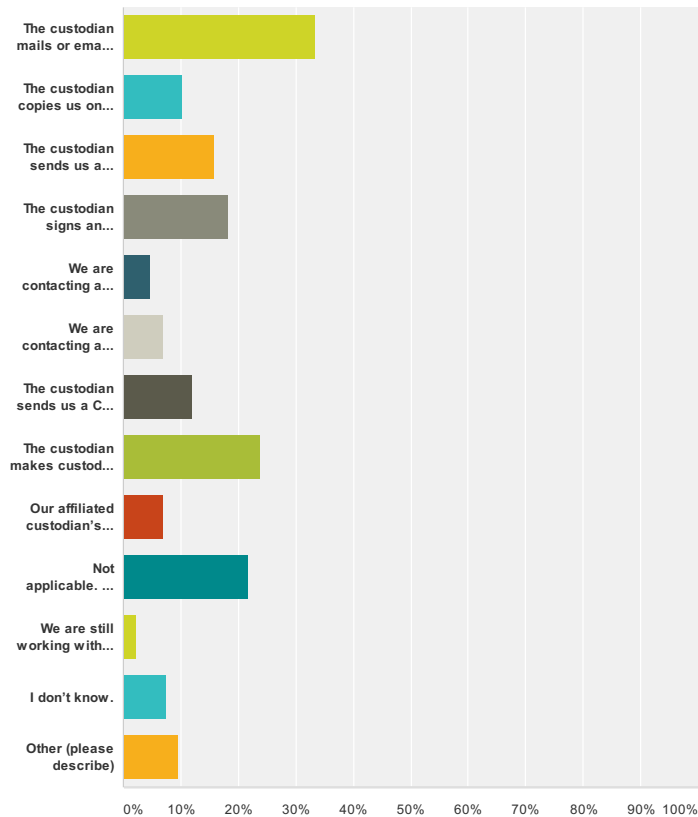


Answer Choices	Responses
We ensure the clients' assets under management (AUM) on which their advisory fee is billed is accurate and has been reconciled with the AUM reflected on the clients' custodial statement.	54.33% 163
We review client contracts to determine that we bill in accordance with the terms of client contracts.	49.33% 148
We reconcile invoices with deposits made by custodian(s) into our proprietary bank account to confirm that accurate fee amounts are being deducted.	26.67% 80
We review our fee calculations in conjunction with our valuation policies and procedures for accounts holding hard-to-price or illiquid securities.	24.67% 74
We conduct periodic testing on a sample basis of fee calculations for client accounts to determine their accuracy.	43.00% 129
We conduct testing of the overall reasonableness of fees deducted from all client accounts for a period of time based on our firm's AUM.	21.33% 64
We segregate duties between employees who process billing invoices or calculation of client fees that we provide to custodians to deduct fees from clients' accounts and those employees who review the invoices and fee calculations for accuracy.	24.33% 73
We segregate duties between employees who process billing invoices or calculation of client fees that we provide to custodians to deduct fees from clients' accounts and those employees who reconcile client invoices and fee calculations with deposits of advisory fees by the custodians into our proprietary bank account to confirm that accurate fee amounts were deducted.	15.00% 45
We are in the process of adopting additional policies and procedures in this area.	5.33% 16
Not applicable (we do not directly debit advisory fees).	30.67% 92
Other (please describe)	1.67% 5
Total Respondents: 300	

2014 Investment Management Compliance Testing Survey

Q32 How do you satisfy the requirement that you have a reasonable basis, after "due inquiry," that qualified custodians are providing clients with quarterly account statements? (check all that apply)

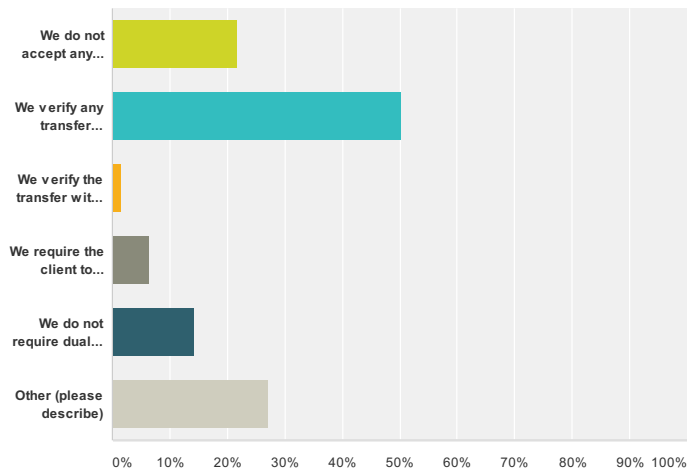
Answered: 303 Skipped: 66



Answer Choices	Responses
The custodian mails or emails us a duplicate copy of the account statement at the same time it mails or emails the statement to the client.	33.33% 101
The custodian copies us on the email notification it sends to clients that the clients' account statements are posted on the custodian's website, in addition to our having access to, and reviewing, client statements on the custodian's website.	10.23% 31
The custodian sends us a notice that it has mailed or emailed our clients' account statements and has made copies available to us on the custodian's website.	15.84% 48
The custodian signs an attestation, letter, notice, or other statement indicating that it sends account statements to our clients on a quarterly basis, in addition to other measures.	18.15% 55
We are contacting all of our clients to monitor that they have received the statements directly from the custodian.	4.62% 14
We are contacting a sample of our clients to confirm that they have received the statements directly from the custodian.	6.93% 21
The custodian sends us a CD or other media with the account statements sent to clients.	11.88% 36
The custodian makes custodial account statements sent to our clients available on the custodian's website, and we access and review the account statements on the custodian's website in addition to taking additional steps to determine whether account statements were sent to clients, or that clients obtained statements through the website.	23.76% 72
Our affiliated custodian's SSAE 16 includes an attestation or other statement indicating that it sends account statements to our clients on a quarterly basis, in addition to other measures.	6.93% 21
Not applicable. We are deemed to have custody only because we are a general partner and an adviser to a GAAP-audited pooled investment vehicle(s), and therefore, we are exempt from the account statement requirement.	21.78% 66
We are still working with our clients' custodians on a solution to this requirement.	2.31% 7
I don't know.	7.59% 23
Other (please describe)	9.57% 29
Total Respondents: 303	

Q33 How does your firm test the legitimacy of client requests for transfers of funds out of their accounts? (check all that apply)

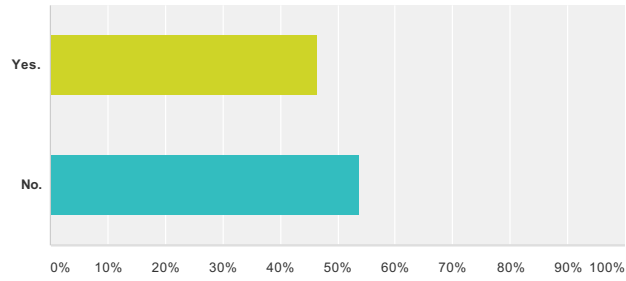
Answered: 290 Skipped: 79



Answer Choices	Responses	
We do not accept any transfer instructions via email.	21.72%	63
We verify any transfer request by calling and speaking with the client.	50.34%	146
We verify the transfer with the client via text message.	1.38%	4
We require the client to verify the transfer through a broker-dealer.	6.55%	19
We do not require dual authentication methods.	14.14%	41
Other (please describe)	27.24%	79
Total Respondents: 290		

Q34 Does the Red Flags Rule (Regulation S-ID) apply to your firm?

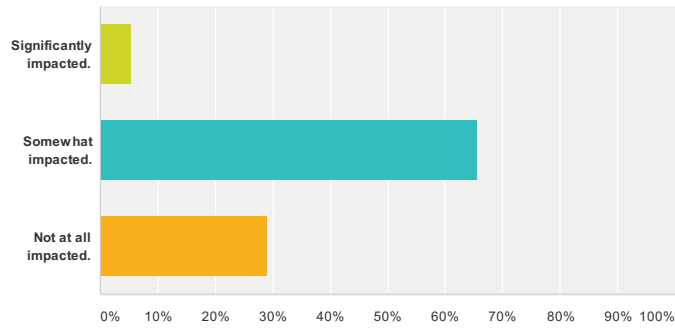
Answered: 313 Skipped: 56



Answer Choices	Responses
Yes.	46.33% 145
No.	53.67% 168
Total	313

Q35 You indicated that the Red Flags Rule applies to your firm. How would you judge the impact on the time and cost devoted to your compliance program as a result?

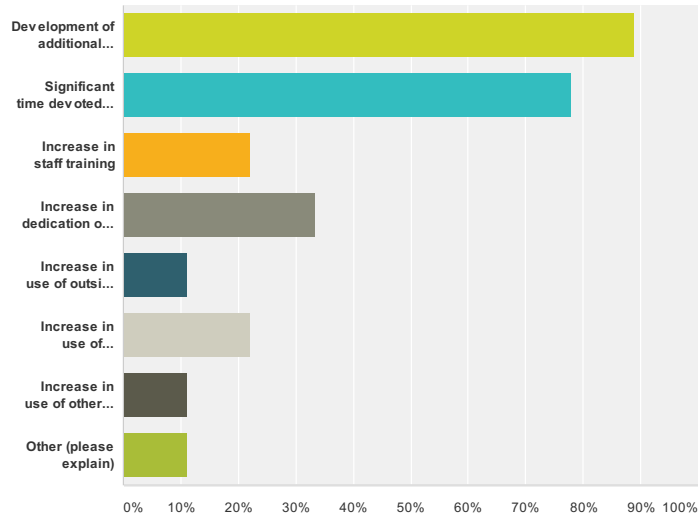
Answered: 145 Skipped: 224



Answer Choices	Responses
Significantly impacted.	5.52% 8
Somewhat impacted.	65.52% 95
Not at all impacted.	28.97% 42
Total	145

Q36 You indicated that your compliance program was significantly impacted as a result of the Red Flags Rule. In what ways was your compliance program impacted? (select all that apply)

