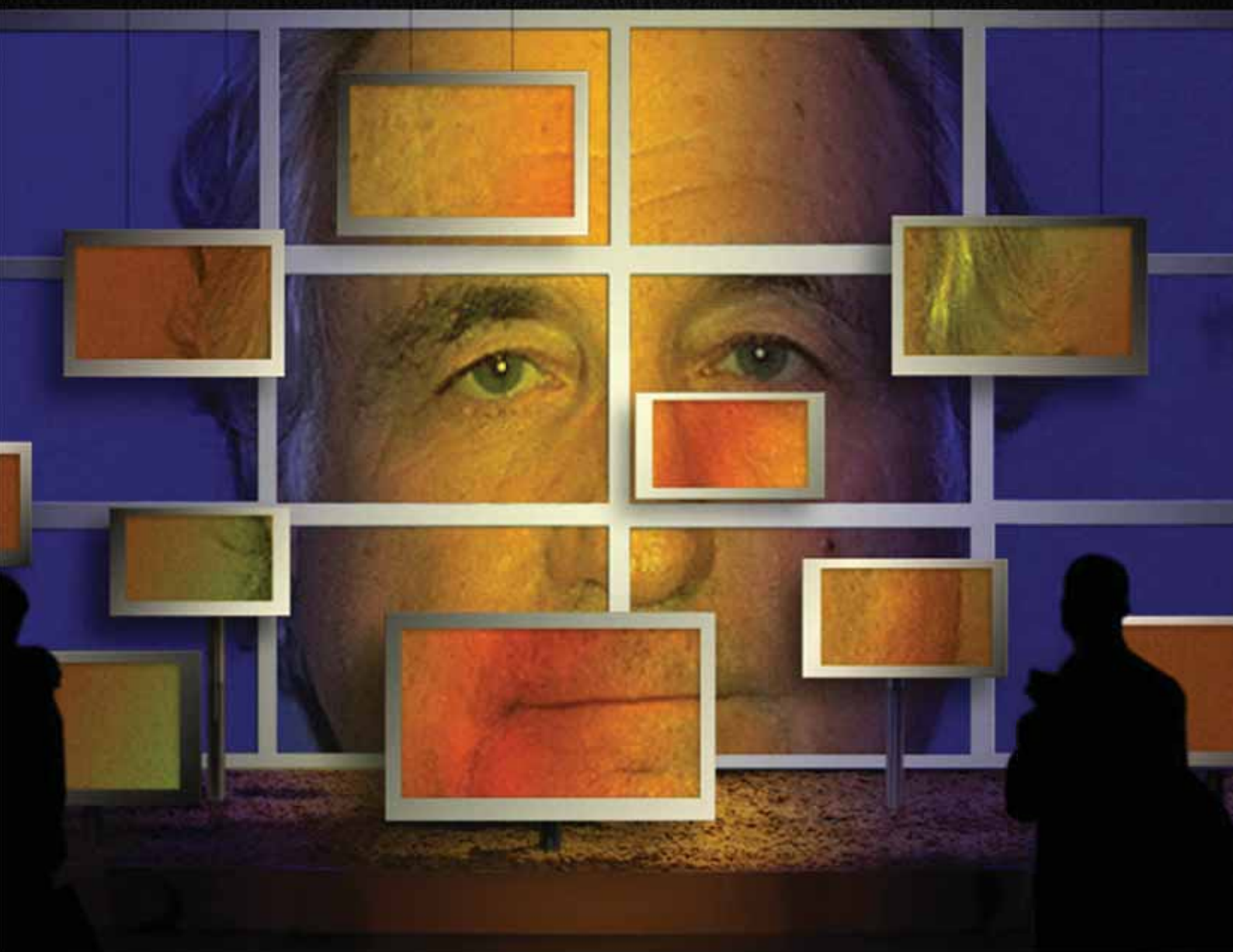


FAMILY OFFICE ELITE

SPECIAL ISSUE 1



INTERVIEW WITH THE MADOFF WHISTLEBLOWER, FRANK CASEY

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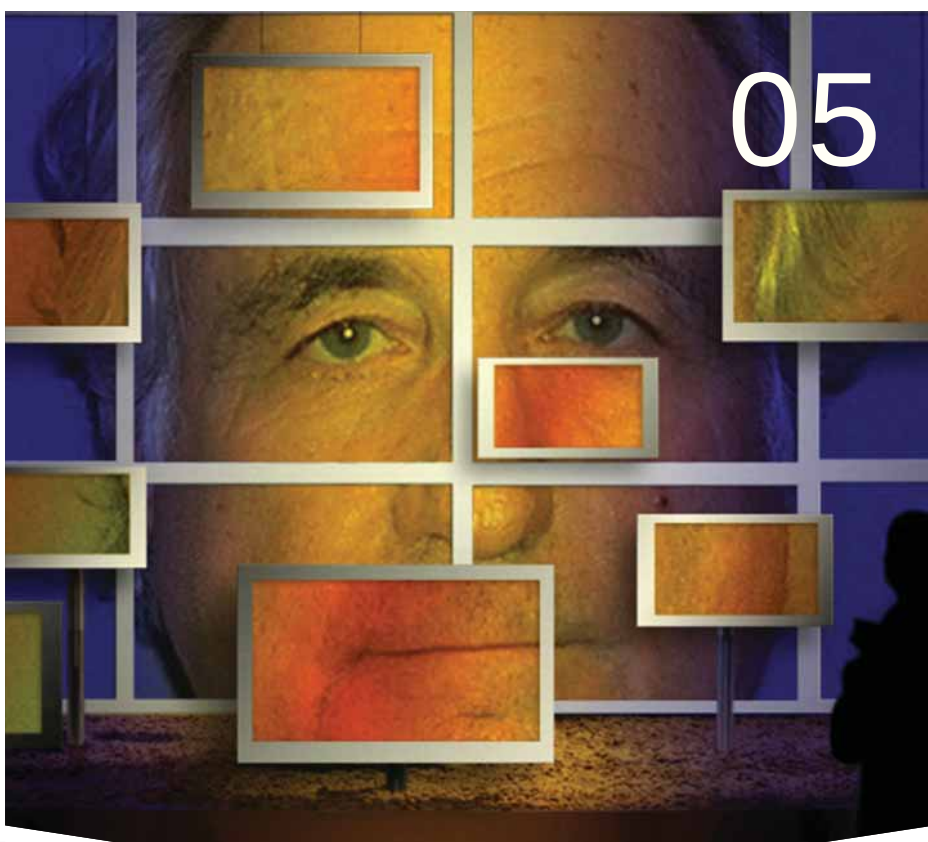
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LONDON FAMILY OFFICE

BERNARD MADOFF

Exclusive interview with Madoff whistleblower

THE FALL FROM GRACE OF BERNIE MADOFF, NOW SERVING
150 YEARS FOR THE WORLDS BIGGEST FINANCIAL FRAUD



05

SEEDING FUNDS.
LINEAR INVESTMENTS, SEEDING FUNDS

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APPS

APPLE APP STORE

1.2 million apps are available for download in the Apple App Store and more than one million apps in

NO 1: FACEBOOK POSITION

74.1 percent which means Facebook is used by 74.1 percent of the people who own a smart-



FACEBOOK PAYS \$19B

Why you should pay attention to the app phenomenon

The world app market has grown substantially in the last few years; it's gone from \$4 billion to a staggering \$30 billion industry in just 3 short years. Facebook's acquisition of the five-year-old company WhatsApp's mobile messaging service recently echoed this phenomenal pace (the original sentence structure was 'passive,' which it should never be, the structure is now correct); in a deal worth a staggering \$19bn to its creators, it was by far the biggest acquisition by Facebook to date.

Mark Zuckerberg, the founder of Facebook, has described WhatsApp as 'an incredibly valuable service that is well on its way to connecting over one billion people around the world.' (this assumes the whole of that last line was part of the speech, apologies if it isn't) The deal was a big gamble for Zuckerberg ('the Facebook Founder' deleted as

mentioned twice), who until recently had problems convincing Facebook investors to share his vision for mobile apps..

Prior to the takeover, WhatsApp had more than 400 million users around the world and added one million new registered users every day. The app enables the user to send free text messages and pictures to other users of the app. Facebook is not the only giant on the prowl, Google also made a \$1 billion offer for WhatsApp a year earlier. 'WhatsApp is planning to connect one billion people around the world making it a very valuable property,' Facebook CEO, Mark Zuckerberg is reported as saying, 'I've known Jan Koum, founder and CEO for a long time, and I'm excited to partner with him and his team to make the world more open and connected.'

Facebook bought WhatsApp with a combination of cash and stock. WhatsApp received \$12 billion in Facebook shares, \$4 billion in cash and an additional \$3 billion in restricted shares. The news is welcome to Facebook, who last year made an unsuccessful \$3 billion bid for SnapChat, a service that sends messages that erase themselves after a short period. The social media

INVESTING IN APPS

NO 2: GOOGLE PLAY 50.9%

Google Maps and Google Play. Both these apps come pre-installed on almost all Android

NO 3 YOUTUBE AT 49.7%

YouTube is at number 3 ahead of Google search with a reach of almost 50 percent.

firm is making the move as WeChat, owned by China's Tencent, is rapidly building its service in the west.

RESEARCH AND DEVELOPMENT FOR THE FUTURE OF APPS

Apps are with us to stay; any Family Office, Wealth Management Organization or HNWI should consider purchasing or joining other Family Offices to buy into the app market as part of their portfolio. Many of the popular apps such as WhatsApp have made billions for their creators and investors and many more apps have made millions in profit. As part of the future of app research and development, it stands to reason that researching the most profitable apps and developing and placing similar apps into the marketplace is a good strategy.

Dom Muricu, who runs an app development start-up based in London, is in the process of developing several ground-breaking apps set to cause a stir on the app world market. He said, 'We are recruiting the most talented app developers from around the world and are providing developers with the opportunity to participate in a profit-share based on the success of developed apps.'

POPULAR APPS



FOURSQUARE: In 2010, one year after its launch, industry giants, Yahoo and Facebook offered to buy Foursquare for \$100-120 million. But Crowley had already sold one company to Google; Dodgeball and Google promptly shut down the location app.



QWIKI: Google on shopping with deep pockets offered to buyout Qwiki for more than \$100 million, but CEO Doug Imbruce turned it down. Now it's on its third pivot. Qwiki automatically turns the pictures/videos from a user's camera roll into movies to share.



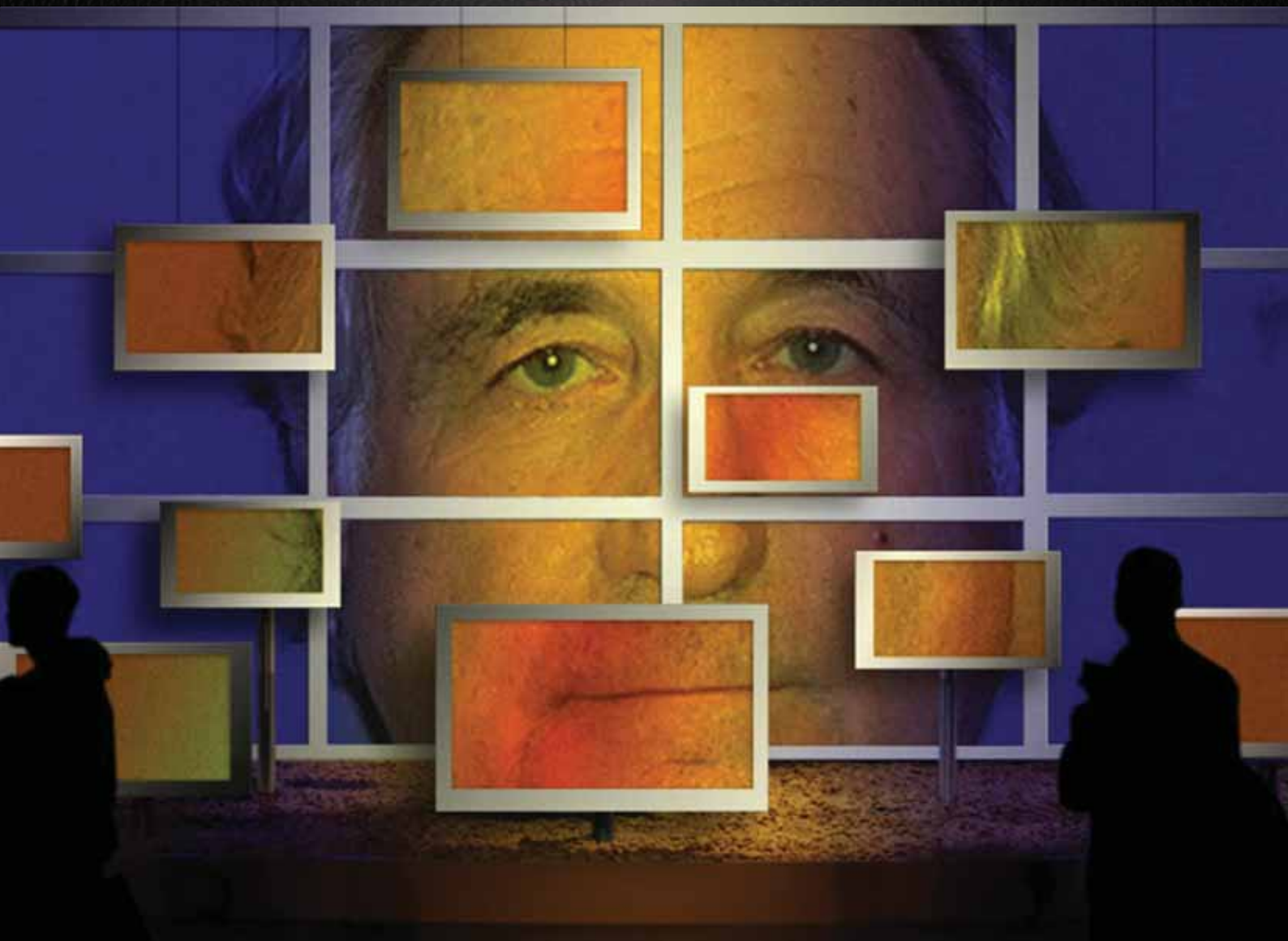
PATH is a social networking-enabled photo sharing and messaging service for mobile devices. They turned down a \$100 million offer from Google three months after launch. Path maintains a 5 star rating and is loved by millions of people.



PINTEREST is a visual discovery tool that people use to collect ideas for different projects and interests. There have been no billion-dollar offers made to date; however, Google is rumoured to be interested in a few hundred million dollars.

"INVESTING IN APPS IS NOW VERY POPULAR WITH SAVY INVESTORS..."

MADOFF



WHISTLEBLOWER

The Bernie Madoff Ponzi Scheme

WHISTELBLOWER FRANK CASEY

At least 339 hedge funds feeding victims from over 40 countries to Madoff.

Bernard Madoff was born on April 29, 1938, in Queens, New York. He used \$5,000 earned from a lifeguarding job to found his investment company. Madoff's built up his firm and before his incarceration, his estimated net worth is \$17 billion. He is the former non-executive chairman of the NASDAQ stock market and the mind behind the largest Ponzi scheme in history.

THE WHISTLEBLOWER

Frank Casey is a former US Airborne Ranger Infantry Captain with 39-years expertise in Corporate Risk Management, Alternative Investments-Hedge Funds, Private Equity, Business Development and Due Diligence. Frank Casey stresses transparency, liquidity, client control, and never compromising absolute honesty in every representation and execution.

The Madoff case began thirteen years ago when Frank Casey and Harry Markopolos knew that returns reported by investment manager and broker Madoff were fraudulent. They set about documenting a case against Madoff using math and mosaic intelligence. They warned the SEC about Madoff over and over again in the 8.5-year period. Submission and after submission fell on deaf ears, and 29-Red Flags ignored. Through the SEC's complacency Madoff's Ponzi Scheme was allowed to grow tenfold, to over \$50 billion. Despite these many setbacks, the group persisted, not only because it was

wrong but because it went against their ex-military officers' creed of "Duty, Honour and Country."

Had the SEC been paying attention to Casey and the team, investors would not have suffered \$Billions in losses. Casey said, "If this fraud grew large enough, it would bring down the U.S. financial system and the credibility of our regulatory system." Regulators at the SEC, who were mostly attorneys, could never grasp or understand the fraud. The fraud succeeded not only because of the SEC's but also because a number of banks and wealth-managers were wilfully blind, this is understandable as there were making money from Madoff's feeder funds. While there are many victims of Bernie Madoff's fraudulent activity, but there is another interesting story to this case, that of a small and secretive group, who became known as "The Fox Hounds." For almost a decade, the Fox Hounds fought with the SEC to bring down Madoff, supplying it with a mountain of evidence that proved beyond doubt that Madoff was running his Ponzi scheme.

Frank Casey, a Fox Hound member, then an options specialist working at a firm named Rampart, was trying to convince pension funds to invest in a Rampart structured financial product wrapping hedge funds to generate about 12% per annum. Thierry de la Villehuchet, the co-founder and CEO of another hedge funds specialist firm, Access International, explained to Casey

that his fund had invested more than \$300 million with a manager few people even knew was in this business. This manager demanded complete privacy, so much so that anyone who admitted they have invested with him risked having all their money returned – but his economic performance was astonishing.

Unbelievable, month after month, no matter how the market performed, he made money using what is known as a split-strike conversion; Madoff generated 1% on the total investment per month like clockwork! Casey finally learned the name of the manager, Bernie Madoff. The same Bernie Madoff whose brokerage firm bearing his name is a well-known market-maker and founder and the former Chairman of NASDAQ, one of the most respected, even beloved, men on Wall Street.

Madoff was also running one of the largest and arguably most successful money management firms in the world. Casey is impressed, but de la Villehuchet leads him to believe that if Rampart can devise a similar strategy, it could get a portion of Access' \$300 million investment. Casey returned to Rampart with financial data outlining Madoff's strategy and showed it to Harry Markopolos, a Chartered Financial Analyst who understood the choreography of numbers. Frank asked Harry to create an investment product that could compete with Madoff. Harry

took a look at Madoff's monthly returns, then looked at Madoff's investment strategy, within five minutes he said, "This is a fraud. Maybe even a Ponzi scheme." And then it took him an additional four hours to prove that Madoff was a complete fraud.