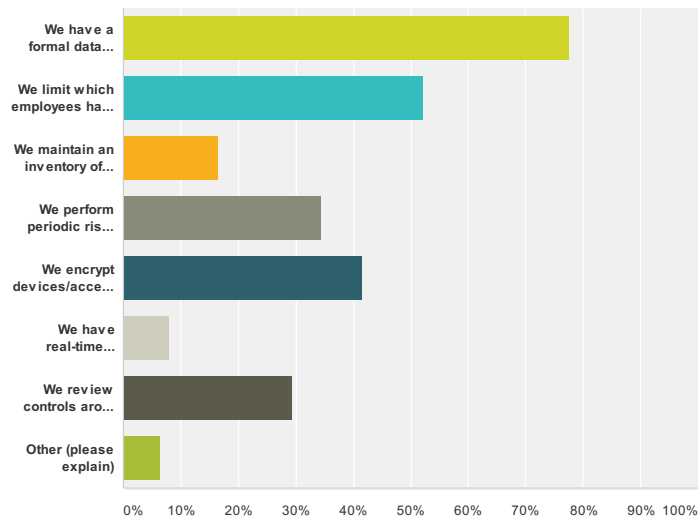
Answered: 9 Skipped: 360



Answer Choices	Responses
Development of additional policies and procedures	88.89% 8
Significant time devoted to implementing a program	77.78% 7
Increase in staff training	22.22% 2
Increase in dedication of compliance resources	33.33% 3
Increase in use of outside legal counsel	11.11% 1
Increase in use of third-party compliance consultants	22.22% 2
Increase in use of other service providers (please elaborate)	11.11% 1
Other (please explain)	11.11% 1
Total Respondents: 9	

Q37 How does your firm prevent internal threats to clients' personal identifiable information (PII) (i.e., an employee intentionally or inadvertently reveals clients' personally identifiable information)? (check all that apply)

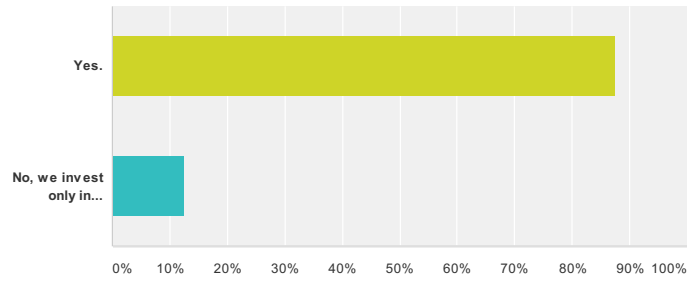
Answered: 305 Skipped: 64



Answer Choices	Responses
We have a formal data privacy policy in place	77.70% 237
We limit which employees have access to clients' PII	52.13% 159
We maintain an inventory of each location where clients' PII is located	16.39% 50
We perform periodic risk assessments related to the safeguards and controls protecting PII	34.43% 105
We encrypt devices/access to PII data wherever possible	41.64% 127
We have real-time surveillance and monitoring of PII leaving the firm	7.87% 24
We review controls around third party vendors' use of PII	29.51% 90
Other (please explain)	6.56% 20
Total Respondents: 305	

Q38 Does your firm invest in securities for which there is a readily available market price (marketable securities)?

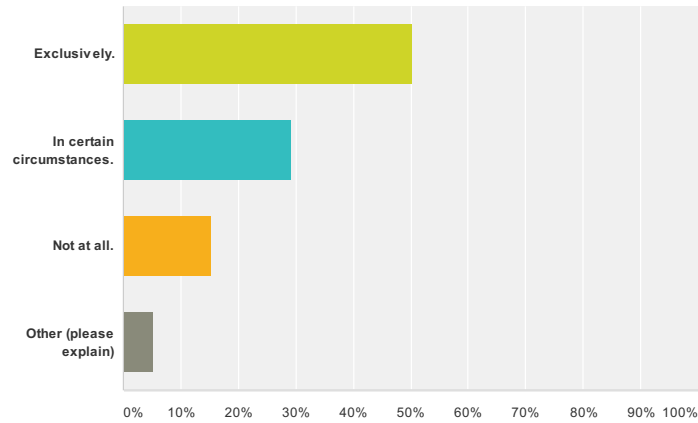
Answered: 309 Skipped: 60



Answer Choices	Responses
Yes.	87.38% 270
No, we invest only in securities for which market quotations are not readily available.	12.62% 39
Total	309

Q39 To what extent does your firm rely on independent, third-parties (such as a fund administrator) for valuation of marketable securities?

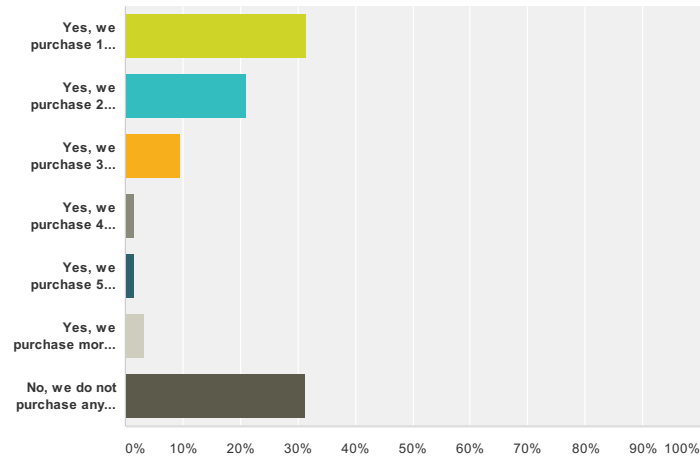
Answered: 270 Skipped: 99



Answer Choices	Responses	
Exclusively.	50.37%	136
In certain circumstances.	29.26%	79
Not at all.	15.19%	41
Other (please explain)	5.19%	14
Total		270

Q40 Do you purchase pricing feeds from data vendors for purposes of valuing marketable securities?

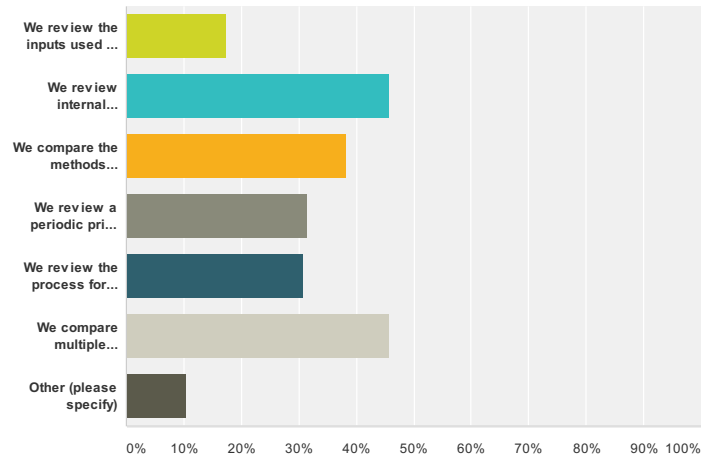
Answered: 269 Skipped: 100



Answer Choices	Responses	
Yes, we purchase 1 pricing feed.	31.60%	85
Yes, we purchase 2 pricing feeds.	21.19%	57
Yes, we purchase 3 pricing feeds.	9.67%	26
Yes, we purchase 4 pricing feeds.	1.49%	4
Yes, we purchase 5 pricing feeds.	1.49%	4
Yes, we purchase more than 5 pricing feeds.	3.35%	9
No, we do not purchase any pricing feeds.	31.23%	84
Total		269

Q41 What types of forensic tests related to valuation of marketable securities does your firm conduct? (check all that apply)

Answered: 241 Skipped: 128

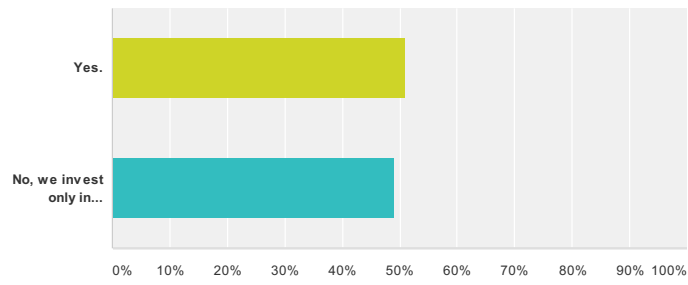


Answer Choices	Responses
We review the inputs used in model-based pricing and in particular those to which the model's price exhibits significant sensitivity.	17.43% 42
We review internal valuation of assets with valuations provided to clients on custodial statements.	45.64% 110
We compare the methods actually used for valuation with our written policies and procedures and client disclosures.	38.17% 92
We review a periodic price change tolerance report to determine the reason(s) for any significant pricing movements in any securities during the period (for example, if we see that the price of Security X has moved more than a certain percentage in the past month, we examine further).	31.54% 76
We review the process for valuation challenges and overrides whereby an investment professional (e.g., portfolio manager, trader, analyst, etc.) is provided the opportunity to challenge or override a price or valuation provided by an independent third-party (e.g., pricing service or broker-dealer).	30.71% 74
We compare multiple pricing services to ensure that the values being provided are reasonable.	45.64% 110
Other (please specify)	10.37% 25
Total Respondents: 241	

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Q42 Does your firm invest in illiquid securities and/or investments for which market quotations are not readily available (e.g., real estate, distressed debt securities, private placements, derivative investments, etc.)?

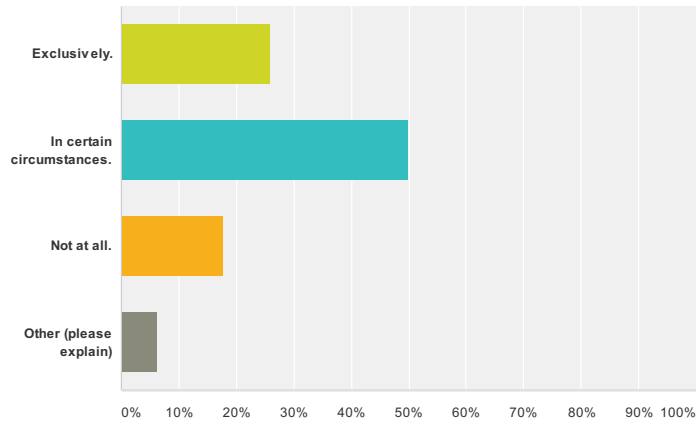
Answered: 308 Skipped: 61



Answer Choices	Responses	
Yes.	50.97%	157
No, we invest only in securities for which there is a readily available market price.	49.03%	151
Total		308

Q43 To what extent does your firm rely on independent third-parties (such as a fund administrator) for valuation of illiquid/hard to price securities?

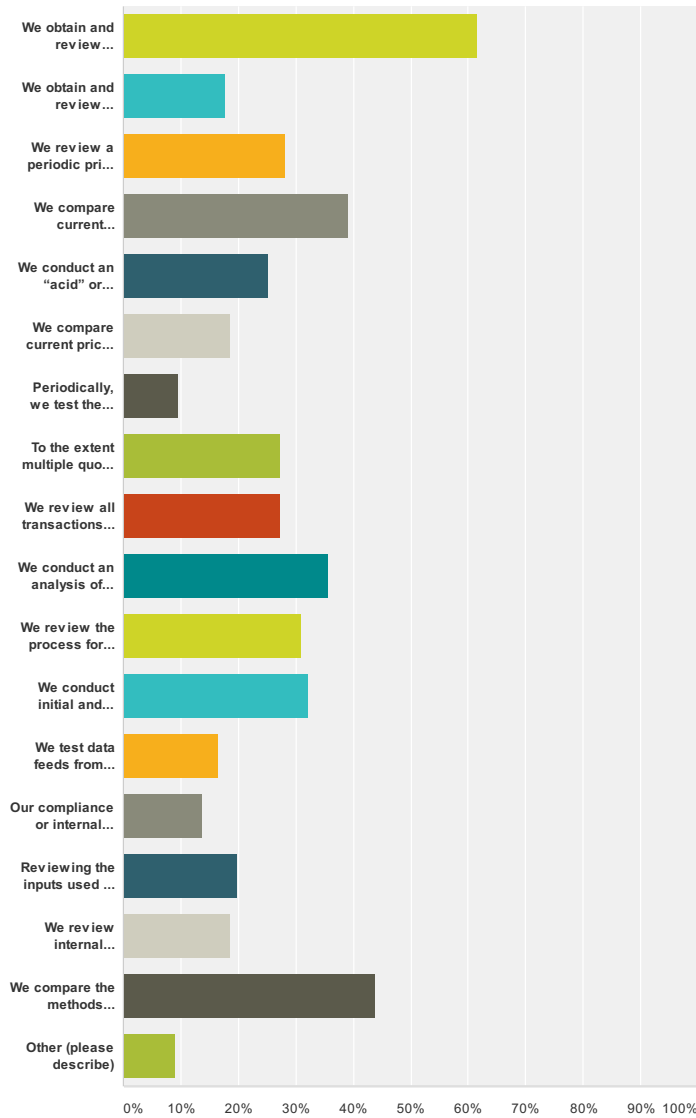
Answered: 158 Skipped: 211



Answer Choices	Responses	
Exclusively.	25.95%	41
In certain circumstances.	50.00%	79
Not at all.	17.72%	28
Other (please explain)	6.33%	10
Total		158

Q44 What types of forensic tests related to the valuation of illiquid/hard to price securities does your firm conduct? (check all that apply)

Answered: 146 Skipped: 223



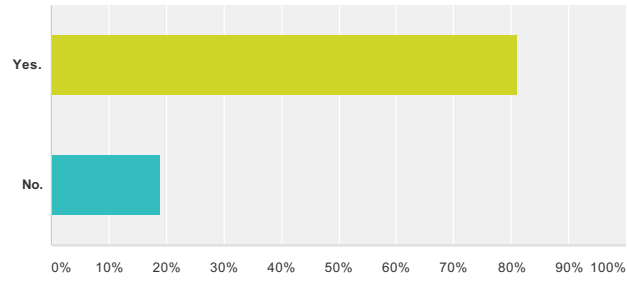
Answer Choices	Responses
We obtain and review documentation for each investment to determine whether sufficient documentary support is maintained for each valuation.	61.64% 90
We obtain and review documentation for a sample of investments to determine whether sufficient documentary support is maintained for each valuation.	17.81% 26
We review a periodic price change tolerance report to determine the reason(s) for any significant pricing movements in any securities during the period (for example, if we see that the price of Security X has moved more than a certain percentage in the past month, we examine further).	28.08% 41
We compare current valuations with recent sales prices for the same securities (for example, if we hold a large position in Security X and sell some of it, we will consider whether to adjust the price of the remainder of our Security X holdings accordingly).	39.04% 57
We conduct an "acid" or "lookback" pricing test which compares realized prices against recent carrying values (for example, if we sell our entire holding in Security X, we compare the sales price to the price that we had carried it at on our books to back-end test our accuracy of our valuation process).	25.34% 37
We compare current prices for positions to previous prices used to analyze changes that are inconsistent with market actions (for example, if our books show a 5 percent increase in the price at which we hold Security X, so we look for any market events that might indicate the price actually should have decreased).	18.49% 27
Periodically, we test the reliability of dealer quotes by requiring our investment professionals to request a trade after seeking a dealer quote to see if the dealer will actually execute the transaction at the quoted price.	9.59% 14
To the extent multiple quotes are available for an investment, we will compare the prices obtained from the multiple sources (e.g., pricing service, broker-dealers, etc.) and evaluate any level of pricing dispersion.	27.40% 40
We review all transactions, including cross transactions and principal transactions, involving illiquid and fair valued securities.	27.40% 40

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We conduct an analysis of securities whose price has not changed for a certain period of time (i.e., "stale price report").	35.62% 52
We review the process for valuation challenges and overrides whereby an investment professional (e.g., portfolio manager, trader, analyst, etc.) is provided the opportunity to challenge or override a price or valuation provided by an independent third-party (e.g., pricing service or broker-dealer).	30.82% 45
We conduct initial and on-going due diligence on third-parties that are involved in our valuation process.	32.19% 47
We test data feeds from pricing services for changes that are inconsistent with market activity.	16.44% 24
Our compliance or internal audit department undertakes an independent confirmation process for certain harder to price securities or investments by directly contacting the broker-dealers or pricing services from whom our firm obtains the quotes on which it bases its valuations and asking them to provide quotes for the specified securities or asking them to attest to the reasonableness of the values listed for the specific securities or investments.	13.70% 20
Reviewing the inputs used in model-based pricing and in particular those to which the model's price exhibits significant sensitivity.	19.86% 29
We review internal valuation of assets with valuations provided to clients on custodial statements.	18.49% 27
We compare the methods actually used for valuation with our written policies and procedures and client disclosures.	43.84% 64
Other (please describe)	8.90% 13
Total Respondents: 146	

Q45 Does your firm maintain fair valuation policies and procedures?

Answered: 305 Skipped: 64

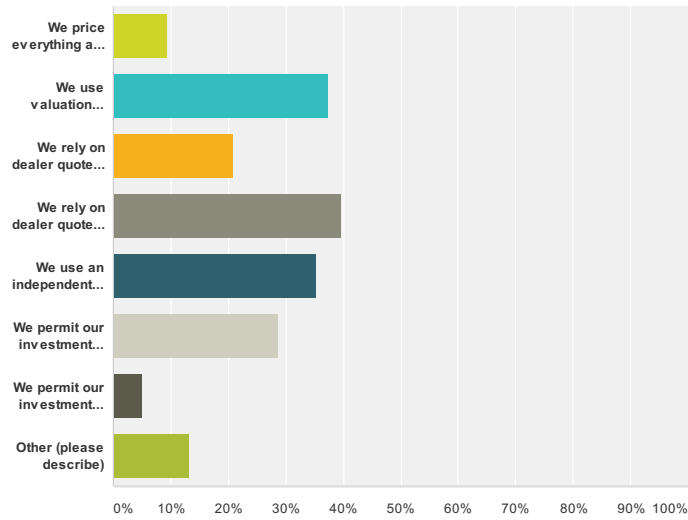


Answer Choices	Responses
Yes.	80.98% 247
No.	19.02% 58
Total	305

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Q46 You indicated that you maintain fair valuation policies and procedures. Which policies and procedures does your firm use? (check all that apply)

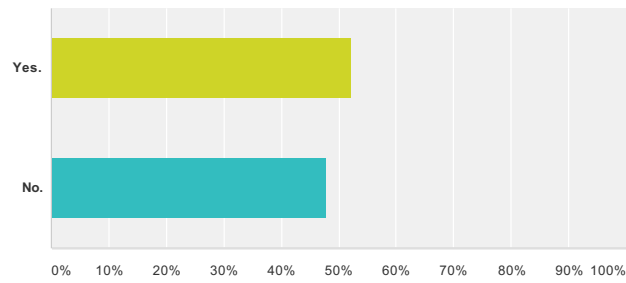
Answered: 244 Skipped: 125



Answer Choices	Responses
We price everything at cost until we dispose of the investment.	9.43% 23
We use valuation models to price illiquid or hard-to-price investments.	37.30% 91
We rely on dealer quotes provided by the counterparty that originally sold us the security.	20.90% 51
We rely on dealer quotes provided by various broker-dealers with which we do business.	39.75% 97
We use an independent valuation agent.	35.25% 86
We permit our investment professionals to challenge prices only with oversight and approval from the legal and/or compliance department(s).	28.69% 70
We permit our investment professionals to override prices without prior approval, but they must subsequently notify the legal and/or compliance department(s).	4.92% 12
Other (please describe)	13.11% 32
Total Respondents: 244	

Q47 Does your firm have a formal in-house valuation committee responsible for reviewing and approving the firm's valuation policies and procedures and overseeing the application of those policies and procedures?

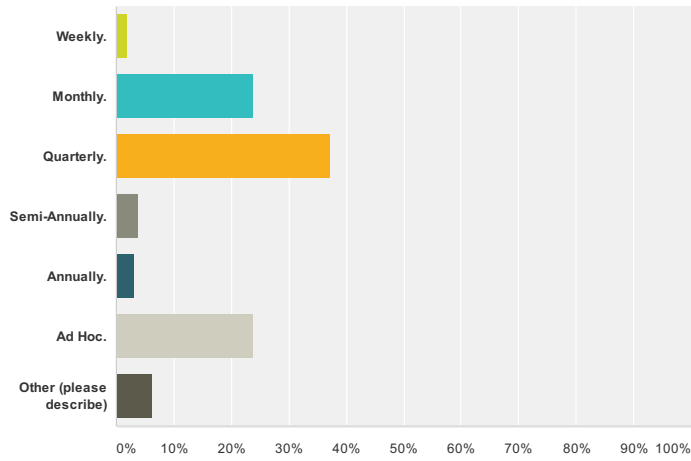
Answered: 306 Skipped: 63



Answer Choices	Responses	
Yes.	52.29%	160
No.	47.71%	146
Total		306

Q48 You indicated that you have a formal in-house valuation committee. How frequently does the committee meet?

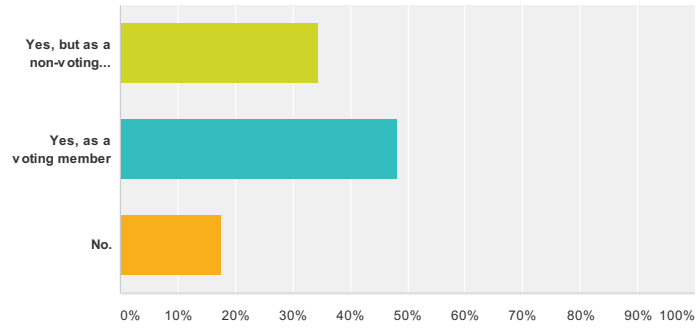
Answered: 159 Skipped: 210



Answer Choices	Responses	
Weekly.	1.89%	3
Monthly.	23.90%	38
Quarterly.	37.11%	59
Semi-Annually.	3.77%	6
Annually.	3.14%	5
Ad Hoc.	23.90%	38
Other (please describe)	6.29%	10
Total		159

Q49 Does your CCO participate in the valuation committee meetings?