As the team gathers more information about Madoff, they realize there are only two possible ways Madoff could be so successful: He was front running, meaning he was using information from his brokerage operation to illegally manipulate the market or secondly, he was running possibly the largest Ponzi scheme in history. Most people who knew Bernie Madoff would never have considered that Bernard Madoff, a financial genius, a humanitarian, a man who contributed millions to charity, could be a crook of epic proportions. In addition to Frank Casey, Harry drew into the chase his protégé, the equally intense Neil Chelo, a young member of several of the most prestigious financial organizations, who sat directly across the desk from him at Rampart. The three colleagues began by gathering as much information about Madoff's operation as possible.

The numbers continued to get bigger and bigger: Seven-billion, Ten-billion. Incredibly, Bernie Madoff was secretly running the largest hedge fund on Wall Street. His business was completely unregulated. Initially, Harry believed Madoff was either front running or engaged in a Ponzi scheme, but leaning toward the latter theory. Neil and Frank weren't so sure, believing he was front-running order flow. After all, who would believe such a highly respected professional of Wall Street would be running a Ponzi scheme. Finally, in May of 2000, the Team put together their first submission to the SEC, a document outlining the reasons Madoff couldn't possibly be legitimate. Among the twelve red flags listed that were in order to be following this investment strategy Madoff would need to have access to about \$7 billion in options – and he was supposedly trading his options on the Chicago Board of Options exchange -- which had less than \$1 billion options available. Madoff had up to Seven billion of investors' money in the strategy, and he was growing larger by the day.

Early in 2001 Mike Ocrant an investigative reporter for the respected hedge fund journal Mar Hedge became the fourth member of this group and began working on a story about Madoff's secret investment fund. He couldn't believe what he found. Eventually, he called Madoff and requested an interview. Madoff shocked him by suggesting he come right over to the office. He found Madoff to be charming and direct, he answered every question, and Ocrant left his office believing there had to be some mistake. Eventually his story about Madoff's secret investment fund and the questions that couldn't be answered – ran in a Wall Street trade newspaper. It should have destroyed Madoff –but no one even blinked. A week later, a much more widely circulated Barron's picked up the story.

The team was certain this was the end of Madoff. The articles raised too many questions and should have brought down his empire. However, no one paid any attention to them. It was becoming clear that Bernie was too big to be brought down.

The Fox Hounds began collecting as much information as possible about Madoff's money management business. Madoff had warned his investors not to talk about the fund. For good reason, Harry had discovered:



Whistleblower Frank Casey

MADOFF GUILTY OF 11 FELONY COUNTS sentenced to 150 years in prison.

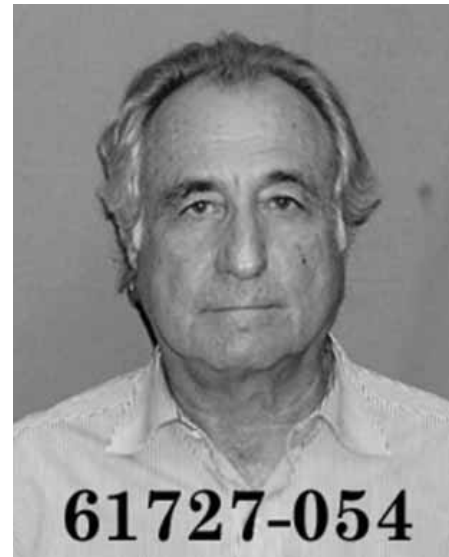
Madoff was paying them far greater returns than any other firm, returns far beyond what might be expected.

In 2002, Harry had finally created a product that could generate returns that would rival Madoff – but with much greater risk. Rampart and Access agreed jointly to market the product and Harry went on a sales trip to Europe with Thierry de la Villehuchet. They met with 20 private banks, 14 of them admitted they 'had' Madoff, and each of those 14 confidently explained to Harry that although Madoff was no longer accepting new money, they had a special arrangement with him, and he accepted their money, and only their money.

Later, Frank asked Thierry de la Villehuchet bluntly what he would do when it was proven Madoff was a fraud, de la Villehuchet replied that it was impossible, he had done his due diligence, but admitted that if he was wrong then he "was a dead man." What was astonishing to The Fox Hounds was the immense size of this scam. At the 1999 investigation start, they estimated the fraud to be as much as \$5 billion, but what they learned caused them to reassess that figure. Way upwards. Madoff's tentacles reached deeply into Europe and even South America, and estimates of the fraud continued to grow to \$20, then \$30 billion dollars. The team was tracking 30 Madoff feeder funds. Only after Madoff surrendered was it revealed there were probably at least 339 hedge funds feeding victims from over 40 countries to Madoff.

During the next few years Harry, with the assistance of his team, made four more submissions to the SEC, eventually there would be a total of six, each one of them carefully listing the reasons Bernie Madoff was running the largest Ponzi scheme in history. But no one would listen, and the scam imploded north of \$50 Billion. In 2009, Madoff pleaded guilty to 11-felony counts securities fraud and was sentenced to 150 years in prison.

For More Information see "Scam of the Century" by CNBC, Frontline's "The Madoff Affair," "No One Would Listen" by Harry Markopolos-Wiley Publishing, the "Chasing Madoff" documentary available "On Demand."



In 2009 Bernie Madoff pleaded guilty to 11 felony counts securities fraud and was sentenced to 150 years in prison



Charles Ponzi, was an Italian businessman and con artist in the U.S. and Canada, in the early 1920s he promised clients a 50% profit within 45 days, or 100-% profit within 90 days, In reality, Ponzi was paying early investors using the investments of later investors. This type of scheme is now known as a "Ponzi scheme". His scheme ran for over a year before it collapsed, costing his "investors" \$20 million.

THE NEXT TECHNOLOGY GOLD RUSH

BIO-PRINTING

BIOPRINTING BODY PARTS FOR TRANSPLANTS

Bioprinting involves the use of advanced printing technology to print live cells for use as human organs for transplants; the cells then seem to be able to rearrange themselves after printing.

by Amanda Ford

The 3D printing industry has come a long way in the last few years and has for some time been printing a diverse selection of objects in areas such as automotive, medical, business, industrial equipment, education, architecture, consumer products, plastic and metal items. However, while this seems like an incredible achievement, even more incredible is the recent development of bioprinters. This technology that can construct living tissue by outputting layer-after-layer of living cells will revolutionize the medical field. 3D printed prosthetics and implants have already been on the market for a number of years. Recently in the news, the first customized 3D-printed lower jaw was created for an 83-year-old patient with a serious jaw infection. The FDA has also given approval for a 3D printed implant that replaced 75% of a man's skull.

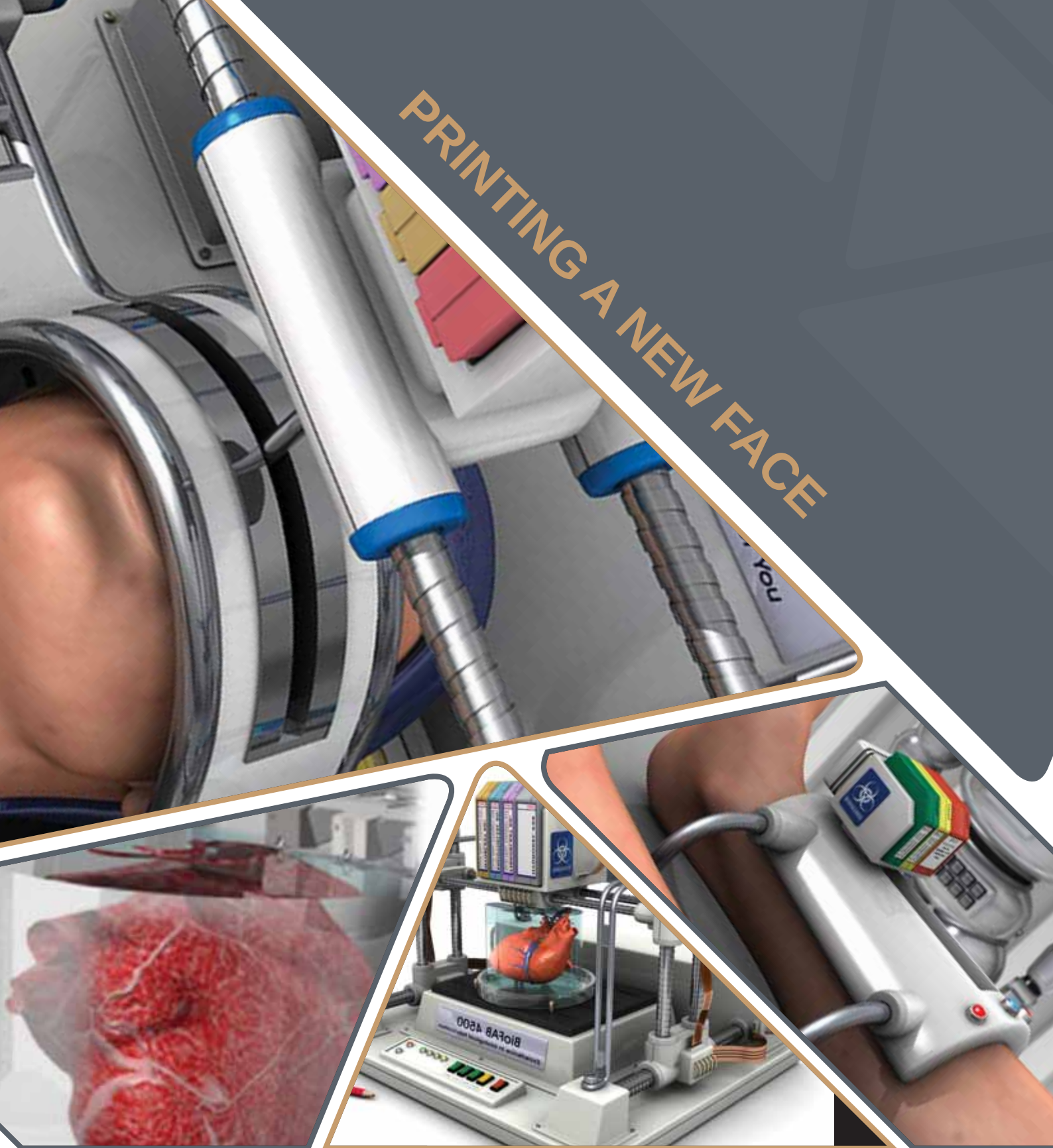
Future developments include keyhole bioprinters that can repair organs inside a patient's body during an operation; other developments have cosmetic applications such as face printers that could evaporate existing cells while simultaneously replacing them with new cells. Future technology could also give people the ability to download a face template from the Internet and have it printed onto their own face or have a saved template of their own younger face and have it reprinted back on, later on in life. As bioprinting interacts more and more with the medical fraternity, replacement body parts and organs will be a relatively simple and routine task. In addition, as every organ printed will be from a patient's own cells, the risk of transplant organ rejection would be negligible.

According to Christopher Barnatt, the Associate Professor of Strategy and Future Studies at Nottingham University Business School in the UK, 'I believe that bioprinting will become a mass-use medical technology, largely because it will be readily scalable, unlike current transplant techniques that are limited by donor tissue availability. I expect bioprinting to enter an application in the early 2020s for things like nerve and arterial graft transplants. Kidneys will probably follow by the late 2020s, and more complex organs, plus in situ bioprinting in the 2030s.

- REPRINT DAMAGED BODY PARTS AND SKIN
- REPRINT YOUR YOUNGER FACE AT ANY AGE
- POSSIBILITIES FOR MEDICINE ARE ENDLESS



PRINTING A NEW FACE



"Bioprinted images created by and copyright (c) Christopher Barnatt, ExplainingTheFuture.com"

Rolls-Royce Wraith

presents a masterpiece of elegant simplicity.

"The purposeful fastback profile is Wraith's defining element. Inherent in this graceful line that sweeps from the top of the screen to the very rear edge is the promise of fast, yet effortless touring."

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TOP SPEED 250KM/H - 155MPH





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WRAITH

0-60 mph in 4.4 seconds (0-62 in 4.6)

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WRAITH DATA

MOST POWERFUL ROLLS

The design hints at dynamic prowess of the most powerful Rolls-Royce ever: 624 bhp/465 kW, 800 Nm from 1,500 rpm : 0-60 mph in 4.4 seconds (0-62 in 4.6)

SATELLITE AIDED TRANSMISSION

Debut of Satellite Aided Transmission. A technology that uses GPS mapping data to ensure the correct gear is always pre-selected for the road terrain ahead

VOICE ACTIVATED

Voice activated connectivity augments effortlessness – the 'on-board valet'

CANADEL PANELLING

Canadel Panelling sweeps through a sumptuous, contemporary and yacht-like interior cabin

The Wraith is Rolls-Royce's most powerful and dynamic Rolls-Royce in history. At its heart lies the hallmark Rolls-Royce attributes of luxury, refinement and hand-craftsmanship, but the model from the world's pinnacle super-luxury marque also presents a unique character defined by power, style and drama. With just a hint of the noir.

"The Wraith is The most powerful Rolls-Royce in history, Wraith promises the sense of adventure and speed that drove our founding forefather. But of course, Wraith's starting point is luxury, refinement and quality, traits that remain as important to Rolls-Royce customers today as they were more than a century ago."

In profile, Wraith's sweeping fastback design gives the car its unique character. Bold lines, tension in the panels and a raked rear screen evoke the image of a world-class athlete poised in the starting blocks. Further expression of dynamic intent can be seen in Wraith's deeply recessed grille, wide rear track and dramatic two-tone presentation.

Coach doors open to reveal a sumptuous interior complete with softest Phantom-grade leathers and expanses of wood called Canadel Panelling. Named after the famous cove in the South of France where Sir Henry Royce and his design and engineering teams spent their winters, this contemporary and tactile finish sweeps through the interior, cossetting four occupants in a space bathed in light and warmth.

The interior ambiance is complemented by Starlight Headliner, a Bespoke feature available beyond Phantom family cars for the first time. 1,340 fibre optic lamps are hand-woven into the roof lining to give the impression of a glittering, starry night sky. Performance delivers on the promise of Wraith's styling. Power delivery is effortless, but dramatic, thanks to a V12 engine



SATELLITE AIDED TRANSMISSION TO SEE BEYOND WHAT THE DRIVER CAN SEE

married to 8-speed automatic ZF transmission. 624 bhp / 465kW is available to the driver while the 0-60 mph sprint is achieved in 4.4 seconds, compared with 563 bhp / 420kW and 0-60 in 4.7 seconds for Ghost.

From 1,500 rpm 800 Nm of torque is available (780 Nm for Ghost), while a wide rear track, shorter wheelbase and lower roof height further contribute to the most powerful, involving driving experience of any Rolls-Royce in history. The car's suspension has also been tuned to minimise body roll and discreetly amplify feedback when cornering; while steering weight is heavier at high speeds and lighter at low speeds adding to the spirited drive.

However, Wraith is no GT bruiser. Agility improvements have been achieved with absolutely no compromise to the sensation of riding on a bed of air. Furthermore, the debut of Satellite Aided Transmission (SAT) technology takes the powertrain to a new level of effortless delivery, one that perfectly suits the Rolls-Royce brand.

Satellite Aided Transmission uses GPS data to see beyond what the driver sees; it anticipates his next move based on location and current driving style, then selects the most appropriate gear for the terrain ahead. Corners, motorway junctions and roundabouts are all anticipated in advance meaning Wraith is constantly poised to deliver on its promise of performance.

A more polished, effortless driving experience and even better response brings a new, more dynamic dimension to the famous Rolls-Royce trait, waftability. Advances in mechanical and electrical technology deliver systems like head-up display, adaptive headlights and Wraith's keyless opening boot. But improvements in connectivity have taken the human-machine interface to a new level of sophistication, a suite of aids that could be likened to a contemporary on-board valet



TOP SPEED 165 MPH
FASTEST ROLLS
LENGTH - 5269MM / 17FT.3"

What is a Family Office?



Tom McCullough

Family offices originated over 100 years ago when wealthy families, mostly in the United States, hired dedicated staff to manage and coordinate their diverse financial affairs. They were designed to look after investment management, tax planning, succession, insurance, philanthropy and a myriad of other needs particular to the family. Names like Rockefeller, Carnegie, and Pitcairn are among the best known in North America. In Europe, private banks have been the main vehicle serving the wealthy and have been doing so for over 300 years.

There were often several reasons that drove families to set up a family office.

- Assets had grown to a size where full-time professional management was required;
- The family members were frequently too busy or didn't feel qualified to handle the increasingly complex financial issues brought about by their wealth; or
- A liquidity event, such as the sale of a business, required a significant range of coordinated decisions.

Most family offices oversee the affairs of single families. A relatively recent phenomenon is the multi-family office, which has arrived along with the proliferation of wealthy families in the past 20 years. Multi-family offices serve the needs of more than one family, and

the asset requirement is considerably less than that of single-family offices, typically from \$10 or 20 million of net worth up to \$500 million.

Whether operating as a single-family office or a multi-family office, an important characteristic of the family office is their intimate knowledge of the family's values and generational issues, as well as 'institutional memory' of the family's affairs. This allows the family office principals to speak intelligently with third-party experts (accountants, lawyers, etc.) and be a source of general advice and counsel to the family on important issues as they arise.

Another benefit unique to multi-family offices is the resulting purchasing power. It provides participating families with access to the widest range of investment opportunities and the top tier of advisory services at a lower cost than if each single individual or family were to contract those services on their own. When all is said and done, the real value of a family office is having a trusted team of advisors to coordinate all the diverse aspects of a family's financial lives.

Tom McCullough is Chairman and CEO of Northwood Family Office a leading global multi-family office based in Toronto, Canada and author of the new book "Family Wealth Management"(<http://amzn.com/0470824298>).





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VAGA BARTALINI



Vaga Bartalini was a precursor of feminist progress, both professionally and personally. She has spent her entire career working in the international financial markets, in a variety of top level positions for well known financial institutions, banks and family offices.

Her career started after having earned a Master Degree in Languages, Economics and International Law from Geneva University. She joined Merrill Lynch in the US in her early 20's and later moved to Rome (Italy) as a client advisor on all financial instruments and markets. Vaga was, amongst other things, a commodity trader for both speculative and professional hedging purposes. After her first tenure with Merrill Lynch, she worked as a freelance asset manager and advisor; she then joined Merrill Lynch again in Monte Carlo in the early 90's. In 1996, she was selected by the ING Group to create a new Private Bank in Monte Carlo. She was the Managing Director of the Bank as well as a Member of the Board. Vaga has also run a large Family Office for over 10 years and held a number of directorships in other Asset Management Companies, both in London and Geneva. She arranged financing for a Dutch company prior to its IPO listing on the London AIM and Amsterdam Euronext, and she is now active in a number of finance fields.