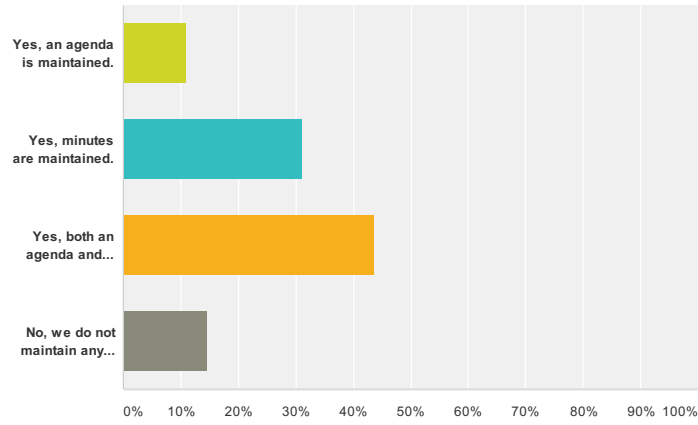
Answered: 160 Skipped: 209



Answer Choices	Responses	
Yes, but as a non-voting member.	34.38%	55
Yes, as a voting member	48.13%	77
No.	17.50%	28
Total		160

Q50 Is written documentation maintained for the committee meetings?

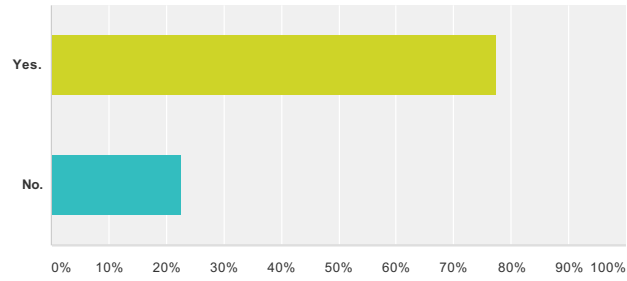
Answered: 158 Skipped: 211



Answer Choices	Responses
Yes, an agenda is maintained.	10.76% 17
Yes, minutes are maintained.	31.01% 49
Yes, both an agenda and minutes are maintained.	43.67% 69
No, we do not maintain any written documentation of the committee meetings.	14.56% 23
Total	158

Q51 Does your firm vote proxies on behalf of its clients?

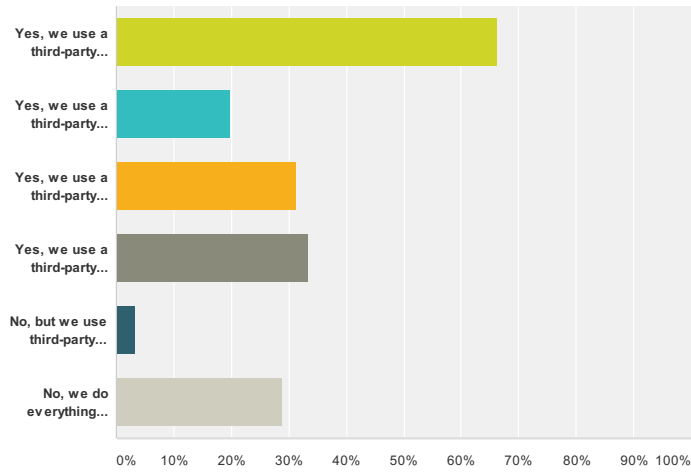
Answered: 305 Skipped: 64



Answer Choices	Responses	
Yes.	77.38%	236
No.	22.62%	69
Total		305

Q52 Does your firm use a third-party service provider to assist with proxy voting? (check all that apply)

Answered: 236 Skipped: 133

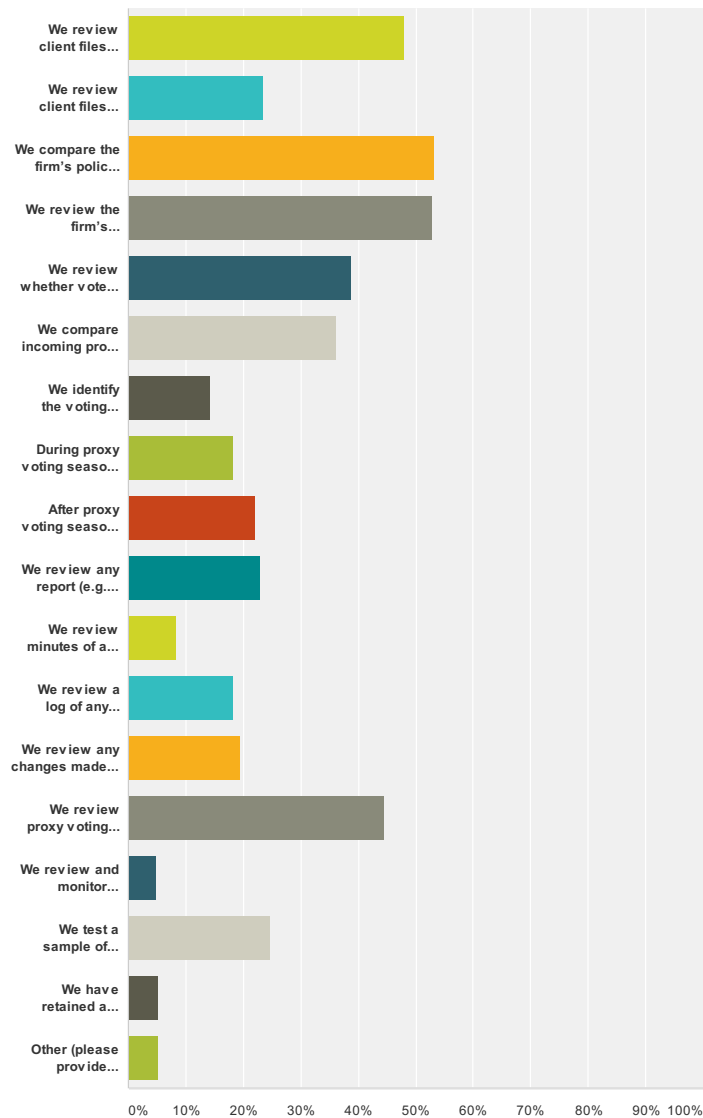


Answer Choices	Responses
Yes, we use a third-party service provider to assist with administrative functions (e.g., mechanics of voting proxies, voting logistics, record management).	66.10% 156
Yes, we use a third-party service provider to file our Form N-PX (for mutual fund advisers).	19.92% 47
Yes, we use a third-party service provider to provide corporate governance information, data analysis, and other research related to proxy voting decisions.	31.36% 74
Yes, we use a third-party service provider to make recommendations on substantive voting decisions.	33.47% 79
No, but we use third-party software to reconcile proxies received against holdings on record date and other administrative procedures.	3.39% 8
No, we do everything manually in-house.	28.81% 68
Total Respondents: 236	

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Q53 How does your firm test compliance with proxy voting policies and procedures? (check all that apply)

Answered: 227 Skipped: 142



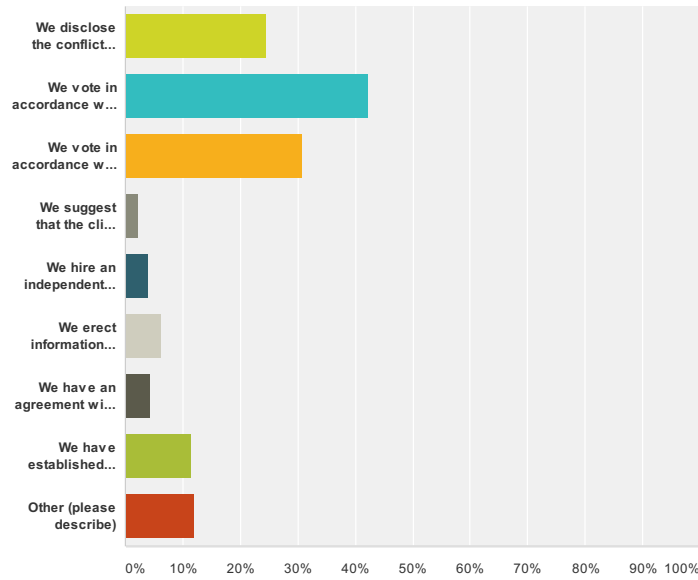
Answer Choices	Responses
We review client files to make sure the firm has accurately identified accounts for which it has authority to and has agreed to vote proxies.	48.02% 109
We review client files to identify ERISA accounts and ensure compliance with ERISA guidance on proxy voting.	23.35% 53
We compare the firm's policy on proxy voting to the firm's actual votes.	53.30% 121
We review the firm's disclosure of its proxy voting practice in light of its policies and actual practices.	52.86% 120
We review whether votes were cast for all clients holding the subject security for which the adviser has proxy voting authority and has agreed to vote proxies.	38.77% 88
We compare incoming proxy information against the firm's holdings records.	36.12% 82
We identify the voting record for a contested proxy contest and test whether proxies were voted according to the firm's policy or based on the guidelines or direction of clients (if any).	14.10% 32
During proxy voting season, we monitor any deviations from policy and track potential errors.	18.06% 41
After proxy voting season, we review a group of proxies to assess whether the firm missed any votes and whether votes were cast consistent with the firm's policies and procedures.	22.03% 50
We review any report (e.g., on Form N-PX for mutual funds) or disclosure to clients (e.g., in response to client request) regarding how we voted proxies to ensure accuracy of disclosure or report.	22.91% 52
We review minutes of any proxy voting committee to assess patterns of handling decisions in situations involving conflicts of interest.	8.37% 19
We review a log of any exceptions to our proxy voting policies and analyze any patterns over time.	18.06% 41
We review any changes made in the proxy voting policies to determine whether there is an appropriate reason for the change and that related disclosures have been updated.	19.38% 44
We review proxy voting guidelines to ensure they are consistent with the best interest of the client.	44.49% 101
We review and monitor guidelines of any sub-advisers to ensure they are voting proxies in the best interests of the sub-advised funds or accounts.	4.85% 11
We test a sample of documents maintained to ensure we are complying with the applicable record-keeping rules related to proxy voting.	24.67% 56
We have retained a third-party to conduct audits or reviews of our proxy voting.	5.29% 12

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Other (please provide examples)	5.29%	12
Total Respondents: 227		

Q54 How does your firm handle any conflicts of interest your firm may have in voting proxies? (check all that apply)

Answered: 225 Skipped: 144

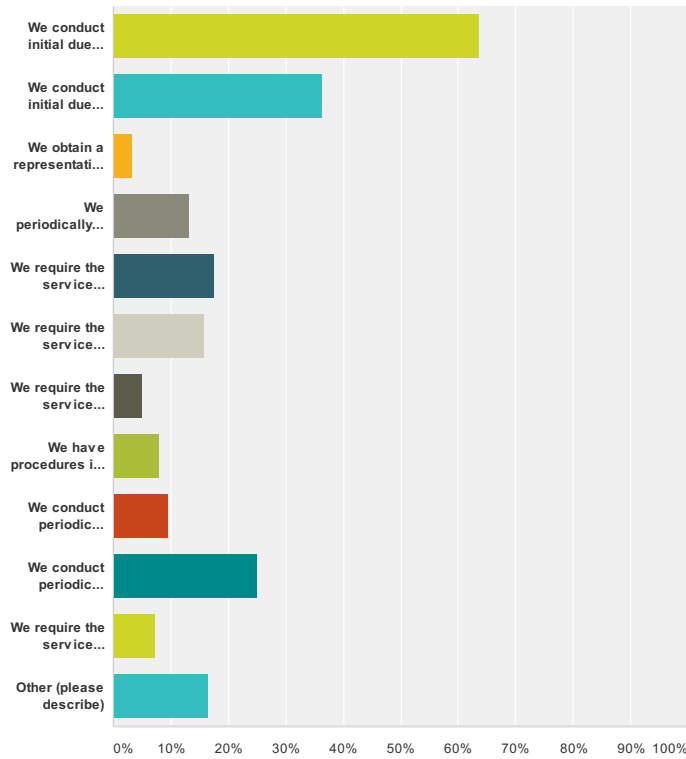


Answer Choices	Responses
We disclose the conflict to clients and obtain their consents before voting.	24.44% 55
We vote in accordance with our pre-determined policies if application of such policies to the matter at hand involve little discretion on the part of the firm.	42.22% 95
We vote in accordance with a pre-determined policy based on the recommendations of an independent third-party.	30.67% 69
We suggest that the client engage another party to determine how the proxies should be voted.	2.22% 5
We hire an independent fiduciary to determine how the proxies should be voted.	4.00% 9
We erect information barriers around the person or persons making voting decisions sufficient to insulate the decision from the conflict.	6.22% 14
We have an agreement with the client that the client will vote its own proxies in the event of an actual conflict.	4.44% 10
We have established other procedures that result in a decision that is demonstrably based on the clients' best interests and is not the product of a conflict (please provide examples in the comment box below).	11.56% 26
Other (please describe)	12.00% 27
Total Respondents: 225	

2014 Investment Management Compliance Testing Survey

Q55 What procedures does your firm use in engaging with third-party service providers for proxy voting? (check all that apply)

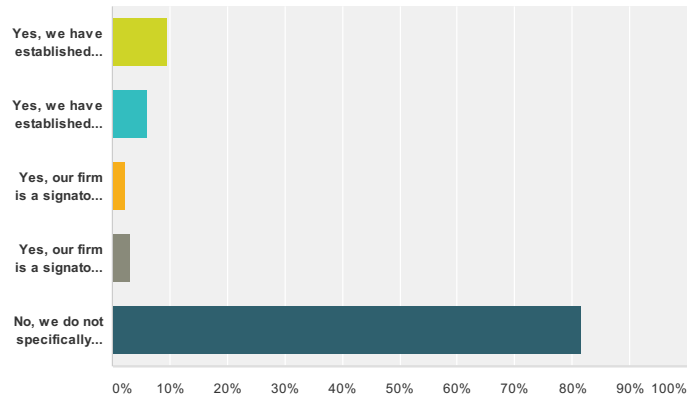
Answered: 176 Skipped: 193



Answer Choices	Responses
We conduct initial due diligence on the service provider retained for administrative functions to assess its capabilities and procedures in handling proxy voting mechanics.	63.64% 112
We conduct initial due diligence on the service provider retained to provide corporate governance or proxy recommendations to assess its conflicts of interests, conflicts policies and procedures, and the effectiveness of their implementation.	36.36% 64
We obtain a representation from the service provider each time the provider makes a voting recommendation that the provider faces no conflict of interest.	3.41% 6
We periodically assess whether the service provider has effectively implemented its conflict procedures.	13.07% 23
We require the service provider to update our firm regarding any changes in business or conflicts procedures.	17.61% 31
We require the service provider to disclose their conflicts of interest as a general matter.	15.91% 28
We require the service provider to disclose each specific conflict of interest.	5.11% 9
We have procedures in place to address a service provider's specific conflicts of interest (e.g., the firm will vote those proxies, assuming no conflict of its own; or the firm will hire an independent fiduciary to vote).	7.95% 14
We conduct periodic reviews of the service provider's recommendations (e.g., to assess whether they may be affected by conflicts).	9.66% 17
We conduct periodic reviews of the service provider's administrative functions to ensure that it is carrying out its responsibilities competently and consistently.	25.00% 44
We require the service provider to make periodic reports to our firm regarding the duties it performs on our behalf.	7.39% 13
Other (please describe)	16.48% 29
Total Respondents: 176	

Q56 Does your firm's proxy voting policy specifically address environmental, social or governance (ESG) issues? (check all that apply)

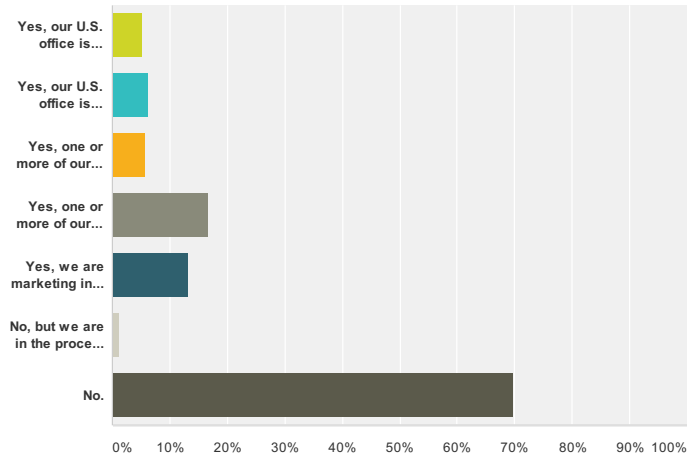
Answered: 228 Skipped: 141



Answer Choices	Responses
Yes, we have established internal requirements regarding ESG matters and vote all client proxies in a consistent manner on these issues.	9.65% 22
Yes, we have established internal requirements regarding ESG matters but may vote some client proxies differently than others based on their specific instructions/views with respect to ESG matters.	6.14% 14
Yes, our firm is a signatory to the United Nations Principles for Responsible Investment (UNPRI) (or similar external body) and we vote client proxies consistent with the Principles.	2.19% 5
Yes, our firm is a signatory to the UNPRI (or similar external body) but we may vote certain client proxies differently than others based on their specific instructions/views with respect to ESG matters.	3.07% 7
No, we do not specifically address ESG matters in our proxy voting policy.	81.58% 186
Total Respondents: 228	

**Q57 Do you operate outside of the US?
(check all that apply)**

Answered: 304 Skipped: 65

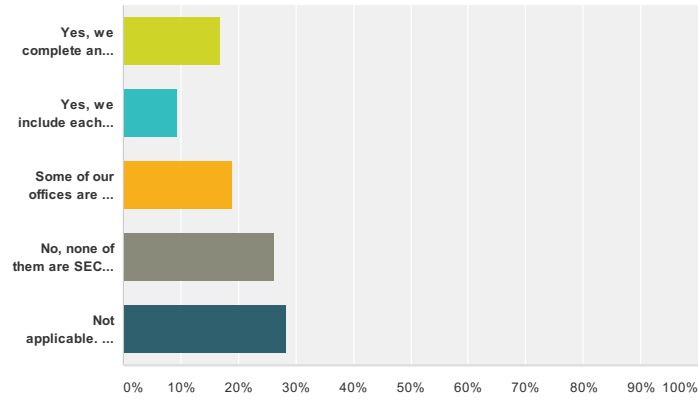


Answer Choices	Responses
Yes, our U.S. office is registered in a foreign region.	5.26% 16
Yes, our U.S. office is operating under an exemption in a foreign region.	6.25% 19
Yes, one or more of our branch offices are registered in a foreign region.	5.59% 17
Yes, one or more of our affiliates are registered in a foreign region.	16.78% 51
Yes, we are marketing in a foreign region.	13.16% 40
No, but we are in the process of setting up operations in a foreign region.	1.32% 4
No.	69.74% 212
Total Respondents: 304	

2014 Investment Management Compliance Testing Survey

Q58 Are your foreign offices registered with the SEC?