FOE: Vaga, you're considered by some as a "recidivist" veteran in the wealth management sector, can you tell our readers how it all began for you?

VB: I have had the great privilege of a career in Finance spanning one of the most interesting periods one could have wished for. I started out in the USA in the

70's, with Merrill Lynch. Markets then were not always easy (have they ever been ?), but at the time, the US side of the business was light years ahead of Europe, and I felt I was at the cutting edge of things. I went on to trade commodities and later on futures options, loving the thrill of the action and the excitement of these fast markets' vagaries.

FOE: Given the ups and down of the industry have you had any bad experiences with unhappy clients?

VB: Needless to say, I lived through boom and bust several times over, but I cannot remember unhappy clients of mine, as we always advanced together, exchanging realistic, honest information and holding hands so to speak, in a mutual trusting business relationship, which I am convinced is the only way to go. My interests were always totally aligned with those of my clients, so we were in fact partners.

FOE: The Private Bank you setup in Monaco was such a huge endeavour and must have posed some difficulties and problems for you; can you tell us about your experiences?

VB: I was called to start a Bank from scratch for an international Group in the Principality of Monaco, and I must say, it was an exciting and challenging experience, although it was relentless work, a bit of good luck and a lot of client support. So, to be honest, although it was a difficult and sometimes tricky process, I thrived in this environment and succeeded in what I set out to do.

FOE: Can you tell us about the activities you are currently involved with?

I do free-lance consulting on a number of themes, like international Real Estate, Commodities, Marketing, etc. Some years on, I am still in the fray and, although we all get older, I strongly believe in keeping the mind active and challenged, so it does not lose its edge.

FOE: So what is the story of your success?

VB: The most important things to me are competence and honesty, which create trust; in fact, our interests are fully aligned to those of our clients, as we invest alongside them; we are in it together, if we win they win! And we do most of the time! This is I believe the spirit of a successful Family Office advisor.

FOE: Are you involved in any other Family Offices or Wealth Management Firms?

VB: yes, I have also run a single FO for several years, mostly on the Wealth Management side of things. I am currently associated to two International Multifamily Offices, for which I handle Investment Products and Strategies, as well as overseeing opportunities in different assets.

FOE: If there is one piece of advice you could give to our readers, what would that be?

VB: Well, given the turmoil on the world markets, I would suggest that you know your advisor well or pick an advisor with a solid track record and impeccable reputation. This may seem obvious to many people; however, we all know the horror stories of trusting the wrong people. In plain terms, competence and honesty cannot be underestimated; they must be earned and constantly proven on the battle ground.

WHY DO THE UHNW GIVE?



Enzo Calamo
CEO
Lugan Family Office

I'm often asked why some UHNW individuals become philanthropists. Is it for tax purposes? Do they want their family names remembered on the outside of public buildings? Are they worried that transferring massive wealth to their children may have a negative impact on their kid's lives? Is it because these UHNW families are passionate about their causes? Is it because the rich like to donate to each other's charities?

Although there are many personal reasons for giving to charitable organizations or foundations, I believe the core reason that the UHNW giveback as philanthropists is that they do understand the true meaning of philanthropy, which is the love of mankind. It is not about money but rather, fulfilling their life purpose to impact the lives of others while making a difference in the world.

Unlike Scrooge in Charles Dickens' A Christmas Carol movie, the UHNW comprehend the significance of Marley's initial response to Scrooge's statement, "But you were always a good man of business, Jacob." Upon which Marley's ghost cries out in anguish: Business! Mankind was my business. The common welfare was my business; charity, mercy, forbearance, and benevolence were all my business. The dealings of my trade were but a drop of water in the comprehensive ocean of my business!

In my experience, philanthropists understand that regardless of how they made their wealth, this wealth cannot be taken with them to the afterlife. Philanthropists know that they must be good stewards of their wealth for themselves, future generations, and their fellow man. Consequently, being a philanthropist is about creating a legacy from the heart.

UK CAPITAL TAKES LEAD IN PROPERTY INVESTMENT

LONDON PROPERTY



by Amanda Ford

LONDON SAFE HAVEN

A 2014 Survey, carried out by Cluttons LLP, reveals London property retains top ranking for international investment as the UK capital's 'safe-haven status' is the foremost financial driver for investment (26%). The survey confirms London position as the primary destination for investment in property and its perceived 'safe-haven' status was identified as the primary driver for investment in the UK capital amongst HNWI clients - 26% considered London to be a safe-haven for investment, while only 4.3% considered financial market performance as a key driver.

The report cited that London is relatively stable, compared to other European countries that are still suffering from the aftermath of the financial crisis. The report also revealed that the perceptions of HNWI towards UK membership of the EU suggest that the appeal

of London as an investment destination will be virtually unaffected. Cluttons offices in Abu Dhabi, Dubai, Kuala Lumpur and Bangkok noted that clients in these markets view London as their first-choice investment target, followed by Dubai and Singapore.

- (1) LONDON
- (2) DUBAI
- (3) SINGAPORE

Investing in property in London has always been popular with HNMI and Family Offices; London remains a desirable destination for high-net-worth individuals who want to own a home in London

areas such as Knightsbridge, Chelsea or Belgravia. Furthermore, investments in London property provide good yields and have outperformed many other investment models in recent years.

According to David Lewis of DOMOS London, a specialist property consultancy firm, 'There is an increasing demand amongst Family Offices and HNWI, who are seeking to invest in properties in some of the more fashionable areas of London such as Mayfair, St James's, Kensington, Chelsea, Belgravia and Knightsbridge. However, we have also seen a substantial increase in interest in estates throughout the UK and farms in Southern Ireland.'

“Survey reveals, London, a safe haven for investment”

INHERITANCE TAX MITIGATION

FROM UK LAW FIRM, GORDON DADDS

In this world nothing can be said to be certain, except death and taxes. Nonetheless, when Benjamin Franklin dispensed these pearls of wisdom, there was no such thing as inheritance tax. Inheritance tax (or "IHT") is a flat-rate tax of 40% on the value of all assets in a deceased's estate above the Nil Rate Band. The Nil Rate Band is fixed until 2019 at £325,000. Any individual with an estate worth £1m at death will have a IHT liability of £270,000 at the current rate. For those who consider the UK as their permanent home, all assets regardless of the jurisdiction where they are located will be subject to IHT. However, if an individual is non-domiciled, only UK assets, such as real estate, UK bank accounts and shares in UK companies will be liable to IHT. Whilst there are a number of reliefs that can help to mitigate tax liabilities, many of these are limited or involve modest sums. That said, Business Property Relief, transfers between spouses and gifts made during lifetime can help to keep assets out of the hands of the taxman.

Business Property Relief

Business Property Relief (BPR) provides relief from IHT on the transfer of relevant business assets at a rate of 50% or 100%. To qualify for 100-% relief, the business property must attract BPR in the first place and be held for at least two years before death or before it is gifted. In the case of pre-death gifts, they must be owned by the recipient/beneficiary up to the point of death. In the case of Agricultural Property Relief, the relief will only be applied in respect of farmland and other assets, such as farm buildings, that are being used for specific agricultural purposes.

Transfers between spouses

Transfers of assets between spouses, whether during a lifetime or upon death, escape IHT. Up until 2008, elaborate planning techniques were needed to ensure that an individual's nil rate band of £325,000 was not lost when all assets were left to the surviving spouse.



Anna Coakes

Gordon Dadds - Mayfair Law Firm

Changes to legislation however have meant that any unused nil-rate band allowance can be transferred to the estate of the surviving spouse, without the need for complex trust or debt structures.

Gifts

It's possible to avoid IHT completely if you can give away assets to intended heirs and survive for seven years from the date of the gift. However, caution must be exercised as a "gift" is deemed to be a disposal for Capital Gains Tax purposes. In addition, there are complex rules which must be followed to ensure that the person making the gift is not deemed to have reserved a benefit in the gifted property.

New ATED charge

In view of the recent introduction of the Annual Tax on Enveloped Dwellings (ATED), careful consideration should be given to appropriate asset-holding structures. This new tax came into effect on 1 April 2013 for companies that own high-value residential property. Finally, by implementing a careful and effective succession strategy, it is possible to mitigate the impact of IHT, if not completely avoid it.

Gordon Dadds - www.gordondadds.com **is a certainty.**

DOMOS

REALTY / PROPERTY



UK London Property

DOMOS assist our clients in acquiring high end commercial or residential property (on/off market) in the most desirable areas of London and the United Kingdom

DOMOS can help with Sales and Acquisitions - Legal Representation - Maintenance Estate Management - Portfolio Management - Auction Advice and Representation



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FUCHS & ASSOCIATES FINANCE

FAMILY OFFICE CONNECTION IN LUXEMBOURG

As an important player within the Independent wealth management services industry and located in the financial centre of Luxembourg, Fuchs & Associés Finance is at the moment pursuing a very ambitious plan of deployment.

Created in 2000 by Jean Fuchs, Fuchs & Associés Finance was able to maintain a fast growth through diversification of its proposition of financial services:

From an initial asset management business, Fuchs & Associés Finance has quickly developed a high-quality life insurance brokerage service offering solutions to European residents under the protection of the famous and unique Luxembourg security triangle, but also tailor-made solutions for non-European nationals.

A dealing room, a fund Management Company and a multi-family office have all been integrated within the group to complete the product range.

Fuchs multi Family Office: a success story both for the group and Luxembourg.

Until recently, only the United States of America have defined the notion of Family Office in the Dodd-Frank Act, enacted on July 21, 2010.

In Europe, Luxembourg has been the first European country to introduce a Bill defining the profession.

The functions: to provide highly-quality professional advice and services of wealth management nature to individuals, families or wealthy entities for the benefit of beneficiaries.

The main objective of this Bill is to accentuate on integrity, which gives all its importance to the Fuchs's



Laurence Marlier
Fuchs & Associés Finance

model of independent Family Wealth Advisors.

Founding member and first President of the L.A.F.O. (Association Luxembourgeoise des Family Offices), Jean Fuchs's idea was that the profession of Family Officer can position Luxembourg as an anchoring point of Family Office in Europe so long as there is no interference in the management of relationships or assets of its clients.

A Family Officer must remain a professional entity which coordinates the relations of a family or regulates the work of a group of service providers.

That is why, when Fuchs & Associés Finance assists its clients in discretionary management and management consultancy, it does it all without the investment constraints of large institutions. Independence is expressed in complete freedom in the choice of

investment services and products, as well as the careful selection of the external service providers and partners.

The group, which currently employs over 100 people in its various entities in Luxembourg, Brussels and Geneva, pursues diversification of its local activities, but looks to expanding its sites and front office capabilities through its entities abroad.

Fuchs Family Office, which benefits from accreditation of CSSF is structured into four distinct divisions:

Investment Management, which relies on the skills of the investment company to offer advisory or discretionary asset management services, but also opens access for its customers into the markets of Private Equity or M&A, and provides on request both consolidated reporting or risk management tools;

Wealth engineering at Fuchs & Associés Finance is a consolidated offering of advice in structuring and passing on an inheritance. It coordinates the involvement and contribution of a large network of experts not only to offer the tax optimization of assets held, but also to organize the control or implement specific operations such as acquisition of yachts and airplanes; Family Business Management service, which assists the family shareholders in the definition and implementation of its corporate or family governance and plays a role of intermediary in the areas of art and philanthropy;

And finally the high-end concierge assistance, which offers a complete range of services, from the research of real estate property market to the recruitment of staff or the acquisition of exceptionally valuable motor vehicles, or managing your lifestyle.

And what about the future? What does it hold for the Fuchs group?

The group has taken a new step in 2013 by setting up offices in Dubai, Hong Kong and Singapore:

In order to win new markets such as Asia and the Gulf countries, and accelerate its development, Fuchs &

Associés Finance has expanded its teams and made substantial strategic recruitment of private bankers with huge experience and excellent networks allowing it to penetrate the local UHNW client base. Some original initiatives are also underway, for example creation of Sharia-compliant investment management solutions.

Aware of the fact that the volumes and diversity of the clients' needs are constantly increasing as well as the costs associated with the regulatory constraints especially for medium-sized players, the group comes to the conclusion that rapid expansion is a vital element of future success.

Following this philosophy, Fuchs provides assistance to newly established Luxembourgish mono- or multi-family offices in their quest to reduce very high initial operational costs and subcontract its know-how that has been acquired through its varied international experience over years.

Luxembourg is set to become a hub of excellence for Family Offices:

Luxembourg presents an attractive jurisdiction for wealthy families and an adaptive legal framework to suit all situations. It also provides a controlled and regulated environment within which the assets receive the highest level of protection. A dense concentration of tax professionals in Luxembourg makes this jurisdiction a perfect choice of location for covering all countries and dealing with complex international tax issues. The key aspect here is that with the talents of staff and external providers of services and consultants Fuchs & Associés Finance can guarantee a state of the art solutions and deliver the best quality Wealth Management services to its clients..



Fuchs & Associés
Finance

by Amanda Ford

18th Year, Five Cents.

WASHINGTON, Nov. 22

A Personal Touch

By Fred S. Hoffman
WASHINGTON (AP)

[illegible][illegible][illegible]

Horrible
Rich
People

[illegible]

TAX THEM TO DEATH



SATO Consultants is a global Media and Entertainment advisory firm that provides a comprehensive service to a select clientele. SATO is particularly adept at assessing potential vulnerabilities when dealing with the media or a media crisis. In a fast-moving world of media and entertainment, our clients need immediate results. SATO responds quickly with innovative solutions to evaluate any internal or external threats to our clients that may impact revenues and damage reputations.

www.satoconsultants.com

MEDIA CRISIS PLANNING AND POLICIES

It is everyone's worst nightmare: a media crisis that has snowballed out of control and taken on a life of its own, posing a very real threat to an organization's reputation. A hard-earned reputation can be damaged by just one error of judgment that could cause irreparable damage to an organisation or to an individual. What is the answer in such a situation?

MEDIA CRISIS POLICY

The answer may be a media crisis policy that would have specific criteria in place to rapidly respond to negative media or bad press. It is, therefore, critical to have a media crisis policy in place, not only to limit any potential damage but to counter any negative media or press before a problem has time to escalate.

MEDIA MANAGEMENT

It is also imperative to develop media management plans and policies by identifying the key strengths and limitations within an organization's infrastructure. This will assist in formulating an effective strategy that is crucial in dealing with the press and media or a media crisis.

POLICY DEVELOPMENT

Developing an effective media crisis policy will assist an organization's response to a media crisis. SATO's team of experienced consultants can draw upon sector-specific expertise to create an effective media management policy that will preserve an organization's reputation and address any issues that can lead to negative press.

EVALUATION AND REVIEW

If an organisation is forward-thinking in its approach to media management and has a media management policy in place, SATO can conduct an annual review, making the necessary improvements and recommendations as required.

RISK EVALUATION

All organizations have an informed understanding of risk; it is, therefore, essential to evaluate an organization's risks from potential negative press or bad publicity. This evaluation would include a complete review of the entire

organization and key management, which will assist in identifying any potential sources of negative publicity.

RISK MITIGATION

One can analyse identified risks by reviewing the probability of negative press or bad publicity occurring and the resulting consequences such risks can pose to an organisation and therefore plan effective damage limitation in a worst-case-scenario.

CONTINGENCY PLANNING

Robust contingency planning in a media crisis is paramount for an organization to counterpoise (suggest counteract) negative press. Such planning can provide many benefits in terms of reducing bad publicity and minimising any potential damage to an organization's image. Where risks are not addressed, contingencies must be put in place instantly to react to a media crisis and limit the impact posed to an organisation by a hostile press.

www.satoconsultants.com

'Protecting the wealth and the reputation for the next generation'

GUERNSEY



FAMILY OFFICES AT HOME IN GUERNSEY

BY Fiona Le Poidevin



Guernsey's finance industry is well placed to provide the widest scope of family office (FO) services. It's regarded as a jurisdiction of choice for many wealth management and investment funds. The island's providers combine traditional values with modern technology to assist clients manage their wealth more effectively, between locations and over generations.

The Island's proximity to the City of London and mainland Europe, as well as a convenient time zone, adds to the Island's appeal. As does the fact that the Island boasts 150 licensed fiduciaries, ranging from multinational organisations to independent and boutique operations, all specialising in the preservation of individual and family wealth and the inherently varied nature of FO structures. FOs are equally put at ease because of Guernsey's world-leading standards of

regulation. In 2011, the IMF reported Guernsey as being compliant or largely compliant with 47 out of 49 of the Financial Action Task Force (FATF) recommendations on Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) – the highest standard of any jurisdiction so far assessed. Guernsey was also one of the first places in the world to regulate trust and corporate services providers.

FO services in Guernsey

Guernsey providers are well versed in the traditional single-family office (SFO) concept of providing management services in relation to household staff, travel arrangements, property, payroll, investment programmes, philanthropy coordination and succession planning, as well as some degree of involvement with a core family operating business. However, SFOs are



also now expanding into Multi-Family Office (MFO) operations, an increasingly common trend being seen in Guernsey over recent years. The MFO can still offer specialised services to a given family but will do so on a non-exclusive basis and will provide services to one or more other families (who may even be connected). This arrangement can deliver economies of scale and opens up the world of the family office, which was traditionally only available to the super wealthy, to those with smaller fortunes or an appetite for more limited and cost effective family office services.

Guernsey structures

Guernsey's corporate, trust, foundation and limited partnership structures can be utilised to hold assets of all types across the globe. In addition, legislation enabling the establishment of limited liability partnerships under Guernsey law was introduced in May 2014. Guernsey is perhaps most well-known for pioneering the Protected Cell Company (PCC) concept more than 15 years ago. The PCC is now used across investment fund platforms, captive insurance vehicles and structured products while one of the most innovative applications of the tool is in the field of family wealth planning. Along with the utilisation of

Incorporated Cell Companies (ICCs), these private cell structures can be used to ring-fence different assets for different strands of a particular family or simply for segregation and risk management purposes. The end of last year saw the establishment of 2-REG, the Guernsey-based Channel Islands aircraft registry, which with the nationality mark of '2' followed by four letters, allows for particularly attractive registration names, such as 2-COOL or 2-PLAY. This development followed the creation of the world's first-image rights law and register just over 18 months ago which will allow celebrities and corporates to protect and exploit their image and brand.

These are just a few of the many advantages offered by Guernsey as it continues to demonstrate its capabilities to evolve its structures and products to the needs of international clients and to develop solution based initiatives in partnership with the financial services industry.

Fiona Le Poidevin is the Chief Executive of Guernsey Finance – the promotional agency for the Island's finance industry.

www.guernseyfinance.com



TOP TEN SFO TRENDS AND BEST PRACTICES



FEAR VERSUS REALITY

TOP TRENDS IN MANAGEING WEALTH

When a family encounters a significant liquidity event – by selling a business or from an inheritance – members of the family frequently become barraged by accountants, investment advisors, insurance agents, lawyers and others, all offering to help them manage their new-found wealth and lives. How can they discern which ones are trustworthy, experienced handling the issues that come with wealth, and talented in their field?

Some families have their own concerns about creating an SFO. They may worry about being herded into various types of alternative investments that are beyond the family's level of sophistication and comfort. Some may be concerned about tying up money for a long time. In today's volatile lack transparency, would an SFO just create an extra layer between them and their money?

In reality, a well-structured SFO will enhance the family's knowledge, confidence and comfort about investing, and make sure to factor in the liquidity needs of all family members. Instead of imposing a buffer between the family and its long-time, trusted advisors, there will still be a place for many of the bankers, brokers and other advisors who have served the family for many years before the fortune was acquired. But these advisors must learn how to work more as a team and provide much more transparency concerning their policies, procedures and fees, and accept a higher degree of oversight by and active involvement of family members. An SFO can be immensely helpful helping the family understand and take charge of their own heritage, legacy and wealth. While the primary functions of the SFO are to centralize management of the family fortune and to develop and implement a financially



Angelo J. Robles
Family Office Association

astute and tax-efficient transfer of the family's wealth, SFOs do much more, including investing, creating family governance structures, philanthropy, financial education, physical and computer security, family communication and the hiring and managing family employees, and maintaining a critical complement to the core family business.

Ten Top SFO Trends and Best Practices

Newly wealthy families have the opportunity to design a family office based on the newest trends in best practices of SFOs. Existing SFOs may want to embrace best practices that their family office has not instituted so far:



1. Develop a keen sense of responsibility of family members. Unfortunately, many families that wisely created an SFO are not so wisely optimizing the functioning of their SFO. They are still holding onto an outsourcing mindset, pulling back from active involvement once the SFO is up and running. In other words, after they hire someone to manage the SFO, they stand back and allow that manager to take almost complete control. Instead, family members of just about every age, no matter where they live, must be actively involved in all aspects of family office activities and results, from its initial design to its policies and procedures and results.

2. Reflect the family's vision and values. A family's values that do not run deeper than its success and its money will tend to foster entitlement and stunt the emotional, intellectual and spiritual development of later generations. The family office can be built around living or deceased relatives' accomplishments, deeply held beliefs, hopes and dreams that the family wants to foster or even improve upon. Which family principles are most likely to create the next generation of younger statesmen as they come into leadership in the family? It's great to include young-adult family members in the process of identifying these ideas and turning them into a family mission statement. Sometimes the person who created the wealth and is creating SFO does not factor in opinions of the spouse, children or advisors. Failing to do so may not sustain the family's SFO or values even to the next generation, let alone the third and fourth.

3. Build a global family agenda and governance structure. Well-structured and -run SFOs also factor in the family's vision and values when they craft the family governance framework. Family office employees must understand all family members' true feelings, lifestyle and liquidity needs. A global family agenda and governance structure runs much deeper than identifying individuals' liquidity needs. The family needs a chance to reflect, look at mission statements and governance principles of major corporations. The governance structure should mirror that of professionally run organizations, with a board of directors, the chairman, chief operating officer, president and chief operations officer. In many ways, an SFO is like a business, and it should be run like one

in order to shelter and cherish what the entrepreneur built and accomplished. The right outside advisor can create a professional infrastructure although family leaders and other family members should be involved in the process.

4. Embrace technology that will optimize investment reporting, risk management analysis, as well as security and communication (between the family and the SFO; and among family members. Thirty years ago, family offices tended to have multiple layers of management and employees. In today's flat, global world, SFOs can be more streamlined, yet more effective and efficient with all sorts of high-tech tools at everyone's fingertips. It's now possible to view one's portfolio 24/7 and display information in multiple formats to better understand risk. Organizations such as Facebook have created new ways for people to interact. Obviously, technology requires an initial outlay of time and money.

5. Attract and retain top-caliber talent, including the chief executive officer (CEO), chief financial officer (CFO) and, as mentioned above, the CIO. Many a billion-dollar family gets frugal when it comes to hiring and compensating staff. This is not the place to scrimp. It might help to think of the SFO structure and family wealth as a Ferrari. Would it be wise to put an amateur, 19-year-old driver behind the wheel? It pays to go out of one's way to search and take time to search for the right talent. Getting the right people in the right seats might require hiring a premier search firm with a global reach. The SFO's success at preserving the family's legacy, and its ability to preserve and increase the wealth hinges on having enough and the right staff.

6. Sustain growth and profitability. Most of the previous best practices suggest—such as having a proper infrastructure and governance with directors and officers, top-notch talent, technology, and a strong emphasis on values and vision—boil down to treating the SFO like a business. It is not a passion or a hobby. Just as a well-run business does, it's crucial to hold everyone to a professional standard. SFO executives cannot just amble in at 10 a.m. and leave at 3 p.m. The board of directors needs to review the chairman, CEO, president and other top managers

quarterly, to see if they hit or exceed their goals. A portion of compensation should be based on their results.

7. Globalize the family's capital structure. Whether the family wealth is relatively small or a Forbes10 family with a net worth of more than \$50 billion, the SFO needs to be a global citizen that can understand opportunities outside its national borders. On investment side, for instance, the SFO should be able to execute opportunities around the world, and to diversify asset allocation and asset location to reduce the possibility that any political or natural disaster, act of terrorism or other threats will not put substantial wealth at risk (see our recent white paper, *The Global Citizen: Global Custody*). Thinking globally also applies to the SFO's infrastructure, talent and resources

8. Adapt to an evolving risk profile. There are forces beyond the largest and wealthiest families' control. Even Carlos Slim Helú, the world's richest person, cannot control changes in social norms, political unrest or natural disasters. Just as many iconic companies of the 1970s are gone because they could not adapt, family offices must remain alert to change and be nimble. It's crucial to have a level of structure and oversight, but at the end of the day, the family officers and directors have to take responsibility for the direction and success of the family office. They must keep current with new technologies, security, as well as changes in other developments in all jurisdictions where the family owns properties and investments. In the 1970s, one could not easily do business without a fax machine; today a smartphone is *de rigueur*. Families that can see ahead of the curve and that maintain global connections will be most agile in the face of inevitable and constant change.

9. Track and respond to constantly changing tax, legal and regulatory priorities. To some degree, the returns we get on our investments are out of our control. Even fixed income, with stated returns, are at the mercy of changes in inflation and foreign exchange rates, which can dramatically impact one's purchasing capability. We believe that with proper diversification and the right plan, we should see higher than average returns. But it's impossible to know with absolute certainty what's going to happen with the family's portfolio.

One would need a crystal ball to know that.

However, we do know that exemptions to U.S. estate taxes and income taxes can make investments more efficient and that putting certain assets into a grantor retained annuity trust (GRAT) will allow assets to pass to the next generation free of taxes in perpetuity. A sophisticated, carefully tailored tax and estate strategy over years will save the family over many millions of dollars. That's concrete.

10. Consider beneficial strategic relationships and alliances. An SFO acts as a buffer between family and outside world. Usually that's good. But sometimes that isolation can create problems. Families can benefit profoundly from meeting like-minded people in other countries and cultures. Members of a \$1 billion real estate family in New York would be wise to get to know a Ugandan infrastructure family or a Chinese manufacturing family or a telecommunications family in India. Many of these families share the bond of their success and money. Placing members of one's family in settings where they can meet and share ideas, benchmarks and best practices with high net worth people from around the world, will culturally enrich children or grandchildren.

Visit operating companies in different parts of the world and bring that intellectual capital back home to expand the family's mind. Invite members of successful families in other parts of the world to tour your operations. Families are wise to maintain a degree of privacy. But it's also important to become a global citizen and to network with like-minded people. Consider inviting professors, intellectuals and entrepreneurs in industries and different parts of the world to join your family office board and council.

Families that remain informed and involved in their family offices and that implement best practices, will vastly improve the odds that the family's wealth, values and legacy will flourish for many generations to come..

STAMP SOLD FOR \$9M-£5.6M

1856 -1cent Magenta \$9.M - £5.6M



Inverted Jenny below \$3 Million



‘Mona Lisa of the stamp world’

INVESTING IN STAMPS

by Amanda Ford

RARE STAMPS COMMANDING HUGH SUMS AT AUCTION

Mona Lisa Stamp owned by convicted murderer John du Pont!

The world's rarest stamp has sold at auction for a record-breaking \$9.5 million (£5.6million). The sale makes the extremely rare one-cent postage stamp the most expensive stamp to ever be sold. The Magenta stamp measures 1 inch by 1 1/4 inches and it bears the image of a ship with the former colony of British Guiana's motto, 'We give and expect in return' in Latin. The image is in black on magenta paper.

The postmaster of British Guiana created the rare stamp back in 1856 when a shipment of stamps was delayed from London. At the time, it was one of three created and is thought to be the only one

left in circulation. The stamp has changed ownership over the years; a 12-year-old Scottish schoolboy, Louis Vernon Vaughan originally found it in 1973, by, in a bundle of family paperwork. To him, it was simply a new addition to his own collection.

Experts describe it as 'The Mona Lisa of the stamp world' and it hasn't been displayed publicly since 1986. It was later owned by John du Pont, the heir to the du Pont chemical empire, who was convicted of murdering the Olympic gold medal-winning wrestler David Schultz in 1997. Steve Carrell is to portray Du Pont

in a feature film, 'Foxcatcher', which is set to be released later this year. John du Pont died in prison in 2010, aged 72. The proceeds of the auction for the Magenta Stamp will be divided, with 80% going to the family of du Pont's wrestling friend Valentin Jordanov Dimitrov.

Jane Blood, a collector and locator of fine and rare stamps said, 'This is one of the very rare times that such a valuable stamp becomes available for auction. This is a great long term investment and we had a number of our own clients who were bidding for the stamp at the much-anticipated auction'

PHILATELIC INVESTMENT

Investing in rare stamps, as with any other investment, requires a high degree of expertise. Rare stamps are among the most portable of tangible investments; they take up little space but require careful storage as condition is one of the most important factors in determining the value of a stamp. Other tangible investments include art, antiques, precious metals, rare coins and many others that are all termed alternative investments. Interest in stamps as an investment tends to increase when traditional investments are not doing well, causing investors to seek alternatives. The increasing age of the population in western countries has also been credited with the resurgence in interest in stamps. Unlike stocks and shares, the majority of transactions in the philatelic or stamp market take place informally.

'You have to know what you're doing to be able to buy at the right prices.'

The market is certainly much smaller than the financial markets, but it is not trivial and has been estimated at £5 billion. Stamps can represent a valuable diversification within a wider portfolio. They are highly portable stores of wealth and are easily transported. Stamps are not a financial asset and so may



Treskilling Yellow: \$3M



U.S. Franklin Z-Grill: \$8.8M



Penny Black: \$5M



Post Office Mauritius: \$1.6M

JANE BLOOD Stamp Dealer:

Jane blood acts as an agent locating rare stamps says. "you really have to know what you're doing to be able to buy at right prices and realize a profit"

perform better than cash in times of high inflation. As a tangible asset, a stamp cannot go out of business like a company quoted on the stock market. Most stamps are a relatively confidential investment, unless bought at a public auction; ownership is private and there is no public register as there is for many investments in equities.

Interest in stamp investment has increased significantly since the sale of the Magenta, as this

latest auction has demonstrated and illustrates just how good an investment in stamps or postal history can be. Stamps purchased for investment do not normally have any special regulatory protection for the purchaser. In the United Kingdom, there is no regulation of this area at all from the Financial Conduct Authority. However, where investment is collective through a mutual fund, there may be some regulation of the activities of the fund, depending on where it is based.

THE EXPERTS VIEW ON FAMILY OFFICES AND

PHILANTHROPY

Whatever the motivation, charitable giving and philanthropy among the wealthy is growing. Giving is also more visible, and leading global philanthropists are honoured with prestigious awards, including the Carnegie Medal of Philanthropy. The most celebrated award in global philanthropy, the Medal is given biannually and is designed to honour Andrew Carnegie and is often referred to as the 'Nobel Prize of Philanthropy,' recognising those who use their private wealth and business acumen for public good.

A man of many memorable quotes, on the issue of philanthropy Carnegie could not have been clearer: "A man who dies rich dies in disgrace." This philosophy has been adopted in the Giving Pledge; a campaign to encourage the world's wealthiest people to commit to give away most of their wealth to philanthropic causes. The campaign specifically focuses on billionaires and was made public in 2010 by Bill Gates and Warren Buffett.

Philanthropy is now global, and the diverse economic, social, cultural and political landscape in each region influences the nature and scale of philanthropy. Culture and tradition also has a significant influence on the visibility of giving with donors in regions such as the Middle East, China and Hong Kong keeping a lower profile, often gifting anonymously. History is also important. For example, philanthropy did not have a place in Russian society between the 1917 Revolution and the fall of the Soviet Union in 1991, explaining why Russian philanthropy is still in its relative infancy. While the billionaires signing up to the Giving Pledge attract the headlines, philanthropy is open to everyone and many people look for guidance on where to start. For the successful, wealthy modern family with busy complex lives, a family office service can provide a central point of coordination. Each element of a



Article by Gavin McEwan & Richard Hyder

family's affairs can be considered in its fullest context, and a proactive approach identifies risks and opportunities and ensures they are managed for the long term. A family office should offer the best possible advice and counsel and give families reassurance that their wealth and capital is managed in accordance with their wishes and core values. Those wishes and values are not just focused on next generational issues and asset protection, but frequently embrace a family's entire approach to philanthropy too. 'Where do I start?' and 'how much should I give?' are common initial questions which families put to their advisers. For wealthy families or individuals, giving can either be through individual gifts or by setting up private foundations. Individuals tend to give smaller numbers of gifts of higher value, often large one-off gifts to endow foundations, whereas the resulting foundations frequently disburse more grants of lesser financial value over

an extended period, time, term, often driven by a desire to support the causes where smaller grants can make the biggest impact. Where the scale and time horizons of philanthropy become significant many families now establish foundations and endowments, offering a more strategic way to manage philanthropy and setting clear objectives and purposes for the family's giving programme. With donors increasingly becoming actively and enthusiastically involved in their philanthropy, a foundation offers a structure for the organisation of giving and channelling of passions. The importance of nurturing the future leaders of a family and helping the next generation prepare for the responsibilities that come with wealth succession cannot be underestimated. Involving them in a family foundation can often be the best introduction.

Only very large foundations may be able to support a professional staff since the cost and liability of maintaining a separate charitable foundation office can be disproportionately high. In many cases a charity office service providing a 'virtual' office for charities, free from the overhead burden and risk of operating dedicated premises and staff may be appropriate. A good charity office service will offer accounting, administration and taxation services as well as detailed legal advice on all the day to day matters which may arise in the running of a charity. It also offers assistance in developing grant-making policy, the administration of grants and the processing of applications, liaison with regulators, dedicated investment services tailored to the charity's own particular needs and the provision of meeting facilities for the trustees.

A charity office service is particularly appropriate for grant-making trusts and foundations and is designed to ensure that the trustees, often the original donors and their family members, perform their legal and regulatory duties in line with the principles of good governance while allowing them to focus on achieving their charitable aims and objectives. Family office and charity office services are the first calls for many wealthy families to help programme their giving in a slick, professional and well regulated manner. They can be invaluable in promoting giving, ensuring the continuation of Carnegie's great philanthropic vision.

PHILANTHROPIC CAUSES

UNIVERSAL FILM AND FESTIVAL ORGANISATION



The Universal Film & Festival Organisation (UFFO) was founded to support and implement best business code of practice for film festivals throughout the world. It is now dubbed 'FEST-COP' and its logo is now a common sight at many film festivals. The UFFO is a global not-for-profit voluntary organization, and it created its remit of best business code of practices for film festivals to combat the high level of corruption that blights the industry.

Its president is legendary actress Maureen O'Hara and the organization now has at least 225 film festival members.

UFFO's FEST-COP is completely voluntary, free and easy to implement. In addition, it is a blueprint for filmmakers in deciding which film festivals to do business with. Only film festivals that have subscribed to the UFFO best business code of practice are entitled to use the UFFO logo.

The organization is now seeking a benefactor to help it move forward with its plans to further its remit and to create an online porthole payment system to insure filmmakers can deal with film festivals via a trusted source. The porthole will also act as a distribution platform and as an online TV channel.

In addition, UFFO is planning the 'Best of Festivals' event and bringing the member festivals, their best films, actors, directors and producers to one event that will rival the biggest events in the world.

Email info@uffo.org - www.uffo.org





MASERATI ALFIERI

Maserati 100th year.

Maserati unveiled the Alfieri, a 2+2 concept car to celebrate the brand's centenary. The Alfieri is an exciting but realistic and 100-% functional prototype that says much about the design DNA of future Maserati. In fact, the Alfieri could well be a door to the future of Maserati. The Alfieri was unveiled at just the right time to re-establish Maserati's true orientation in terms of design and production. If the new Quattroporte and Ghibli gave the impression that Maserati was becoming oriented towards sporty, upper-class four-door saloons, this new concept is striking back and reminding everybody that the brand has a remarkable racing heritage and a unique tradition in exotic GT cars.

The striking new concept bears the name of Alfieri, the most prominent of the Maserati brothers, and the engineering genius who founded "Officine Alfieri Maserati" in Bologna a century ago. The Alfieri was created at the Maserati Centro Stile in Turin by a small group of talented young designers led by Marco Tencone. The project was masterminded by Lorenzo Ramaciotti.

THE ALFIERI MAY BE THE FUTURE OF MASERATI

100%
FUNCTIONAL PROTOTYPE



2+2 CONCEPT CAR

In the 2+2 seat cabin, the design team have created a study in simplicity and minimalism. The suspended dashboard is conceptually inspired by that of the Maserati 5000 GT. The dashboard boasts a clean, organic, two-tone design built around a central TUFT screen. The instrument panel has a classic layout with two main clocks with two smaller ones in between. The edge of each is embellished with a small "Officine Maserati" label.