Answered: 95 Skipped: 274

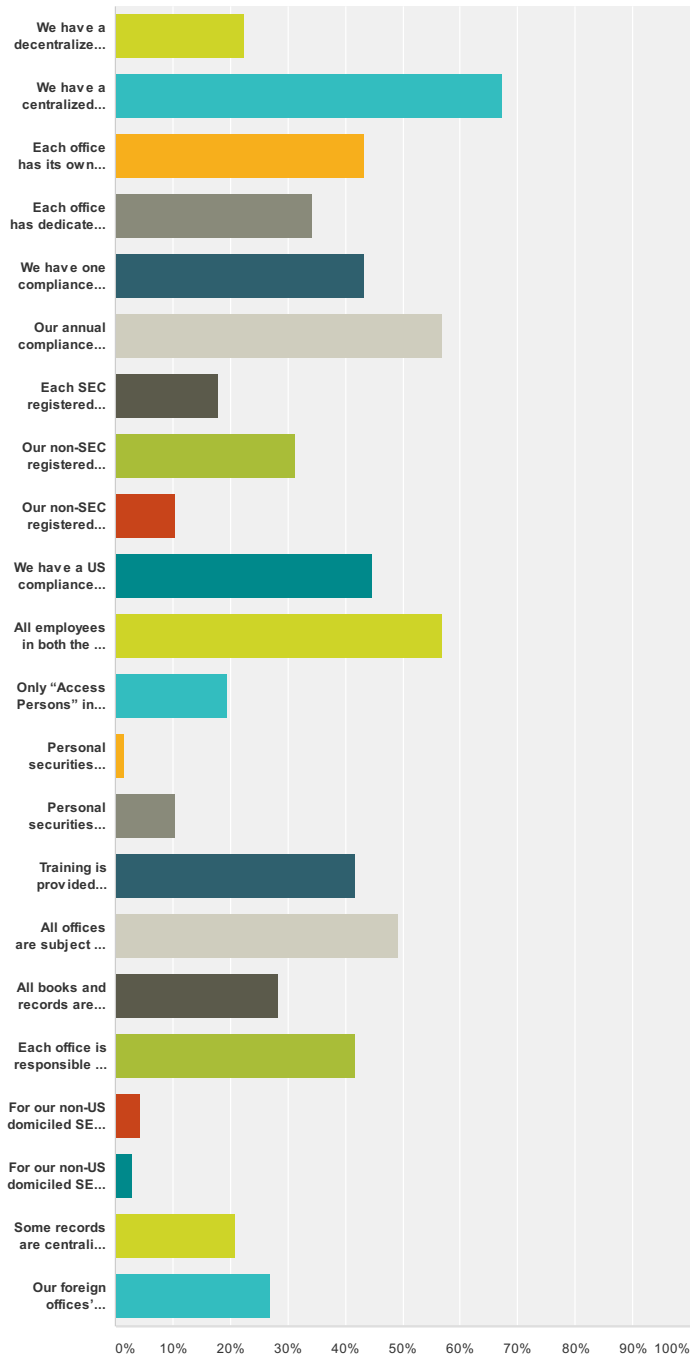


Answer Choices	Responses	
Yes, we complete an individual full registration for each of our offices with the SEC.	16.84%	16
Yes, we include each office as a relying adviser on our Form ADV.	9.47%	9
Some of our offices are SEC registered, but not all.	18.95%	18
No, none of them are SEC registered.	26.32%	25
Not applicable. We do not have any foreign offices.	28.42%	27
Total		95

2014 Investment Management Compliance Testing Survey

Q59 How is your compliance program structured between the US and foreign offices? (check all that apply)

Answered: 67 Skipped: 302



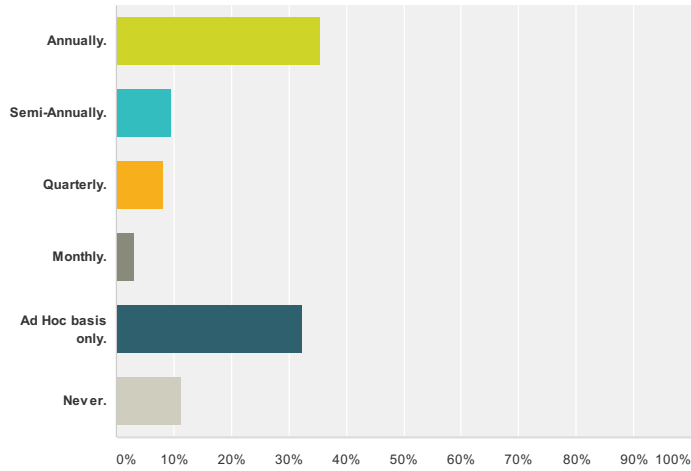
Answer Choices	Responses
We have a decentralized compliance program with individual CCOs for each office.	22.39% 15
We have a centralized compliance program with a global CCO who oversees all offices.	67.16% 45
Each office has its own compliance manual.	43.28% 29
Each office has dedicated compliance personnel.	34.33% 23
We have one compliance manual that applies across all offices.	43.28% 29
Our annual compliance program review encompasses all offices.	56.72% 38
Each SEC registered office undertakes its own annual compliance program review.	17.91% 12
Our non-SEC registered offices are subject to our US compliance program.	31.34% 21
Our non-SEC registered offices are not subject to our US compliance program.	10.45% 7
We have a US compliance program and also local compliance programs which govern those offices.	44.78% 30

2014 Investment Management Compliance Testing Survey

All employees in both the US and abroad, regardless of the registration status of the entity, are required to report personal securities transactions.	56.72%	38
Only "Access Persons" in both the US and abroad, regardless of the registration status of the entity, are required to report personal securities transactions.	19.40%	13
Personal securities transactions are only required to be reported by employees in SEC registered offices.	1.49%	1
Personal securities transactions are required to be reported by all employees in the US and only "access persons" in the foreign office(s), regardless of registration status.	10.45%	7
Training is provided separately to each office.	41.79%	28
All offices are subject to a global training program.	49.25%	33
All books and records are maintained in a centralized location.	28.36%	19
Each office is responsible for maintaining relevant books and records.	41.79%	28
For our non-US domiciled SEC registered advisers, the compliance program only applies to their US client base.	4.48%	3
For our non-US domiciled SEC registered advisers, they only include US client base information in federal filings (e.g., Form ADV (except Item 5F where foreign AUM is required to be included) and Form PF).	2.99%	2
Some records are centralized while others are maintained at the relevant offices. Our foreign offices have their own compliance budgets.	20.90%	14
Our foreign offices' compliance budgets are combined with our U.S. budget.	26.87%	18
Total Respondents: 67		

Q60 How frequently does your CCO visit your foreign office(s)?

Answered: 62 Skipped: 307

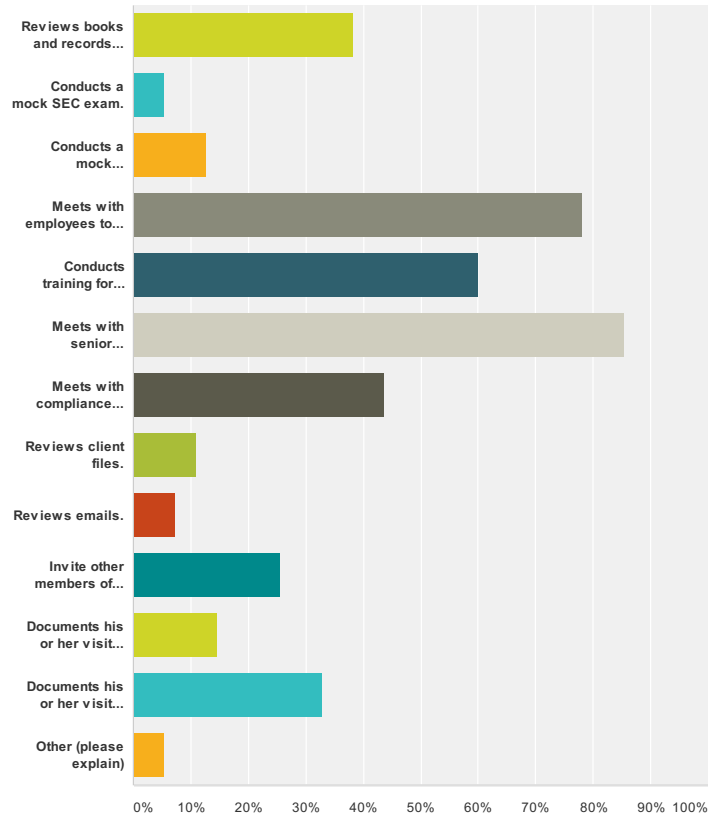


Answer Choices	Responses	
Annually.	35.48%	22
Semi-Annually.	9.68%	6
Quarterly.	8.06%	5
Monthly.	3.23%	2
Ad Hoc basis only.	32.26%	20
Never.	11.29%	7
Total		62

2014 Investment Management Compliance Testing Survey

Q61 What tasks does your CCO undertake during each visit? (check all that apply)

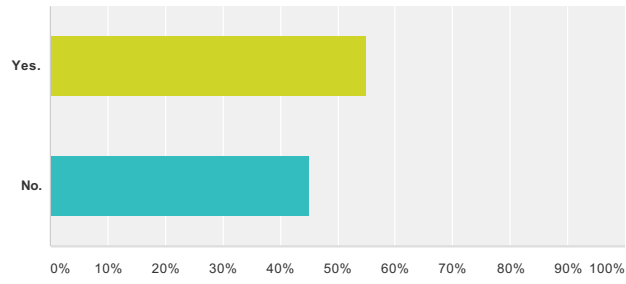
Answered: 55 Skipped: 314



Answer Choices	Responses	
Reviews books and records maintained in the office.	38.18%	21
Conducts a mock SEC exam.	5.45%	3
Conducts a mock examination/compliance review for other jurisdictional requirements.	12.73%	7
Meets with employees to discuss compliance issues.	78.18%	43
Conducts training for employees.	60.00%	33
Meets with senior management.	85.45%	47
Meets with compliance staff.	43.64%	24
Reviews client files.	10.91%	6
Reviews emails.	7.27%	4
Invite other members of senior management accompany the CCO on visits.	25.45%	14
Documents his or her visit by completing a checklist.	14.55%	8
Documents his or her visit by creating and filing a written narrative/memo/report.	32.73%	18
Other (please explain)	5.45%	3
Total Respondents: 55		

Q62 Do your foreign offices utilize service providers to assist with your compliance needs?

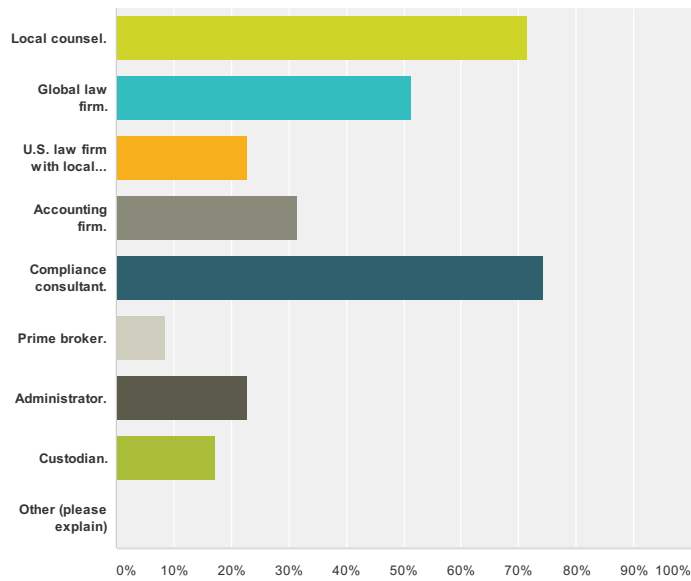
Answered: 62 Skipped: 307



Answer Choices	Responses	
Yes.	54.84%	34
No.	45.16%	28
Total		62

Q63 You indicated that you utilize service providers in your foreign offices to assist with your compliance needs. Please indicate which types of service providers you engage to provide compliance related services (check all that apply)

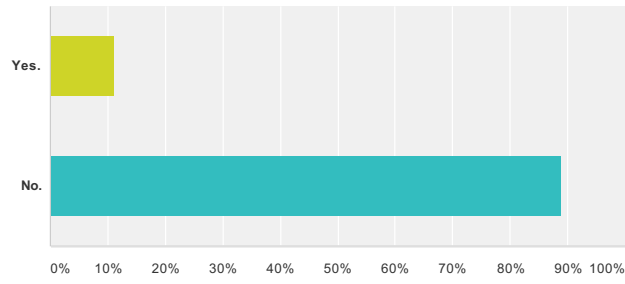
Answered: 35 Skipped: 334



Answer Choices	Responses	Count
Local counsel.	71.43%	25
Global law firm.	51.43%	18
U.S. law firm with local expertise.	22.86%	8
Accounting firm.	31.43%	11
Compliance consultant.	74.29%	26
Prime broker.	8.57%	3
Administrator.	22.86%	8
Custodian.	17.14%	6
Other (please explain)	0.00%	0
Total Respondents: 35		

Q64 Do you manage an EU domiciled fund (other than a UCITS fund) or any fund which is actively marketed into the EU?

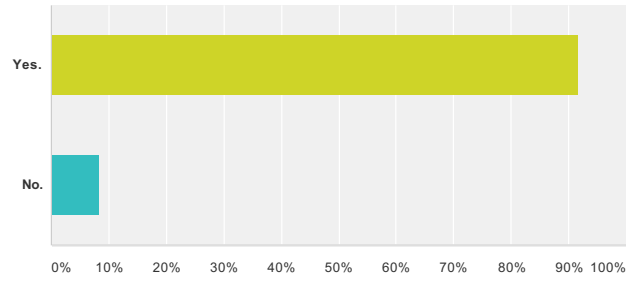
Answered: 301 Skipped: 68



Answer Choices	Responses	
Yes.	10.96%	33
No.	89.04%	268
Total		301

Q65 You indicated that you manage an EU domiciled fund (other than a UCITS fund) or any fund which is actively marketed into the EU. Have you started to think about the practical implications of the AIFMD?

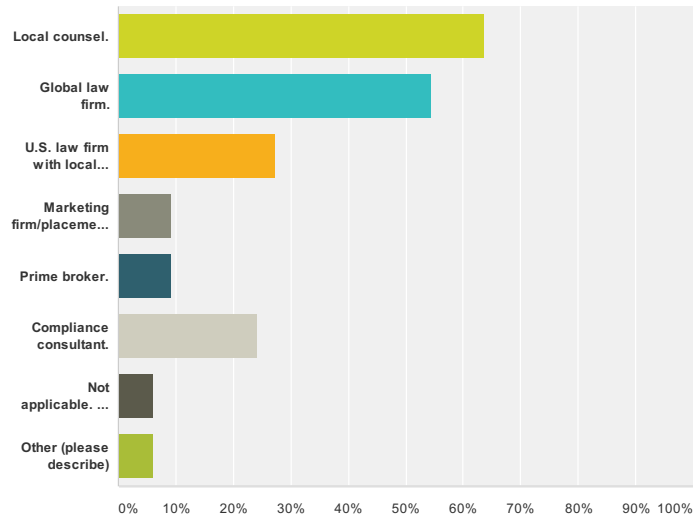
Answered: 36 Skipped: 333



Answer Choices	Responses	
Yes.	91.67%	33
No.	8.33%	3
Total		36

Q66 Which of the following have you engaged to assist you in understanding and complying with the AIFMD? (check all that apply)

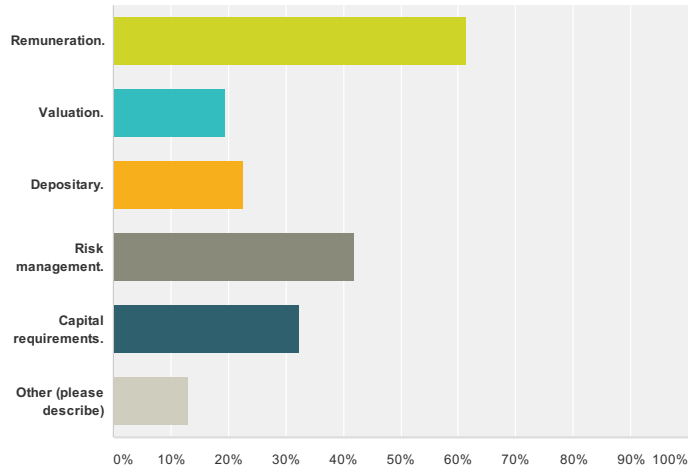
Answered: 33 Skipped: 336



Answer Choices	Responses
Local counsel.	63.64% 21
Global law firm.	54.55% 18
U.S. law firm with local expertise.	27.27% 9
Marketing firm/placement agent.	9.09% 3
Prime broker.	9.09% 3
Compliance consultant.	24.24% 8
Not applicable. We have not engaged any third-parties to assist us with this.	6.06% 2
Other (please describe)	6.06% 2
Total Respondents: 33	

Q67 Which areas of the AIFMD cause you the most concern? (check all that apply)

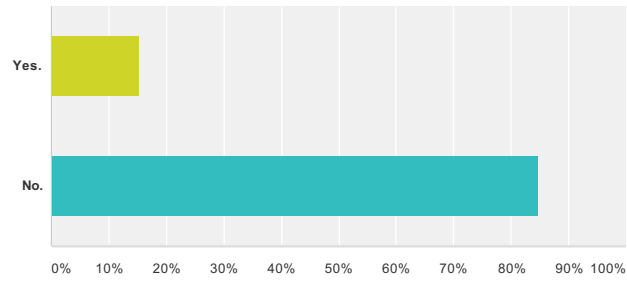
Answered: 31 Skipped: 338



Answer Choices	Responses	
Remuneration.	61.29%	19
Valuation.	19.35%	6
Depositary.	22.58%	7
Risk management.	41.94%	13
Capital requirements.	32.26%	10
Other (please describe)	12.90%	4
Total Respondents: 31		

Q68 Are you considering altering the structure of the group to avoid registration as an AIFM?

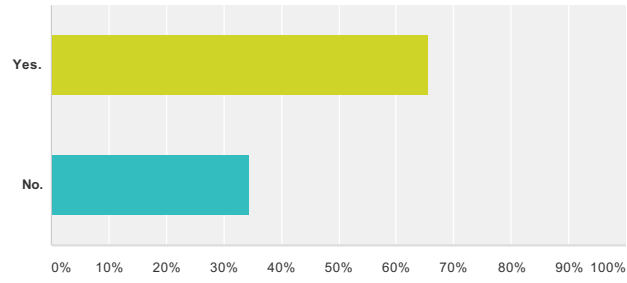
Answered: 33 Skipped: 336



Answer Choices	Responses	
Yes.	15.15%	5
No.	84.85%	28
Total		33

Q69 Do you intend to “actively” market an AIF in the EU?

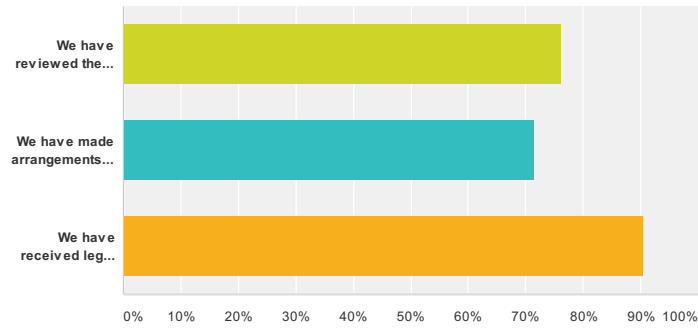
Answered: 32 Skipped: 337



Answer Choices	Responses	
Yes.	65.63%	21
No.	34.38%	11
Total		32

Q70 Which of the following tasks have you undertaken in preparation for your marketing activity under the AIFMD? (check all that apply)

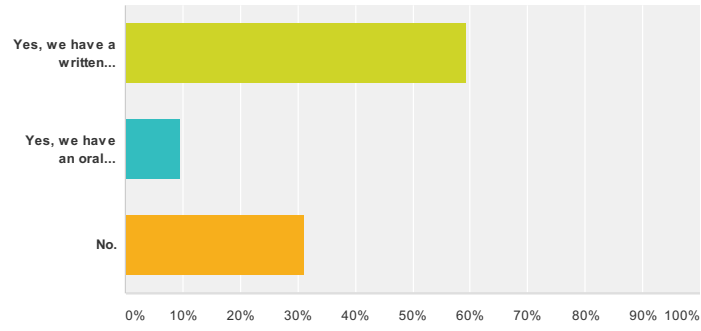
Answered: 21 Skipped: 348



Answer Choices	Responses
We have reviewed the fund documentation (OM/PPM) to ensure that it is AIFMD compliant.	76.19% 16
We have made arrangements to register the fund with/notify the competent authority of our intended marketing activity.	71.43% 15
We have received legal advice on the private placement rules in each jurisdiction in which we intend to market our fund.	90.48% 19
Total Respondents: 21	

Q71 Does your firm have a whistleblowing policy?

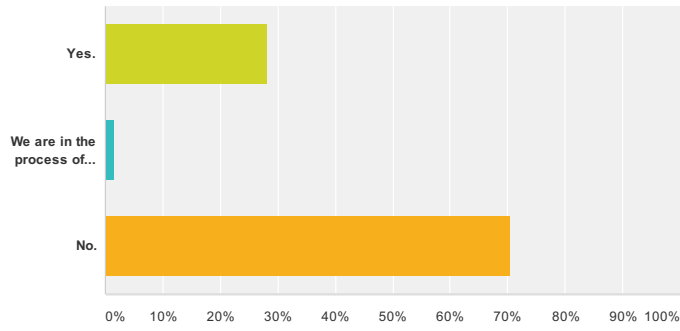
Answered: 302 Skipped: 67



Answer Choices	Responses	Count
Yes, we have a written whistleblowing policy.	59.27%	179
Yes, we have an oral whistleblowing policy.	9.60%	29
No.	31.13%	94
Total		302

Q72 Has your firm instituted an independent hotline for anonymous reporting by employees?