The Alfieri is based on the GranTurismo MC Stradale chassis with a 24 centimetre shorter wheelbase, giving it the proportions of a genuine supercar. Alfieri is 4,590 mm long with a 2,700 mm wheelbase, 1,930 mm wide and 1,280 mm high. Under the sleek body lies the transaxle platform of the Maserati GranTurismo.

This 4.7 litre, naturally aspirated, V8 engine from Maranello develops 460 bhp @ 7,000-rpm and 520 Nm @ 4,750 rpm and gives the Alfieri, a real driving force. Thanks to a special exhaust layout, this thoroughbred V8 also produces a breathtaking sound that makes a real impression.

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GOLD COINS



1933 DOUBLE EAGLE GOLD COIN SOLD FOR \$7,590,000

making it by far the most valuable coin ever sold to date!

by Amanda Ford

Investing in coins has been with us for centuries. Precious metals in bulk form are known as bullion and are traded on commodity markets. Bullion metals may be cast into ingots or minted into coins.

The defining attribute of bullion is that it is valued by its mass and purity rather than by a face value as money. While obsolete gold coins are primarily collected for their

numismatic value, gold bullion coins today derive their value from the metal (gold) content — and as such are viewed by some investors as a 'hedge' against inflation or a store of value. Many nations mint bullion coins.

Investment coins are coins that have been minted after 1800, have a purity of not less than 900 thousand and either are legal

tender or have been legal tender in their country of origin. Although nominally issued as legal tender, these coins' face value as currency is far below that of their value as bullion. The European Commission publishes annually a list of gold coins which must be treated as investment gold coins in all EU Member States. The list has legal force and supplements the law. Gold bullion coins usually come in 1oz, 1/2oz, 1/4oz, 1/10oz and 1/20oz sizes.

Most countries have one design that remains constant each year; others, such as the Chinese Panda coins, have variations each year, and in most cases each coin is dated. A 1/10oz bullion coin is about the same size as a U.S. dime. A 1oz gold bullion coin is about the size of a U.S. half dollar.

INVESTING IN GOLD COINS

some considerations before investing:



Many factors determine the value of a gold coin, such as its rarity, age, condition and the number originally minted. Gold coins coveted by collectors include the Aureus, Solidus and Spur Royal.



1849 Double Eagle Sold for \$7.59m



Rare Edward III Sold for \$6.8m

"Brasher
Doubloon with
EB on Breast
sold for \$2.9m"



"1804
silver dollar
sold for
\$4.14m"



Worlds most expensive coins

Selection of rare coins sold recently

Double eagle Sold for \$7.59m Made from 90% gold. The first double eagle was minted in 1849, coinciding with the California Gold Rush

Rare Edward III Sold for \$6.8m. A rare medieval gold coin that was in circulation from December 1343 until July 1344. The one that was sold for \$6.8m is only the third known surviving version

Brasher Doubloon sold for \$2.9M

In 1787, Ephraim Brasher, a goldsmith and silversmith, struck a small quantity of gold coins.

An 1804 silver dollar Sold for \$4.14m, just 15 specimens are known, they are divided into "Classes." Eight comprise Class I, which were minted in 1834.

The Worlds biggest gold coin was crafted by the Perth Mint; The coin weighs one ton, and is 31 inches (80 cm) in diameter and nearly 5 inches (12 cm) deep. It is made up of 99.9% pure gold, and has a legal tender value of \$1 million AU.

World's largest coin! Australian Kangaroo Gold

WORLD LUXURY EXPO

Held at The Ritz-Carlton, Riyadh .



FAMILY OFFICE ELITE MAGAZINE COVERAGE

by Amanda Ford

Over the past eighteen months, World Luxury Group has staged seven successful World Luxury Expos. The inaugural event was held at the iconic Burj Al Arab, Dubai, the second was hosted at the palatial Ritz-Carlton in Riyadh, the third was held at Emirates Palace, Abu Dhabi and the fourth at the St. Regis, Doha in 2013. In 2014, the fifth edition returned to The Ritz-Carlton, Riyadh in January (title sponsored by American Express) and the sixth edition was hosted at Park Hyatt, Jeddah (title sponsored by The Saudi Investment Bank). Hosted at the most spectacular

premium hotel venues, the World Luxury Expo showcases a selection of the world's leading luxury brands at a three-day event for high-net worth private clientele. No other event brings luxury brands closer to the highest concentration of private buyers in the Middle East region. Paul Jackson, the CEO of World Luxury Group comments "The World Luxury Expo series has been gaining traction amongst many of the world's leading luxury brands. Our goal is to bring together some of the world's most sort after luxury goods and experiences for the most discerning clientele.

The fundamental strength of a broad-based luxury exhibition, often highlighted by exhibitors, is an opportunity to interact with the clients of all the other luxury brand sectors attending, which allows companies to expand their client reach across all categories of luxury." World Luxury Expo features carefully selected categories including fine art, high-end jewellery & fashion, hand-crafted watches, designer furniture and exquisite table settings, fine dining, executive cars and sports cars, private aviation and luxury travel. All participating exhibitors

117- CARAT DIAMOND

necklace displayed as part of a private collection...

are leaders in their respective fields, executing superior design qualities and always striving for the ultimate in quality and perfection.

Says Paul, "The Burj Al Arab is synonymous with luxury and markets itself as 'the world's most luxurious hotel' – the perfect host venue to launch the first World Luxury Expo. The event was a phenomenal success and finished with Aston Martin airlifting the latest Vanquish in spectacular style onto the helipad of the world's most luxurious hotel, Burj Al Arab. This was the first time a car had ever been placed onto the helipad at the top of the iconic Burj Al Arab. The serious logistical and technical challenges in placing a 1,835kg luxury vehicle on a helipad over 600ft above the ground was eventually overcome against all the odds."

The series is now poised to expand into Asia with the seventh edition of the World Luxury Expo being held in the vibrant and influential mega metropolis of Seoul, Korea at the Grand Hyatt from 3-5 September 2014. The Middle East and Asia remain crucial components in growth and sustainability of the global luxury market. The regions have opened exciting growth possibilities for key industry players and continue to be major destinations for a wide range of luxury brands.



Exhibitors showcase items that are of a limited edition, one-off or bespoke and not traditionally viewed in the exhibitor's showroom. Looking back, the world's most luxurious atlas, The Earth Platinum, measuring 6x9 foot wide, was something incredible. A limited edition atlas that was made up of images that are stitched together with as many as 1,000 individual photos; the largest had 12,000 photos joined together. At the Abu Dhabi event, a Royal Collection of exquisite casks to commemorate 2,500 years of the Persian Empire was showcased by House of Mozafarian. The collection's value was priceless as these are now part of the museum collection. Mozafarian

also presented a 171-carat fancy yellow diamond necklace, as part of a private collection.

The Human Regenerator machine was an example of a more modern type of luxury technology that exhibited with us, a German innovation in rejuvenation using quantum physics and human biophysical medicine that claims to make you younger.

Those looking to attend upcoming World Luxury Expos can request an invitation online at www.wlgreg.com.

For more information
www.world-luxury-group.com

LEADERSHIP

TRUST AND WEALTH MATTERS



Leadership and Wealth shape, influence and impact business, the economy and society - they can be used for good, misused or go to waste. With Trust as the glue that connects Passion, Purpose and Priorities to Strategies, Plans, Goals and Talents, by engaging, aligning and People.

LEADERSHIP

First, some insights: Leadership is a \$50 billion global industry. Organizations with good cultures are 2½ times more likely to have passionate leaders and increase employee retention and engagement levels, in addition they can outperform total stock market index, and deliver 19% higher shareholder returns.

Companies with high-quality leaders are 13 times more likely to outperform competition in key bottom-line metrics. Despite the ROI of Leadership, only 18% of HR leaders have the leadership to meet future business requirements. As most challenges that companies face today are complex, and intelligence alone is not enough to deal effectively with escalating complexity. Leaders are often asked to act in contradiction to their principles, values and talents, increasing their stress levels, tiredness, illness and burn-out, with a negative

impact on bottom-line results. That is why many today's leaders want to do a better job of leading in accordance with their values; to contribute to the economy and to society, so it is good for business and good for society.

As a business leader, leadership consultant and coach, I experience that best places to work, "grow" leaders "inside-out."

They:

- focus on doing the right things rather than doing things right;
- role model, they "walk their talk". They would not ask others to do what they are not prepared to do themselves.
- make a difference - leaving things better than they find them;
- impact and influence, engage and align people, to a shared purpose, vision and goals;
- invest in people. After all, the numbers are all about relationships between people.

Fortune identified "although there is no one single factor that makes an organisation great, leadership can make the most difference." in saying that, leadership is not a formula, it's a personal relationship. The conversation is the relationship. It's a journey starting with the Self. When Leaders lead themselves, their behaviour leads others." (Oxford Leadership Academy) Authentic leadership is powerful, impactful and influential. Warren Buffet, Bill Gates, Steve Jobs and Oprah Winfrey, Nelson Mandela, Mahatma Gandhi and Mother Teresa, show what Leaders make possible when they engage Talent, ignite Passion and focus on Purpose. Marina is a Fellow of Oxford Leadership Academy, which develops leaders who transform business for good.



ING BANK

WHY LUXEMBOURG?



In a fast changing political, fiscal and economic environment, the stability of a country is extremely important. And the Grand Duchy of Luxembourg is a low-risk country, with stable political, fiscal and social system. It is also one of the few countries that Moody's grants with Aaa rating with a stable perspective.

The financial role of Luxembourg has been evolving according to the latest national, European and international regulatory changes. Hence, time has come for innovation, for a new way of thinking based on change, dynamism and challenges.

Luxembourg is Europe's largest investment fund center and world's second largest, after the US. Expertise, technology, infrastructure, regulations, all have been developed through years with the purpose of positioning Luxembourg as one of the most attractive international financial centers.

Private banking represents an important pillar of the Luxembourg financial sector. Unique vehicles for financial engineering have been developed here to be able to service international clients with cross-border assets. For that purpose, Luxembourg is one of the first countries that implemented a legal and regulatory framework especially for family offices activities. Discretion and professionalism are at the heart of our well-known culture in Luxembourg and represent the cornerstone in building a solid relationship with Private Banking clients.

Private Banking at ING Luxembourg

Unlike other Private Banks, ING Luxembourg offers services that go beyond mere banking. We will take

care of every aspect of the management of assets: portfolio management, being discretionary (a dedicated manager who defines your requirements and builds a tailor-made portfolio accordingly) or advisory (a financial expert assigned to you, who provides financial advice and conducts transactions on your request)

Wealth analysis and planning:

There are a few of ING specialties: a global approach to cross-border assets, an analysis of all the liabilities linked to the tax regime of a specific residence, nationality, domicile and place of the assets. A tailor-made solution, designed in close cooperation with specialists in the field of Asset management, Financial Engineering, M&A... ING also has experience in Intellectual Property, non-domiciled tax planning, relocation planning, asset protection, life insurance, tailor made football products;

Is Luxembourg too far away?

If we look at the strong development of new technologies and its history of data protection, ING Luxembourg provides its clientele with new tools and state-of-the-art reporting tools and online solutions.

"The future of Private Banking in Luxembourg is cloudless if you think forward. We are always adapting the structure, products and services to exceed the expectations of our clients."

Sandrine De Vuyst

Head of Private Banking at ING Luxembourg



INVESTING ACROSS ALL MEDIA PLATFORMS

TRANSMEDIA FUNDING

Develop, Fund, Produce and Distribute Content across Multiple Platforms

TRANSMEDIA - A CUSTOMIZABLE INVESTMENT PLATFORM

SPECIAL PERMISSIONS FOR RE-DISTRIBUTING THIS ARTICLE ARE NEEDED, CONTACT US

'Transmedia' is a word frequently thrown around for quite some time; to some, its definition is unclear but in reality its definition is simple - it's a process that transcends all media, also known as 'transmedia narrative' or 'multiplatform storytelling', it is the technique of telling stories across multiple platforms.

In recent times, it's fast becoming known for providing content which utilizes a myriad of formats and technologies such as social media, holographic technology gaming, mobile platforms, apps, online platforms, advertising technologies, motion pictures, content distribution, music and more.

As technology rapidly grows and changes, new business models are emerging and evolving and to keep up with the pace, entertainment and technology companies are constantly challenged to keep up with the huge demand for content. It's the tech-savvy kids who rule; they expect to have everything at their fingertips and they want it now. They have an insatiable appetite for the newest and latest technologies that are being developed to provide content. Some serious backers who are capitalizing on new opportunities are now bringing more and more innovative technologies to market. We only need to look at recent successes such as WhatsApp.

Many investors are now turning to investing in this cross-platform media; an apt title is 'Transmedia Investment.' This is an investment strategy that is as simple as it is effective in terms of ROI.

by investing in innovative technologies with established players who are creating and producing content that have crossover potential into other mediums. Examples such as Walt Disney or Star

Wars are prime examples of how companies produce projects and content that have crossover potential into other mediums such as film, games, music, apps, merchandising and franchising. While these are well known examples, with the emergence of technologies, there are now many other areas of the media and entertainment sector that is now providing substantial profits for the savvy investor. Many have been prominent in the media in areas such as apps, TV, film, video games and more. However, if we consider an investment structure that will look to invest across all media sectors under a Transmedia umbrella, this would certainly increase a satisfactory ROI in the long term. In addition, if we look at different industry segments from the global outlook until 2017 by PCW, (which is considered by some as the industry standard) it states that the overall media sector is showing some very promising returns.

While the most rewarding ROI can be participation in video games, apps, or a successful motion picture, it is estimated, from research conducted by Merrill Lynch, that at least 30% of the negative costs for the 6 major studios and their subsidiaries are currently being financed by outside partners. This amounts to \$2.5 billion in annual commitments and \$4.5 billion in total commitments over the past year and a half. Global box office for all films released in each country around the world reached \$34.7 billion in 2012, up 6% over 2011's total, due to an increase in international box office (\$23.9 billion) and U.S./Canada box office (\$10.8billion).

In addition, the PWC 'Global Entertainment and Media Outlook on Mobile apps' states that app stores saw annual downloads reach 102 billion in 2013, up

TALENT AGENCY TAKE 15% BACK END DEALS ARE THE NORM



Talent agencies take in 15% of the talents gross income, some make millions more on back-end deals that take an equity position..

from 64 billion in 2012. According to Gartner Inc. in-app purchases (IAPs) will account for 48 percent of app store revenue by 2017, up from 11% in 2012. According to analyst estimates for 2017, there could be 200 billion downloads.

VIDEO GAMES

The worldwide video game marketplace is driven by strong mobile gaming, video game console and software sales; the market is forecast to reach \$111 billion by 2015. Mobile games are the fastest-growing segment of the market, with revenue set to double between 2013 and 2015 from \$13.2 billion to \$22 billion.

Holographic technology is fast becoming a realistic option for many innovative solutions and has yet to be fully exploited. Its potential for movies, TV, concerts, theatre, school teachers, Instructors, HolloTalk (Holographic Telephones) and military applications is endless. A number of companies are at the forefront of this technology and recent developments have seen holograms react to touch. As the old saying goes, 'It's only science fiction until it's science fact.' While the technology has made great strides in recent years, it's on the verge of a major breakthrough. When holographic technology merges with other technologies, it will go into orbit and become a part of our everyday lives. This would certainly prove to be a healthy ROI for any savvy investor who has zeroed in on this incredible technology.

So, what we can extrapolate from all this research by companies such as PWC? The research states that over the next 5 years, global spending on entertainment and media is projected to rise to \$2.1 trillion in 2016, a 5.7% compound annual advance. The U.S. is expected to account for \$632.09 billion, or 29.4% of the worldwide total of more than \$2.152 trillion. These new and exciting, innovative technologies have made it possible to produce content that crosses over

HOLOGRAPHIC TECHNOLOGY UNLIMITED POTENTIAL



Holographic technology is fast becoming a realistic option for many innovative solutions and has yet to be fully exploited..

into all other mediums, many of which are merging (Transmedia). We only have to look at the activity of the heavy hitters in the industry. Major companies and studios such as DreamWorks Animation are out spending and have acquired Awesomeness TV, a YouTube TV Channel for young viewers; rumours have it they are also looking to buy the online music channel, Vevo. EMC has already invested in Base79, the online video network. Walt Disney recently agreed to acquire the producer of some of YouTube's most popular channels, Maker Studios. Film Group Participant Media, started by Jeff Skoll, eBay's president and backed by TPG Growth and Evolution Media Capital, plans to invest \$350m in media and entertainment

Is now an exciting time to invest in Transmedia?

**If you're looking for
rounded family office
expertise, there's
one place you
should look...**

here.

Guernsey

International Finance Centre

Find out more at guernseyfinance.com



INVESTING IN ART

PRESERVING WEALTH WITH ART



BAUDOT CAPITAL
ALTERNATIVE INVESTMENTS
FINE ART & COLLECTIBLES



Pierre-Olivier Baudot

Investing in Art is on the list of potential investments for many Family Offices who look at such an investment in lined with their objective of preserving the wealth for the next generation.

Baudot Capital is one such company that offers an international alternative investment partnership in fine art and collectibles. The company offer access via an established network of experts to the best quality art works for the best prices available in the marketplace whether it is for investing, collecting or both.

Baudot Capital is also an Appointed Representative of Sturgeon Ventures, which was founded in 1998 as a single-family office and is authorized and regulated by the UK Financial Conduct Authority (FCA) and is an Exempt Reporting Adviser with the SEC.

The company offers select investors the opportunity to diversify their portfolio into art works through individual portfolios, each representing an art managed account. Potential Investors will benefit from direct investments into real assets with high residual value and low correlation with most conventional asset classes

such as bonds and equities. The advice provided is by a uniquely qualified team including some of the world's leading global art dealers, former directors of Sotheby's and Christie's as well as members of the vetting committees of leading art fairs. Baudot Capital also advises the famous Louvre Museum's endowment fund in Paris on philanthropy and art. Investors may protect their wealth and invest at preferential price levels in paintings and other art works including those in the most liquid sectors of the art market, such as Chinese porcelain, old letters and historical documents.

Baudot Capital operates a transparent investment process which aims to buy rare art works without the need of paying the typical and significant markup added by many art dealers and aims to sell the acquired artworks to its vast network of private collectors.