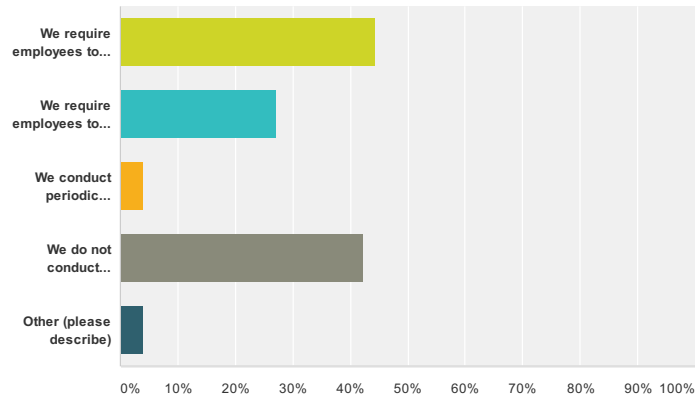
Answered: 209 Skipped: 160



Answer Choices	Responses
Yes.	28.23% 59
We are in the process of instituting.	1.44% 3
No.	70.33% 147
Total	209

Q73 How does your firm test compliance with your firm's whistleblowing policy? (check all that apply)

Answered: 206 Skipped: 163

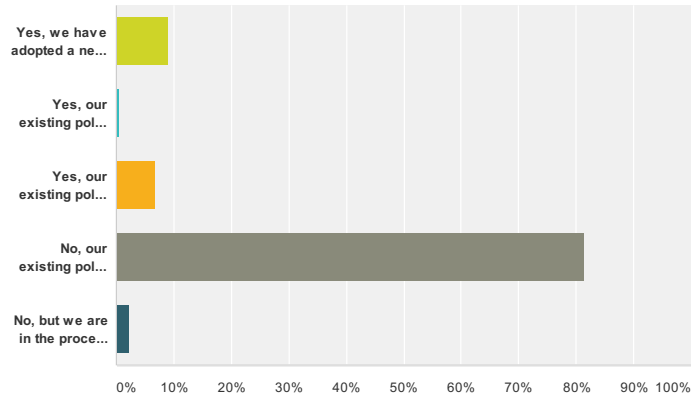


Answer Choices	Responses
We require employees to certify periodically that they read and understand our firm's whistleblowing policy.	44.17% 91
We require employees to certify periodically that they have reported material compliance issues.	27.18% 56
We conduct periodic interviews of employees.	3.88% 8
We do not conduct testing.	42.23% 87
Other (please describe)	3.88% 8
Total Respondents: 206	

2014 Investment Management Compliance Testing Survey

Q74 Since January 1, 2013, has your firm's whistleblowing policy changed?

Answered: 210 Skipped: 159



Answer Choices	Responses	Count
Yes, we have adopted a new policy.	9.05%	19
Yes, our existing policy has changed significantly.	0.48%	1
Yes, our existing policy changed slightly.	6.67%	14
No, our existing policy has stayed about the same.	81.43%	171
No, but we are in the process of instituting a policy.	2.38%	5
Total		210

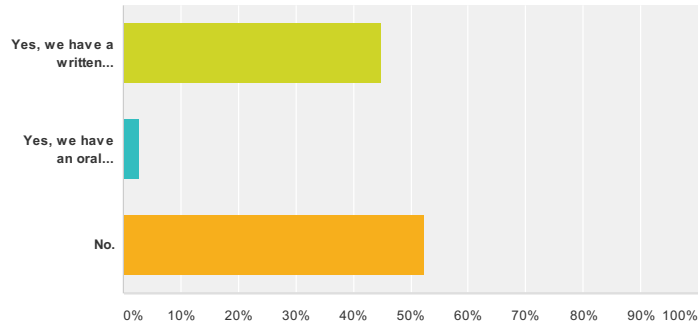
2014 Investment Management Compliance Testing Survey

Q75 You indicated that your firm has significantly changed its whistleblowing policy. Please describe. (Note: Your candid, detailed answer to this question will benefit you and your peers. The survey organizers will be selecting the most insightful responses to this question and will share them as part of the final survey.)

Answered: 1 Skipped: 368

Q76 Does your firm have a directed brokerage policy?

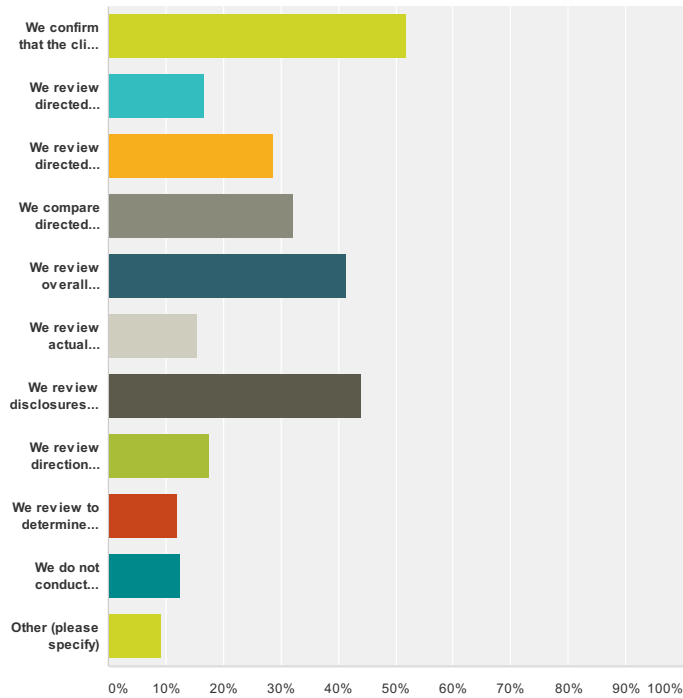
Answered: 303 Skipped: 66



Answer Choices	Responses	
Yes, we have a written directed brokerage policy.	44.88%	136
Yes, we have an oral directed brokerage policy.	2.64%	8
No.	52.48%	159
Total		303

Q77 How does your firm test compliance with its directed brokerage policy? (check all that apply)

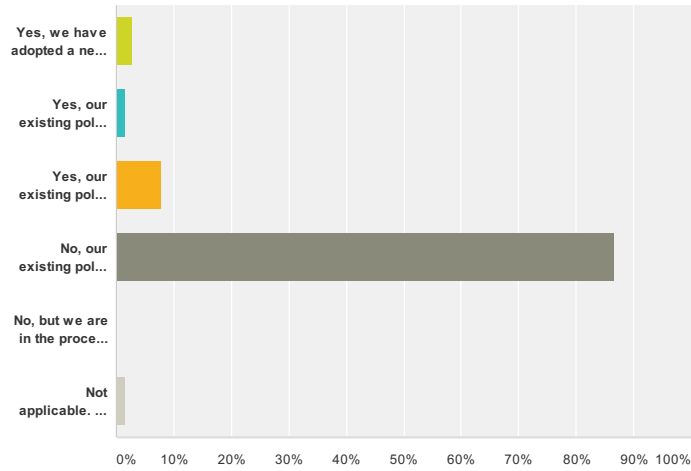
Answered: 143 Skipped: 226



Answer Choices	Responses
We confirm that the client has signed a directed brokerage request letter.	51.75% 74
We review directed brokerage commission reports prepared by broker-dealers.	16.78% 24
We review directed brokerage commission reports that we prepare in-house.	28.67% 41
We compare directed brokerage allocations against target allocations.	32.17% 46
We review overall execution quality of the directed broker.	41.26% 59
We review actual execution quality of specific directed trades versus equivalent non-directed trades.	15.38% 22
We review disclosures made to clients about trading directed accounts and confirm that they are in line with our actual practice.	44.06% 63
We review direction arrangements, including wrap arrangements, and will inform the client when we believe the direction arrangement is not in their best interest.	17.48% 25
We review to determine whether we traded away from a wrap sponsor where it was determined that it was the best execution alternative.	11.89% 17
We do not conduct testing.	12.59% 18
Other (please specify)	9.09% 13
Total Respondents: 143	

Q78 Since January 1, 2013, has your firm's directed brokerage policy changed?

Answered: 143 Skipped: 226



Answer Choices	Responses
Yes, we have adopted a new policy.	2.80% 4
Yes, our existing policy has changed significantly.	1.40% 2
Yes, our existing policy changed slightly.	7.69% 11
No, our existing policy has stayed about the same.	86.71% 124
No, but we are in the process of instituting a policy.	0.00% 0
Not applicable. We do not have a directed brokerage policy.	1.40% 2
Total	143

2014 Investment Management Compliance Testing Survey

Q79 You indicated that your firm has significantly changed its directed brokerage policy. Please describe. (Note: Your candid, detailed answer to this question will benefit you and your peers. The survey organizers will be selecting the most insightful responses to this question and will share them as part of the final survey.)

Answered: 1 Skipped: 368

2014 Investment Management Compliance Testing Survey

Which of the following areas do you view as the "hottest" compliance topics for 2014? (Please pick only three!)

Topic 1

Answer Options	Advertising/ marketing	AML/FCPA	Best execution	Books and records	CFTC	Client guidelines	Custody	Cybersecurt y/privacy/ide ntity theft	Disaster recovery planning	Error correction
Topic	25	8	8	1	9	4	18	143	1	1

Topic 2

Answer Options	Advertising/ marketing	AML/FCPA	Best execution	Books and records	CFTC	Client guidelines	Custody	Cybersecurt y/privacy/ide ntity theft	Disaster recovery planning	Error correction
Topic	24	5	6	4	6	5	21	52	22	1

Topic 3

Answer Options	Advertising/ marketing	AML/FCPA	Best execution	Books and records	CFTC	Client guidelines	Custody	Cybersecurt y/privacy/ide ntity theft	Disaster recovery planning	Error correction
Topic	29	6	10	8	3	3	28	27	24	5

Other hot topic (please specify)

Question 10: How many questions did you answer correctly?												
Question 11: How many questions did you answer incorrectly?												
FATCA	Fraud/theft prevention	Gifts and entertainment	Insider trading	International (e.g., AIFMD, EMIR)	Personal trading/code of ethics	Political contributions /pay-to-play	Regulatory reporting (e.g. Form	Social media	Soft dollars	Trade allocation	Valuation	Response Count
17	5	0	13	6	1	0	3	11	1	5	18	298
FATCA	Fraud/theft prevention	Gifts and entertainment	Insider trading	International (e.g., AIFMD, EMIR)	Personal trading/code of ethics	Political contributions /pay-to-play	Regulatory reporting (e.g. Form	Social media	Soft dollars	Trade allocation	Valuation	Response Count
16	15	1	13	22	6	3	2	41	1	11	18	295
FATCA	Fraud/theft prevention	Gifts and entertainment	Insider trading	International (e.g., AIFMD, EMIR)	Personal trading/code of ethics	Political contributions /pay-to-play	Regulatory reporting (e.g. Form	Social media	Soft dollars	Trade allocation	Valuation	Response Count
14	17	0	13	14	10	5	11	31	5	4	18	285
												Question Totals
												30
<i>answered question</i>												299
<i>skipped question</i>												70