Pierre-Olivier Baudot is the founder of Baudot Capital and is the son of a recognized rare stamp dealer in Paris. Pierre holds an MBA from the University of Michigan,

www.baudotcapital.com



SATO TRANSMEDIA

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OUR LATEST ARTICLE ON ANTIQUE WEAPONS FROM FAMOUS LONDON GUNMAKER

A Tradition of Style, Adventure and Exclusivity..



EXPLORE THE WORLD OF ANTIQUE WEAPONS HOLLAND & HOLLAND

EVER THOUGHT OF INVESTING IN ANTIQUE WEAPONS?

Learn what the expert gunmakers have to say!

Holland & Holland guns are celebrated throughout the world as the perfect combination of artistry and craftsmanship. To understand why, you need simply pick one up, balance it in your hands, and allow your eyes to take in every detail of its lines.

Such an achievement does not come into being by evolution alone, even though Holland & Holland guns and rifles trace their lineage back to the year 1835. Its other parent is curiosity, the desire of the craftsman and gunmaker to see whether an improvement can be made on accepted methods. The company was founded by Harris Holland in London in 1835 and by the turn of the 19th century had become one of the best known

and highly regarded London gun and rifle makers. Taken forward by his nephew, Henry, who became a partner in 1867 (from then on the company was known as Holland & Holland), the company built a gun factory in Kensal Green in 1898 which has since been in continuous use.

To consider an antique or vintage weapons as an investment may not be as daft as it would first seem. Like all collectables, fashions come and go so not everything is going to be desirable all the time. The one certainty is that, if carefully purchased, values never appear to go down but generally increase on a regular basis of around 3 - 5% per year. There are many specific areas of the market, but the most popular

to delve into is classic sporting shotguns and rifles. It is generally recognised that the epitome and benchmark of excellent sporting guns and rifles that are produced in the UK, so this is where our search begins. We must first take into consideration that condition is key. Although you may pay a little more for something unique, totally original, unaltered and in excellent condition, you will not normally not have a problem selling it on. When looking for a good investment, one likely to make reasonable return in the years to come, the sound advice would be to first look for something with fairly standard specifications. By doing this it means that when you come to sell you will appeal to a wider market, rather than

CONSIDERATIONS

1. Condition
2. Best gunmakers
3. Purchase price/future value
4. Enjoyment factor

just a few collectors. A second consideration should perhaps be the name. Holland & Holland, Boss and Purdey will always command a higher price as the original standard of workmanship is higher than the majority. However, a poor condition best gun or rifle will not hold or increase its value anything like one in mint condition of a lesser make. Your third consideration must be what as an individual, are you looking to achieve? If it's just pure investment then it's down to condition, originality and purchase price, but to enjoy and make use of the guns and rifles whilst you own them, to me, is a bonus.

A great number of owners use these collectables week after week but take care to maintain their condition. We must remember that although considered 'antiques' these are working guns that were made to be shot. It is not uncommon for someone to turn up to a shoot with their one-hundred year old Holland & Holland still in perfect working order. So where should we look to start with all this? Are you a rifle or a shotgun man? Do you have a passion for old rather than new? Maybe you like them all. Decide what would benefit you the most by looking what you can use and enjoy, decide how much you wish to invest and then look on the internet, at auction sites and in the shooting press to see



what others are showing interest in. When looking at shotguns, a hammerless sidelock is popular, but if you want a rifle, the big calibre's are in demand. 'New or Old?' A very common question indeed and something that splits opinion, with some suggesting 'they don't make them like they used to.' The plus side of buying new is that the quality of today's materials, manufacturing and craftsmanship is as high as it ever has been. The standard perceived gets better year after year and

having a bespoke gun made to your measurements cannot be bettered. If it's old you decide on every maker at various times through time purports to be better than the next. The major advantage of buying old as an investment is that you can see an immediate return if you paid the right price. Remember to keep the following in mind, and you will not go far wrong: 1. Condition, 2. Best gunmakers, 3. Purchase price and future value and 4. Enjoyment factor now.

SHOWCASING THE AMAZING

1066 PIANOS



TRUSTED SUPPLIER OF THE WORLDS FINEST PIANOS FOR MORE THAN THREE GENERATIONS

Now in its third generation, even today 1066 Pianos remains a family-run business with a vision to carry forward its tradition, craftsmanship and exceptional technical knowledge from our Cambridge workshops based in England. With more than 10,000 square feet of space devoted to the line of work, The 1066 Pianos Workshops are among the few largest still in existence. Nowhere else in the world will you find such a unique variety of fine, handcrafted pianos. Furthering our commitment to quality, all work is carried out at our family workshops by our Cambridge artisans, technicians and craftsmen.

Engineered to be exceptional. From initial concept through to their execution, a 1066 piano is

designed to be truly exceptional. In the 1066 Workshops irreplaceable, time-proven experience combines with computer-aided design (CAD) to dramatic effect. True craftsmanship meets state-of-the-art design processes, and finely-honed cutting edges meet the very latest in laser technology. In brief: the wealth of our great piano heritage combines with 21st century innovation to produce the very finest pianos in the world.

Finely attuned to perform.

Our master technicians fulfil the original designer's vision with their outstanding ability, experience and technical knowledge that enable the impressive dynamic response for which a 1066 piano has become internationally renowned. They are the magicians of the 1066 Workshops, who

combine their many years of sound expertise with the application of scientific principles to truly exceptional effect.

Exquisitely tailored.

As with a bespoke tailored suit, your piano should be a 'perfect fit' for you — and you alone. It should proverbially fuse with your fingers, becoming a part of you. Responding with fine alacrity to your every whim. Likewise, the piano should be able to express you — through the roar of thunder, or a light expression of joy and laughter — the piano should express your thoughts precisely as you want them heard.

This is what is so uniquely special about a 1066 piano. It is made especially for you.

www.1066pianos.com



"finely tuned by
1066 to perform"



"engineered to
be exceptional"



A BESPOKE PIANO

How would you like your piano to look

Whether you want a magnificent period art case piece or a bespoke designer piano, The 1066 Grand Hall we have an outstanding selection of instruments to choose from.

You can discuss your personal piano requirements. One of their experts will be delighted to talk through the options with you, whereabouts in your home it will go, which size is ideal etc., and guide you further along the path towards your perfect piano.

1066 also specialise in 'sculpture pianos,' amazing sculptures with a fine handcrafted acoustic piano inside each one individually designed and bespoke to be exactly as the client wants it.

A BESPOKE PIANO AS YOU WANT IT

Consistency In Service or Service Inconsistency



PRIVATE JET



Management

Set As owners of executive jets you enjoy the time saving, flexible, discreet benefits of private travel solutions, however do you also receive a quality of service you deserve? Aircraft ownership is a complex myriad of safety, finance, flight operations, continuing airworthiness, crewing and more importantly to feel valued. Dedicated account managers are key for building and maintaining long term, trusting relationships. Insist on one point of contact who is responsible for the interface between you as the owner and each dynamic area of the operation. We selected a large operator, surely they are better than a small company—'Bigger' is not always 'Better'! Within the private aviation industry there are many

operators who have expanded very quickly, sometimes too quickly, leaving them stretched with service diluted across too many clients. This not only affects the attention to detail but also spreads available charter revenue across a wider number of aircraft. Personal recommendation should always provide a true reflection. Speak with other owners within the operation, their views should be honest and unbiased.

Our aircraft does not seem to get quality charter work – This may be a reflection on the market, aircraft location, your flying patterns or perhaps that your operator has their own aircraft and prioritises their fleet. Regular



communication should establish a utilisation policy which suits your requirements. We are uncomfortable with the levels of expenditure – Private aircraft are costly assets to own and operate however your management company must provide budgetary forecasts based on expected utilisation. Financial reconciliations should be clear, concise and include supporting documentation. Ensure there are no hidden charges and variances from the budget are justified.

Our operator does not always meet our requirements – It is vital to identify shortfalls in service compared to operational or regulatory restrictions. Safety is always the highest priority. Safety can be affected by fatigue, weather, poor airmanship or undue pressure from owners. Management companies employ accountable professionals in a variety of positions, both in the air and on the ground.

Their primary role is to maintain the safety and they must be allowed to do their job. Sometimes they have to say 'no.' Ask them to justify their decision so you can evaluate if this is poor service or a quality operation keeping you and you loved ones safe. There is a very importance difference!

Quality aircraft management is not just about being part of a large fleet or being a client of a high-profile company. It is about the people involved, their expertise, their ability to listen to your requirements and offer guidance and advice while creating a safe, compliant operational and management model which suits your individual needs. Relax with the peace of mind that your private aircraft and travel is under the care of a professional, dedicated management company.

www.concierge-aviation.com



ONLY RICH MEN GET GIRLS WITH GREAT BREASTS



TELESMA: It's not what you think it is!

by Amanda Ford

Ethnography is the systematic study of people and cultures. It is designed to explore cultural phenomena where the researcher observes society from the point of view of the subject of the study.

Telesma is an extraordinary Ethnography project that is seeking the assistance of a philanthropist who may be interested in a unique and special collection of works. Richard Wawmans extraordinary

film is about Tribes from all over the World. It is the culmination of having spent over twenty-five years filming the remotest traditional communities across the Planet. Wawman is widely regarded internationally as the leading expert in the field of ethnography for television. His film library is equally regarded internationally as being the most important and comprehensive collection of films and images from a world, which is on the cusp of almost entirely disappearing.



Richard Wawman

CO-PRODUCED WITH NATIONAL GEOGRAPHIC AND DISCOVERY...

PHILANTHROPIC OPPORTUNITY

The library is made up of films with strong personal narratives and storylines, each driven by the communities being filmed. There are over forty individual films in this fascinating library; however, the main film in the library was completed just last year. The premise of this extraordinary film is when a tribesman says to his friend whilst cutting his hair in preparation for finding girls, "If she has great breasts she will say buy them, or her father will chase us away, we don't have any cows?" His friend replies in desperation, "Only rich men get girls with great breasts." Thus, the title of the film and certainly not what the casual observer may have guessed the title to be.

The library of documentary films which were produced at a substantial cost in varying environments including the Amazon Rainforest as well as New Guinea, and other locations in Africa and Asia. The result is forty plus high-end films made as co-productions and screened by National Geographic and Discovery and Travel Channel in the USA. The films have been viewed in over 140 countries Worldwide. National Geographic International currently distributes the catalogue to TV.

The films have sold very successfully internationally, but Wawman feels strongly that it is not the completed films that have future value as his main purpose was to create a substantial archive of a fading world that is quickly disappearing. The extensive body of rushes, translations, notes and research, still and moving images are of particular value to the academic world and other interested educational organizations and institutions.

Richard Wawman is of the opinion that this genre of filmmaking has become so marginalized on TV means that the best place for the entire works is to put the library and all of its contents into a non-profit organisation in the USA. Working with Dr Paul Taylor of The Smithsonian, Richard Wawman said, "if this library and images are not preserved for future generations, we will not be able fully to understand how the changes to the traditional lives of indigenous people will impact upon communities and environments across the planet, there are many ways in which rainforests and other environments can be sustained for the future and understanding the past is equally as important to scholars and academics."

This has never been so true as the last of the Old World disappears in a sea of modernity. Richard feels that it is now paramount to produce and establish a broad swathe of ethnographic materials to be made available for current and future generations so that we can continue learn from our own history, evolution and future care of The Planet. It is entirely possible that amidst a world of contemporary images and modern media that many small libraries at risk in sheds and garages across Europe may be lost forever.

Our understanding of history, lifestyle, culture and environment may be lost with them. The plan is to digitize and protect the materials in Wawmans large body of ethnographic work. Financial support is needed in preserving this library and in distributing the materials to the educational market and building a road map to access them. Part of this is a plan for distribution and to tour universities in America in 2015.

AGREUS

FAMILY OFFICE RECRUITMENT



AGREUS Director Paul Westall

AGREUS FAMILY OFFICE RECRUITMENT

Recruiting a new member of a Family Office Team can be a challenging task. All Family Offices are unique and as such can often leave team heads struggling to know how to choose the right person for the right task. After extensive research and communication with many Family Offices over the world, we at Agreus have come up with a standardized method to make sure your Family Office team hires successfully.

There are a handful of core factors that are essential to look at when looking to hire a new Family Office team member. These include culture, commitment, communication and trust. Family Offices are usually small, close-knit teams, and you have to be certain that the person you are hiring will fit into the team dynamics and get along with the family. They must



also be discreet and be prepared to commit to a long-term plan. The next detail you need to ask yourselves is whether you have a clear business strategy. More specifically, do you have a business strategy, not only for your candidate, but also for yourselves as a family so the candidate has a clear idea of your expectations of them?

Transparency and strategy are the keys to successful hiring. It invites loyalty from your candidates and will make sure you both get the most out of each other after an offer is made and accepted. The next step of course is the interview process. At Agreus, our strategy possesses six stages to make sure your interview ends up in an efficacious hire. Only interview candidates if there is a 50% chance that you would hire this person. If you are not that sure, you should not offer the candidate an interview; it will be a waste of your time as well as theirs.

If you would like to view or download the Agreus free report about Family Office Recruitment and the process please visit our website.

www.agreus.co.uk



Is your Family Office ready for the future?

Hear what the Industry Leaders have to say at:

www.agreus.co.uk



Leading Family Office Advisory and Recruitment Firm

Email: info@agreus.co.uk

Tel: +44 (0)20 7043 1408



Steve Collins Irish Team Captain
AKA "Celtic Warrior" twice world boxing champion



Ireland VS Wales

by Sophie Edwards

Sunday Polo in Wales UK

It was a great outing for polo fans in Wales with a match between Wales and Ireland. The Irish team captain was twice world champion boxer, Steve Collins. There was a good turnout by local dignitaries and celebrities and a fine show all round by both teams. The VIP dinner was well attended, and the champagne was flowing; the rain also flowed for a while but had no effect on the match, the well-dressed crowd or the polo teams. Wales Won.



TALENT AGENCY

THE “OH LÀ LÀ” AGENCY

STARTUP SEEKING £2 MILLION

Oh là là Talent Agency is a talent and literary agency, which will provide trained actors, screenwriters and other talents to a diverse number of renowned film studios, broadcasters, production houses and theatrical productions. Oh là là is committed to representing and cultivating exceptional talent across the board and from both sides of the Atlantic.

The agency will distinguish itself from other independent agencies through its valuable industry connections and its PR and marketing campaigns. An intense, calculated and relentless promotional campaign will enable the agency to earn substantial revenues through the growing popularity of its actors and screenwriters. The standard agency/talent agreement gives 15% gross of the talent and screenwriters' salary to the agency. However, this is substantially increased by residuals and negotiated back end deals.

Oh là là Agency will only represent driven and extremely talented screenwriters and actors who they believe in, talent that will be nurtured and protected by an elite team of professionals, who have connections across the British and American Industries. The Oh là là Agency will become highly profitable through the placement of its talent in the growing entertainment market across the world.

The agency principals have worked in many areas of the film and TV industries; some serve on the BAFTA management committee, hold managerial positions with a film festival organization or are also the publishers of a number of international magazines that go out in over ninety countries. The principals

Oh là là



have also formed many strategic partnerships with organizations such as TV Connect, APP-World, Mandy, Productionbase, CAB-Sat, the US Government's Video Expo, NAPTE, BEV, BVE North, Production Show UK, NAB Show USA, Broadcast Show Africa, TNB Africa, SAT Com Africa, Latino Mediacon, IBC Amsterdam and many more.

The Agency is seeking £2 million to set up offices in London and LA and Oh là là's financial plan is based on conservative estimates and assumptions. The funds will be used to establish corporate offices, maintain overhead expenses, acquire and secure talent, fund projects' production budgets and multi-faceted marketing and promotion budgets.

Client Ref: Oh là là
Contact info@cmefilms.co.uk

WATERFIELD ADVISORS

PATNI BROTHERS ACQUIRE



Amit Patni and Arihant Patni acquired a stake in Mumbai advisory firm Waterfield Advisors. The partnership plans to create a platform to offer comprehensive family office solutions to clients to create long-term partnerships. The funding will be used to strengthen the firm's family office services portfolio and to expand its offerings in the domestic market. Amit and Arihant Patni, sons of Gajendra Patni, have anchored and co-founded funds including Elysium Investment, Nirvana Venture and The Hive India. Amit Patni said: "Having experienced the challenges faced by a single-family office since setting up our own family office in 2002, we felt that there existed a strong latent need for family office services. Our investment in Waterfield aims to jointly address this need and build this area of expertise in India, we are confident that the new platform will be successful in institutionalising and expanding family offices in India."

Soumya Rajan, Managing Director and CEO of Waterfield Advisors said: "Against a backdrop of a greater number of successful Indian entrepreneurs, the recovering financial climate and increased competition in the marketplace, there is an urgent need to provide family office services, consolidate personal and family wealth, manage succession and help entrepreneurs develop, and grow their operating businesses."

ONE VENTURES

LAUNCHES SECOND FUND



OneVentures Pty Ltd was founded in October 2006 by Dr Michelle Deaker following the successful exit of her high growth technology company E Com Industries to UK PLC, Retail Decisions.

The firm has launched the OneVentures Innovation and Growth Fund II. They are seeking to raise \$100M to invest in emerging Australian companies including healthcare, education, media, mobile, cloud computing and data, security, machine learning, sensors and robotics, and food security. The first OneVentures Innovation Fund, formed as an early stage venture capital limited partnership in 2010, raised \$40 million and was supported by \$20 million in funding from the Australian government's innovation investment fund. The fund was the first in Australia to tap into HNW individuals and family offices to diversify their investments towards venture. OneVentures has closed three-co-investment funds securing \$30m in additional funding for the portfolio.

Michelle Deaker, managing partner at OneVentures, said "Our investors value the technical experience of the partners as well as their proven entrepreneurial and business building experiences in the domestic and international arena. The partners also bring experience and networks of relationships to select highly attractive investment opportunities addressing large global markets, and to manage those investments through to the exit stage."

AM GLOBAL BEST NEWCOMER AWARD 2014



AM Global Family Investment Office, LLC ("AM Global"), an emerging family office leader, announced that Private Asset Management Magazine, a leading wealth management and family office industry publication, has named AM Global the "Best Newcomer – Private Wealth" for 2014. According to the magazine, award winners are leaders who have demonstrated consistent financial progress, year-over-year growth, excellence in client satisfaction, and innovative new services. "We're thrilled to be recognized so early in our firm's existence. It is a validation of the different kind of firm we set out to build two short years ago," said Andrew Mehalko, founder and chief investment officer. "Since we invest our capital right alongside our clients' capital, we believe we approach investing with a little bit of a different perspective than most and that the result is a better investment experience."

Steve Barimo, co-founder & chief operating officer, added: "Having helped build the largest multi-family office, we know what works and what doesn't work and simply felt that we could create a firm that better matched clients' needs. It's somewhat surprising that we could win an award for creating a firm built around being accountable and brutally honest." AM Global is based in West Palm Beach, FL and serves wealthy individuals and families throughout the U.S. and internationally.

BMO FINANCIAL RECEIVE 2 INDUSTRY AWARDS



Best Private Client Investment Platform - Best Multi-Family Office (Assets Over \$4 Billion) from Family Wealth Report

"These awards demonstrate the industry-leading excellence of our organization and highlight the depth and breadth of our comprehensive multi-family office services," said John Benevides, President, CTC Consulting | Harris myCFO. "They are a testament to the hard work of our entire team. Every member delivers the highest level of service to our clients and receiving these awards recognizes that."

The PAM Awards are awarded annually by Private Asset Management, a financial services industry trade publication. Firms compete for the PAM Awards in several categories related to their business model; services offered, growth in client count and assets managed, service innovation and performance.

The inaugural Family Wealth Report Awards are awarded by Family Wealth Report, an international financial services sector publication. The awards recognize companies, teams and individuals who have demonstrated innovation and excellence in the wealth management industry during 2013.

BURJ AL ARAB DUBAI

In 1993, architect Tom Wright of WS Atkins took on the challenge of creating this groundbreaking superstructure. From the very beginning Burj Al Arab was planned and designed to become the icon of Dubai. It was to be extravagant and luxurious, a reflection of its Arabic heritage and traditions of hospitality, a beacon to light the city's future..

Construction began in 1994 and involved 3000 companies and contractors; 250 designers from the UK, USA and Dubai; and 3500 workmen on site at any given time. It took two years to reclaim the island in the shore waters of the Arabian Gulf, and a further three years to erect the magnificent landmark. Burj Al Arab's doors officially opened on 1 December 1999



EXCLUSIVE 24-HOUR BUTLER SERVICE

202 DUPLEX suites with luxuriously spacious

Dubai is the prosperous star of the United Arab Emirates. It is hailed as one of the fastest growing cities in the world and is home to a culturally diverse, dynamic community. Historically, the city evolved around Dubai Creek, and it continues to expand ever outwards with groundbreaking new developments. It is one of the world's top holiday destinations due to the perennial sunshine, a combination of world-class leisure facilities, first-class hotels and the dramatic shoreline, where white sands meet the Arabian Gulf.



An aerial photograph of the Burj Al Arab hotel in Dubai, showing its iconic sail-like structure. On the top circular platform, which serves as a helipad, a wedding ceremony is taking place. A bride in a white gown and a groom in a tuxedo are walking on a red carpet towards a white, ornate wedding canopy decorated with flowers. The helipad has green markings and the number '7.5t' is visible. In the background, the hotel's complex architecture, lush gardens, and a swimming pool are visible, along with the surrounding city and the Arabian Gulf.

BURJ AL ARAB WEDDING

Burj Al Arab , the world's most
luxurious hotel, is taking
romance to new heights

”

SAY, I DO

BURJ AL ARAB UNVEILS ITS WEDDING IN THE SKY A WEDDING TO REMEMBER



Burj Al Arab, the world's most luxurious hotel, is taking romance to new heights offering weddings in the sky, 212 metres above the azure Arabian Gulf on the famous Burj Al Arab helipad. Each ceremony is specially designed by a Wedding Architect, who is responsible for every detail and available 24/7. The experience has a starting price of AED 200,000* (approximately US\$55,000) and can include:

- Arrival at Burj Al Arab by air or by road in a Rolls Royce Phantom
- Exquisite accommodation in one of Burj Al Arab's 202 suites
- Private tasting sessions with Burj Al Arab's award-winning Executive Chef Maxime Luvara
- Consultations on wedding cake design, structure, flavour and composition
 - Beverage sampling and advice with Burj Al Arab's Head Sommelier Dimitar Dimitro
 - Relaxation and beauty treatments at Burj Al Arab's Talise Spa
 - Private sessions with celebrity personal trainers at Burj Al Arab's Talise Spa
 - A specially designed wedding scent developed by leading perfumes
 - Shopping and styling sessions with Burj Al Arab's personal stylist
 - Access to top haute couturiers
 - Private after-hours access to top luxury fashion brands
 - Consultations with Burj Al Arab's award-winning team of florists
 - Access to top haute couturiers
 - Exclusive access to Dubai's best jewellers
 - Private lessons in etiquette and dance

"A Wedding to remember on the roof of the Burj Al Arab, 212 metres above the Arabian Gulf"

The Burj Al Arab Helipad is located 212 meters above the sea level, and provides an opportunity to arrive or depart from Burj Al Arab by helicopter and admire the city from the air. In 2004 Tiger Woods teed off the helipad and the following year, Roger Federer and Andre Agassi challenged each other to a game of tennis there. In 2011, Rory McIlroy performed a hole-in-one from the helipad pad and last year, Formula One Champion David Coulthard performed donuts in a Red Bull Racing car. Burj Al Arab General Manager, Heinrich Morio, says: "We're always looking for new and unique ways to delight and enchant our guests. We believe a once-in-a-lifetime event deserves a one-of-a-kind venue and are thrilled to add this unique location to our ultimate experience collection."

www.burjalarabromance.com





Jan van Bueren
& Thomas Ming

MULTI-FAMILY OFFICE SELECTION

by Jan van Bueren & Thomas Ming

Family offices are 'in fashion.' A growing number of wealthy families are considering the use of a multi-family office, and an ever-increasing number of companies are starting to offer family office services.

A family office is a company that supports wealthy families with the management, organisation and maintenance of their wealth. Although there is no set minimum, the use of a multi-family office (MFO) is mostly considered by families with wealth above twenty-five million US dollars. As wealth keeps increasing worldwide, the rise of the family office model is a natural development: beyond a certain amount of wealth, (financial) needs grow beyond pure private banking services, and complementing typical banking services with those offered by MFOs makes sense. Where most (private) banks advertise, are well-recognised and have offices on the 'high street' of cities such as Zurich, London, New York and Singapore, most MFOs are defined by their discretion. Also, as only

a relatively small number of people use family offices, it is not an easy task for a family to find and select the most suitable provider. That said, as a family's wealth and future well-being strongly depend on the choice of the right provider, the selection process should be taken very seriously.

NO TWO MULTI-FAMILY OFFICES ARE THE SAME

Within the MFO universe there is no 'one size fits all' solution for every family. Most MFOs offer tailor-made and completely incomparable services. Some of the providers are specialised in philanthropic or wealth planning services whilst others focus more on lifestyle management or administrative services in order to improve the family's quality of life. This different angle is often related to the origin of the family office and the experience/background of its founders; indeed, whether the founder is a lawyer or a former banker will significantly impact the scope of his/her offering. Even when MFOs mainly offer asset management

services, significant differences may occur between the providers. There can, for example, be a focus on certain types of investment, on pure asset allocation or on reporting and consolidation services. The type of client focused on, the size of the family's wealth or the region out of which clients are serviced may also vary widely from one provider to another.

An additional reason MFOs are so diverse is the fact that, with the exception of the United States and Luxembourg, they are not regulated in most jurisdictions – even though the asset management component of their activities is usually regulated by the financial supervisory authorities. As MFO services are offered to the public without a licensing procedure, the result is a very different offering with respect to both the actual services provided and the quality of those services.

HOW TO SELECT A MULTI-FAMILY OFFICE

The preservation and protection of wealth are often the main drivers behind the use of family office services. This is why the location of the actual office should lie at the heart of the selection process. An MFO should preferably be located in a politically and financially stable jurisdiction such as Switzerland, the United Kingdom or Luxembourg, in order to safeguard the wealth and wellbeing of the family under all circumstances. A family office which is located in the home country of the family can seem like the right fit, but might also turn out to be the Achilles' heel of the whole set-up at precisely the moment when stability and protection are what the family needs. In practice, it is this kind of consideration which is often overseen or ignored by families, either because they have not been properly advised or because they simply consider a set-up in their home country as being more practical.

WHAT AND WHY?

Apart from location, the type of services sought by the family ('what') is another important factor to take into account during the selection process, as most MFOs tend to focus on a specific selection of services, rather than on a wide array of them. As most providers cannot be compared in any way, it is also important that the family stakeholders establish which goals they actually seek to fulfil by hiring a family office ('why'). A family office may focus on giving the family insight

into its financial situation, for example by offering consolidated reporting and acting as the central point of contact with banks, or it can act as the coordinator of external advisors like trustees, lawyers, tax advisors and real estate agents. But it may also specialise in more practical and operational support, coordinating household staff, acting as a private secretary and making travel arrangements for the family.

TAKING THE PROCESS SERIOUSLY

It is advisable to visit and analyse several providers before choosing an MFO. Which questions to ask when visiting different providers, what type of MFOs exist and what type of services they offer is important information that can take time to gather.

Where the primary motivation for a family in searching for an MFO is that they no longer want to deal with numerous banks and a large number of (financial) intermediaries themselves, our experience has shown that families often do not know their own needs that well, or are not aware of what kind of services are offered by different MFOs. They, therefore, struggle to find the 'right fit,' i.e. the appropriate MFO that will offer them the best-suited services.

As the MFO market is far from transparent and it is not easy to compare different providers, families often start their search by being referred by friends to the MFO they are using. Here it is often forgotten that different families have different goals and needs for MFO services, and that 'one size fits all' does not exist in the MFO industry. Also, as for the choice of a private banker, the connection one has with the MFO staff is crucially important, as they become a part of the family's life and usually remain in place for generations. If only for this reason it is advisable to visit and analyse several providers before deciding which MFO provides the better match.

FOSS Family Office Services Switzerland (FOSS), is part of the wealth planning services of Union Bancaire Privée, UBP SA in Switzerland. FOSS is a web platform developed by Jan van Bueren & Thomas Ming specifically to support families with the selection of a multi-family office.

www.switzerland-family-office.com



2014 SUPERCAR KOENIGSEGG

KOENIGSEGG CELEBRATING 20 YEARS BY INTRODUCING
AGERA ONE:1 - WORLDS FIRST MEGA CAR
SPECIAL PERMISSIONS FOR RE-DISTRIBUTING ARE NEEDED, CONTACT US

The journey of Koenigsegg, since inception, is truly incredible. It all started on August 12th 1994 when a young man, aged 22, set out to realize his childhood dream. A young man fuelled by passion, ingenuity and mind-bending will. Christian von Koenigsegg had just made up his mind to live his dream and start his own car company. The odds were stacked against him. It was a now or never moment. His idea was to create a sports car that he felt did not currently exist and one which he believed would be desired – two essential necessities for success, Christian felt. The concept: A lightweight mid-engined car, with a detachable, stowable hardtop. A wrap-around screen for good visibility and aerodynamics. Short overhangs with two large intercoolers intake on the side of the car, behind the mass center to aid high-speed stability. When Christian was asked what his greatest achievement is – he says without hesitation: -Living the dream! Just imagine what the next 20 years will hold. 20 years later we have the Agera One:1 mega car.

- 20% LIGHTER CARBON CHASSIS AND BODY
- 3G CONNECTION FOR TELEMETRY/PERFORMANCE
- 3G AND GPS CONTROLLED ACTIVE CHASSIS
- 3D PRINTED TITANIUM EXHAUST END PIECE



ADDITIONAL DATA

Relevant facts

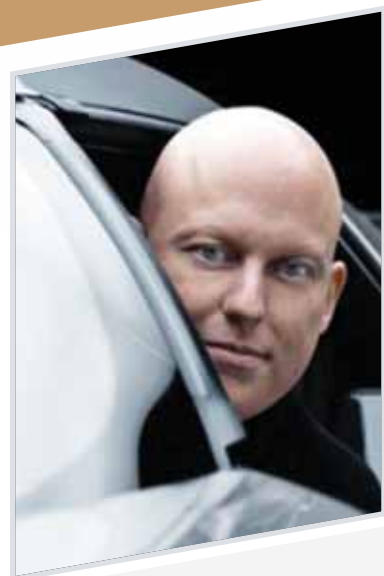
- World's first 1:1 (One:1) power to curb weight ratio homologated production car (kg/hp)
- World's first Mega car 1 Megawatt of power homologated production car
- 2 G cornering capability on road legal production cup tires
- 610 kg downforce at 260 km/h (160 mph) utilizing advanced active under and over body aerodynamics



TOP SPEED 440 km/h

AGERA ONE:1

Top Speed was not a priority, as the One:1 is a track focused car however, the One:1 is anticipated to be, the world's fastest homologated production car, with a simulated top speed of 440 km/h, due to high power and high rpm capability in combination with strong tyres and active aero



Christian von Koenigsegg
"A man and his dream"



MERGER

SandAire and Lord North Street

The London-based multi-family office pioneers, SandAire and Lord North Street, confirm today that they have agreed terms to join forces. The merged firm will have 50 employees, and the group will have offices in London, Geneva, and Singapore. As a result of this agreement, the enlarged new business will be a global leader in providing conflict-free investment management services to families with large fortunes and major endowment funds. Both firms currently manage substantial assets for wealthy international families, and endowments including Oxford and Cambridge colleges and both have been recognised through the receipt of industry awards for the quality of their service and sector leadership.

"This is an exciting, ambitious strategic step forward for us," said Alex Scott, founder of SandAire. "Crucially, our businesses share common values on the principles of serving clients and this made the fit so compelling. Together, we are very well positioned to meet the growing global need for families and endowments to access specialised objective guidance on their investments."

Under the terms of the agreement, Alex Scott will assume the role of Executive Chairman. William Drake and Adam Wethered, who co-founded Lord North Street, will be Vice-Chairmen. The two will also be shareholders of the combined business which will be majority owned by the Scott family. "Our two firms share a distinctive culture and philosophy regarding the provision of bespoke and unbiased investment

services to wealthy families and endowments," said William Drake. "The respect between us is considerable. This combination provides us with better scale to serve clients and to support our employees. It also fits our ambitions for gradual international expansion." In line with the announcement, the leadership team is being strengthened by the appointment of Alexandra Altinger as Chief Executive Officer. Alexandra Altinger has over 20 years' experience in the global wealth and asset management industry. During this time, she spent a significant part of her career working in Asia and the US. Most recently Altinger worked for Lansdowne Partners. Prior to this she was at Wellington Management leading the Sub-Advisory and Fund Distribution business in Europe.

Adam Wethered stated: "Alex, William and I recognise the tremendous market opportunities for our business. To capitalise on this we felt that Alexandra will provide strong leadership to the new management team as it integrates the firms, enhances what we offer clients and then expands the business." Scott added "Indeed, this will free up our founders to have more contact with our clients, accelerate our ambitions for the business and create exciting careers for our people," he remarked.

The two corporate brands SandAire and Lord North Street will continue to operate in the market place. Lord North Street will become a wholly owned entity of SandAire



SIGNATURE

GOLF TOURNAMENT

For the first time, Major Golf take on Turkey, and the cost of Antalya where 17-golf courses of the highest quality are laid out like a string of pearls.

The Signature is between November 11th and 18th and leaves nothing to chance. The 5 star all inclusive - exceptional golf - luxury accommodation - transportation all wrapped up in a fantastic atmosphere.

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★ ★ ★

WHEN IT COMES TO BITCOIN!

there are no “accounts” to set up,
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BITCOINS

13 million bitcoins in circulation

A GOOD ADDITION TO ANY PORTFOLIO



There are 13 million bitcoins in circulation. Bitcoins are a 'peer-to-peer currency'. Peer-to-peer means that no central authority issues new money or tracks transactions. These tasks are managed collectively by the network. Bitcoin is an experimental, decentralized digital currency that enables instant payments to anyone, anywhere in the world. Bitcoin uses peer-to-peer technology to operate with no central authority; managing transactions and issuing money are carried out collectively by the network.

Bitcoin uses public-key cryptography, peer-to-peer networking, and proof-of-work to process and verify payments. Bitcoins are sent (or signed over) from one address to another with each user potentially having many, many addresses. Each payment transaction is broadcast to the network and included in the block chain, so that the included bitcoins cannot be spent twice. After an hour or two, each transaction is locked in time by the massive amount of processing power that continues to extend the block chain. Using these techniques, Bitcoin provides a fast and extremely reliable payment network that anyone can use.

**'A Bitcoin address mathematically corresponds to a public key
e.g. 1PHYrmdJ22MKbJevpb3MBNpVckjZHt89hz**

New coins are slowly mined into existence by following a mutually agreed-upon set of rules. A user mining bitcoins is running a software program that searches tirelessly for a solution to a very difficult mathematical problem, whose difficulty is precisely known. The difficulty is automatically adjusted regularly so that the number of solutions found globally, by everyone, for a given unit of time is constant, an average of 6 per hour. When a solution is found, the user may tell everyone of the existence of this newly found solution, along with other information, packaged together in what is called a 'block.'

Blocks create 25 new bitcoins at present. This amount, known as the block reward, is an incentive for people to perform the computation work required for generating blocks. Roughly every 4 years, the number of bitcoins that can be 'mined' in a block reduces by 50%. Any block that is created by a malicious user that does not follow this rule will be rejected by everyone else. To guarantee that a third party cannot spend other people's bitcoins by creating transactions in their names, Bitcoin uses public key cryptography to make and verify digital signatures. In this system, each person, such as Alice or Bob, has one or more addresses each with an associated pair of public and private keys that they may hold in a wallet. Only the user with the private key can sign a transaction to give some of their bitcoins to somebody else, but anyone can validate the signature using that user's public key.

BRITISH ROYALTY HOSTS HOLLYWOODS BRIGHT BRITISH POLO DAY

READ THE LATEST ARTICLE FROM OUR REPORTER SOPHIE EDWARDS

British Polo Day, presented by Land Rover, launched –for the first time – in the USA. It was hosted by the President of the Will Rogers Polo Club, Andrew Bossom and British Polo Day's USA Representative, Lord Frederick Windsor - and his wife, the actress and writer Sophie Winkleman. The day saw over 400 guests and VIPs descend on the world-famous Will Rogers Historic State Park for the inaugural event. Guests including The Duke of Argyll, David Walton, Elon Musk, Talulah Riley, Olivier de Givenchy, Cassian Elwes and Paul McKenna helped to raise US\$54,250 for the benefit of Great Ormond Street Hospital and Homeboy Industries.



\$54,250

raised for the Great
Ormond Street Hospital
and Homeboy Industries..





From auction hammer to polo mallet, the day's polo then got off to an exhilarating start with the opening Hackett Trophy. The Hackett Eton College and Royal Salute Will Rogers Polo Club teams took to the field for a closely-fought encounter. The match saw Eton College take an early lead and maintain a narrow advantage throughout, to clinch a close victory over the home team with a 6½ to 4 win.

British Polo Day's USA Representative and Host, Lord Frederick Windsor added: 'Today was the perfect confluence of the glamour and entrepreneurial spirit of California, meeting the heritage and dynamism of British Polo Day's global vision. There is no doubt in my mind that this invitation-only gathering will quickly establish itself as one of the hot tickets in town in future years. My wife Sophie and I are so excited not only to have been at the center of this year's inaugural event in Los Angeles but also to be a part of this worldwide British success story.'



"British Polo Day is held in Abu Dhabi, Australia, China, Dubai, India, Mexico, Morocco, Russia, South Africa, USA, and of course, Great Britain"



The event was partnered with Land Rover, Royal Salute, Oxford Group Holdings, Hackett London, Protection Group International, Holland & Holland, Charles Russell, Billionaire.com, Global Partnership Family Offices, Justerini & Brooks, Abercrombie & Kent, Ettinger London, 3rd Home, Taittinger, Nihiwatu, D.R Harris & Co, The Grosvenor Stationary Company, The London, Malibu Farm, One Gun Ranch, Jax Coco, Homeboy Industries, Great Ormond Street Hospital, East Imperial Superior Beverages, Redburn Events, Hooray Henry's, Shore Bar, Charbonnel et Walker, The Cavalry & Guards Club, Pendragon Productions, Walpole and Brompton Bikes.



BNY MELLON

BNY MELLON named top Private Bank serving Family Offices

The wealth management business of BNY Mellon, a global leader in investment management and investment services, was named the top U.S. Private Bank and top Private Bank serving family offices by Family Wealth Report in New York. The London-based trade publication serving the wealth management and family office industry announced the awards at its inaugural gala dinner on March 13.

Family Wealth Report and its publisher, ClearView Financial Media of London, founded the awards to honor high-quality service and achievement of wealth management firms at both the institutional and individual level in the U.S. and Canada.

"These awards highlight the brand promise we make to the individuals and families we serve in the U.S. and across the world," BNY Mellon Wealth Management CEO Larry Hughes said. "It's great to be recognized by our peers for the work we've done to help make our clients successful. Even more importantly, we appreciate the loyalty and support of our clients. It's gratifying that our centuries of experience thought leadership, deep investment capabilities and exceptional private banking have served our clients so well." Nominees and finalists for the 35-award categories comprise a Who's Who of the wealth management world. Award winners were selected by a panel of judges from across the wealth management and family office space, and, importantly, represent an array of related businesses. On behalf of BNY Mellon, Doris Meister, President U.S. Markets New York Tri-State, accepted the award for best U.S. Private Bank.

Erich Smith, Executive Director of Family Office and Charitable Solutions, accepted the award for top Private Bank—Offering for Family Offices.

BNY Mellon Wealth Management is a leading wealth manager with more than two centuries of experience in providing services to clients who today include financially successful individuals and families, their family offices and business enterprises, planned giving programs, and endowments and foundations. It has more than \$185 billion in private client assets, as of December 31, 2013, and an extensive network of offices in the U.S. and internationally.

BNY Mellon Wealth Management, which provides investment management, custody, wealth and estate planning and private banking services to clients, conducts business through various operating subsidiaries of The Bank of New York Mellon Corporation. For more information go to bnymellonwealthmanagement.com

BNY Mellon is a global investment company dedicated to helping its clients manage and service their financial assets throughout the investment lifecycle. Mellon had \$27.6 trillion in assets under custody and/or administration, and \$1.6 trillion in assets under management. BNY Mellon can act as a single point of contact for clients looking to create, trade, hold, manage, service, distribute or restructure investments.





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UPCOMING CONFERENCES

Investment Trends Summit

The Four Seasons, The Biltmore, Santa Barbara, CA
September 8-10, 2014

Middle East Family Office

Symposium Park Hyatt Dubai, Dubai, UAE
November 3-4, 2014

Family Office & Endowment Investment Forum

Renaissance Vancouver Harbourside Hotel, Vancouver, BC
September 15-16, 2014

Emerging Managers Summit South

Hyatt Regency Austin, Austin, TX
November 6-7, 2014

Opal Exchange Monaco

Fairmont Monte Carlo, Monte Carlo, Monaco
October 20-21, 2014

Endowment & Foundation Forum

Boston Marriott Long Wharf, Boston, MA
November 17-19, 2014

European CLO Summit

Fairmont Monte Carlo, Monte Carlo, Monaco
October 22-24, 2014

Alternative Investing Summit

Ritz-Carlton Laguna Niguel, Dana Point, CA
December, 7-9, 2014

Family Office & Private Wealth Management Forum West

Napa Valley Marriott Hotel & Spa, Napa, CA
October 27-29, 2014

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St. Regis, Monarch Beach, Dana Point, CA
December, 7-9, 2014

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FAMILY OFFICES

milestones and development



Family office is not an invention but is coming from an ancestral tradition that can be traced since the Roman antiques. Since mid 19th century, the modern Family Office began to take shape in the US and Europe through the development of investment trusts and banks with private interests dedicated to their descendants. Examples are the family dynasties as Rockefeller, Bessemer, Deutsch de la Meurthe, ... In the beginning, these structures were used to prevent the sale or division of the family's wealth over the generations.

The first-trust company was created to execute financial transactions and manage the wealth for entrepreneurs. With the industrial revolution came the bank trust officer who had the responsibility of protecting the assets of wealthy families. So the Family Office served the financial needs of only one generation. Through the increasing wealth levels a need for wealth preservation across multiple generations became very important. Managing the wealth of the operating business, the family's personal and financial dealings were supported by a separate structure. In the 20th-century entrepreneurs and industrials were managing their growing businesses and starting at the same time some new businesses. Responsibilities began to multiply, and the family was expanding. The Family Office was born covering a multitude of structures ranging from one-family member doing administrative tasks alongside other tasks in the family business, to a team of professionals focused on investment, accounting, legal affairs and concierge services. In Europe, the concept developed especially during the last two decades.

Characteristics of family offices

Some families run their core operating business or other businesses; others are more focused on managing investments assets because they sold their

company. European families invest more in real estate and core investments, Americans more in equities. First-generation Family Offices involve a family member. The larger the family becomes, the more the family will be disengaged from his Family Office. If the wealth creator is present, most of the decisions are made by him. When the first generation isn't present anymore, the family has to introduce some governance. The European Family Offices typically have more committees and provide more frequently detailed reporting to their family members. First generation tends to be informed on a monthly basis. Later generation Family Office chose to inform twice a year. Reporting includes information on business opportunities, governance, family matters, trustees, philanthropic issues, special events, lawsuits, and minutes of the Board meetings. Most important for Family Offices is the trans-generational wealth management. The second is the consolidation function of accounting afterwards tax and estate planning services. More soft requested skills are family education, concierge services and philanthropy. The office is a private office which has a consolidated management of wealth and controls everything. In Europe, Family Offices are used to outsourcing fewer activities to wealth management. For most of them, the asset allocation is done in-house. Other important factors are the cost effective money management; stable, controlled and scalable asset management; development of trust, cheaper administration. There are three main categories of functions inside the Family Office:

- (1) those related to wealth management (asset allocation, manager selection and monitoring, risk management, estate planning)
- (2) those related to administrative functions (financial administration and reporting legal and tax services, ...)
- (3) those related to the family (family education counselling services, relationship management, ...)

Different examples of Family offices

The first example of a Family Office is a fully staffed private investment company which is located in a financial centre where they can constantly network with top investment experts. The head of the office has an investment banking background, and his team includes professionals (analysts and traders), accountants, a lawyer, and a supporting staff. They outsource some legal services. They have different committees (investment, management and audit). Reporting is made on a monthly base.

The second example is a multi-generational service oriented family office. This Family office has a large team of professional investors, lawyers, accountants, economists and support staff. The investment management is outsourced to experts. The head of the office, lawyer by profession spends a lot of his time with supervising investments and family governance. They tailor asset allocations to each individual and focus on trans-generational wealth management. Their first objective is balanced growth but tax optimization is also a priority. They have a management and a client relationship committee. Reporting is quarterly to all family members on their investments with detailed information. Third case is a Family Office, which has his focus on wealth preservation. This Family office is present in several countries. Family Governance is very important as well as their wealth succession. The office is also supporting administrative functions such as cash and tax reporting, estate planning, they also provide concierge services. They invest in real estate and equity but outsource this to external managers. The office has ten employees. The reporting is quarterly made.

Practical examples

Rockefeller Financial Services

Founded in 1882, this is probably the most well known Family Office in the world. The first structure, Rockefeller Family and Associates were launched to preserve the wealth and manage the philanthropic missions of the family (medical research, education, church). In 1980, they welcomed other wealthy families' trusts and foundations so they decided to found Rockefeller & Co, offering asset management,

wealth advisory services, capital advice, private equity, hedge funds but through external funds. Their goal is Long Term sustainable growth. The Rockefellers have proven that consolidating the wealth of family pay dividends in the future.

Fleming Family & Partners

Robert Fleming was the founder of a group of Scottish investment trust and very well known for his banking firms. He sold his business to Chase Manhattan Bank in 2000. He had to sustain the considerable assets and so he created his Family Office. The company is managed by a group of advisors and has a hub of boutique investment institutions. They opened the Single Family Office in 2002 for his first non-Fleming family client. Today the Multi-Family Office serves more than 40 families and employs 150 people offering services in Private Equity, corporate advisory, financial planning, real estate and asset management.

Sand Aire

Provincial Insurance Company founded in 1903 by Sir James was sold to AXA in 1994. He had as personal advisor Keynes, who contributed to the success of its asset management division. The Scott's decided to form a Family Office in 1996 and became a Multi Family Office in 2002 where they acted as trusted advisor. They used third-party managers and were pioneer in multi-management offering a higher level of professionalism to his clients.

Conclusion

The Dual challenge of a Family Office is the management of the Family business as well as the management of the Family and the amassed wealth. The most important is that families want to be kept out of the public eye and are convinced that no one will take their issues as seriously as they do it by themselves. Family office isn't a different way of asset management but is for all from different kind; it requires a high level of disciplines as wealth management, international corporate and tax law, corporate finance, economics, psychology, sociology and politic sciences.

by: Diana Diels

President of Luxembourg For Family Office

IS THE UKRAINE THE ULTIMATE CONTRARIAN INVESTMENT?

UKRAINE



Political and financial turmoil often leads to good investment opportunities. "The time to buy is when there's blood in the streets," goes the often repeated Baron Rothschild quote.

As I write this piece the situation in Ukraine is far from stable. Its eastern regions recently held referendums to break away, the press is writing that the East-West conflict may escalate into a civil war, and Russian soldiers or mercenaries appear to be waging some sort of proxy war. Unfortunately, there is blood in the streets. Even before the current problems, Ukraine did not look attractive. Its economy never recovered from the global financial crisis, and it had been stagnating for many years under a succession of corrupt leaders.

The country is in debt, and its currency has lost more than 30% of its value in the first five months of the year of the year vis-à-vis the USD. The International Monetary Fund (IMF) forecasts Ukraine's troubled economy to shrink by 5% in 2014. Energy costs are more than certain to increase substantially once the current negotiations with Russia are concluded. Its long-term stagnation is particularly noticeable when compared to its neighbors and other emerging markets. In 1991, soon after the downfall of the USSR, Poland's GDP per capita was just 47% higher than Ukraine's. In 2012, it was over three times higher. The Ukrainian GDP per capita in 2012, based on the latest available figures from World Bank, was just USD3,867 or about the same level of the tropical Indonesia. But Indonesians do not need to pay for energy to survive the European winter

But there are many silver linings despite the bad headlines. Most notably was the resounding victory of Petro Poroshenko, who got some 55% of votes and

won in the first round. Domestically one could argue that modern Ukraine is more unified than ever before. The threat of losing their country altogether may be a wake-up call that business and political leaders need to give the country's institutions the reboot that they desperately need.

Fundamentally, its economy has several competitive advantages. It is the second largest country in Europe with 15% of its arable land and thanks to its legendary black soil; Ukraine is one of the world's largest producers and exporters of edible oil, grains, and other foodstuffs. It also has a decent industrial base. It is one of the key producers of railway cars and one of the largest aviation engine manufacturers in the Commonwealth of Independent States (CIS). Ukraine builds some 90% of the engines used in Russian helicopters.

The country also has a very good infrastructure. Unlike many emerging markets, it has very good telecommunication, a good road and energy infrastructure, and world-class educational facilities. Many Ukrainian graduates from its technical universities end up in Silicon Valley and other high-tech meccas. Despite the turmoil over the last few years, Ukraine was changing for the better. It was listed as the world's top reformer in the World Bank's 2012/13 Doing Business report, which ranks countries by their support for laws that favor small and medium businesses. The report praised Ukraine for making it easier to start a business, strengthening property rights and improving credit information available to debtors and creditors.

Ukraine's oligarchs are also improving their corporate governance, as they are big enough to need international capital to continue to grow. Several have issued sizeable Eurobonds. Others have listed their companies on the Warsaw and London stocks exchanges. I suspect that all but a handful of institutional investors and mutual funds will shy away from investing in Ukraine due to their risk-adverse investment committees, tracking guidelines and fickle clients. In contrast, family offices are ideally placed to take a small bet on Ukraine as they have more flexibility, independence and longer time horizons.

Michael McGaughy is an award-winning analyst who consults to private clients and funds and through Yuan Asset Management (YAM). If you would like to receive more updates from him, you can follow him on Twitter at @MichaelMcGaughy or visit the official website of YAM at www.yuanasset.com.



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Beaufort House Chelsea, is the Kings Road's premier brasserie and private members' club. Set over four floors and boasting a brasserie, two-cocktail bars, an exceptional penthouse champagne bar, a stunning private members lounge, as well as a surround sound meeting room complete with state-of-the-art screening facilities, Beaufort House excels where other venues merely strive. It has developed a reputation for outstanding service and beautiful yet comfortable interior, making it London's official 'home away from home' and one of Chelsea's premier venues.

This exclusive venue has won a number of awards including "Best Private Members Club" in the London Lifestyle Awards, and it was also voted "Best Private Members Club in London" and is deserving of such an accolade. Beaufort House has established itself as a much-needed breath of fresh air for the Kensington and Chelsea area. From film premieres and magazine launches to high-profile guests, musicians, actors and socialites, preserve of the rich & famous, from royalty to rock stars, Beaufort House has asserted itself as The club in the heart of Chelsea, London.



BURGESS

Article by Jake Hill



BURGESS SUPERYACHTS

Founded in 1975, Burgess is a leading authority in the sale and purchase, new construction, charter and operational management of the world's finest yachts over 40 metres. With offices in strategic locations around the world, they offer a combination of global presence and local expertise that assists clients with every aspect of super yachting. With a very impressive track record in the sale and purchase of superyachts over the last four decades, their team of international brokers provide detailed product knowledge and up-to-the-minute market intelligence to secure the very best outcome for clients looking to sell or purchase a yacht.

Burgess's charter team is adept at identifying a vessel to suit all tastes, from state-of-the-art motor yachts to contemporary high-tech sailing yachts. Pooling their considerable knowledge of the worldwide charter fleet, our brokers create unique, personalised charter itineraries in the Mediterranean, Caribbean and beyond, with every conceivable luxury and six-star service.

Alev Karagulle, Director of Marketing & Communications for Burgess, says: "A large yacht is one of the few environments that offers complete privacy for relaxation,



surrounded by incomparable style and luxury. At Burgess, our aim is to take away the complexities of purchasing, building or chartering a superyacht so that you can enjoy the experience with total peace of mind.”

The Burgess operational management programme for yacht owners ensures that every detail of a yacht’s management is taken care of. In addition to supervising the day to day operation of the yacht, Burgess assists the Captain and crew in all aspects of running the yacht. Their team of master mariners, marine engineers, naval architects, chartered accountants and HR professionals handle everything from provisioning, insurance and accounts to yacht maintenance and crew recruitment.

Burgess Technical Services (BTS) provides a specialised service for clients wishing to build a new yacht and has successfully project managed the construction of more superyachts from 40m to 180m than any other yachting company. Working on behalf of owners, their in-house team of technical project managers, naval architects, marine and electrical engineers has supervised projects in 23 shipyards across three continents.

www.burgessyachts.com



FAMILY OFFICES

Strategic and constant investors

大中华地区私人银行家协会 Association of Private Bankers in Greater China Region



Family Offices as strategic and constant investors are flush with cash; they are less demanding on transparency; they need diversification and are not answerable to a complicated governance structure. Getting a check from a Family Office is a very desirable source of funds for any mid-sized enterprise, private equity project or alternative fund.

Where do we find these strategic and constant investors?

In the capital market, it's common for business owners raising funds and searching for potential investors or buyers, to seek funding from customary sources such as private equity firms, venture capitalists, strategic buyers and so forth. They often overlook alternative investment sources such as Family Offices. These sources can be a good fit for those pursuing investment relationships with a long-term view and a less complicated process.

Asia and Greater China in particular have a growing fraternity of Family Offices. Family Offices in these regions primarily manage the family affairs of ultra-wealthy families and make investments and allocate assets on their own behalf. The duties of Family Office principals are always extended beyond this to manage the family businesses such as offshore properties, direct investment, home bills, concierge affairs, estate/succession planning and spontaneous philanthropic

giving. Generally speaking, the size of the Family Offices in these regions is still quite small and the decision-making is predominantly in the hands of the family members or the principals in that office. Remarkably, much of the wealth in Asia is typically from wealth creators. Some of them merely use Family Offices to park surplus cash and/or to employ family members, while others like to leverage their offices to deploy and manage their principal investment projects. The second and third generations of family members are eager to assume their roles within the family business. These 'wealth inheritors' are the standby bosses that are keen to look for new investment opportunities.

In developed markets like the United States, companies such as Cascade Investment were established and fully staffed to serve Bill Gates' family office. Michael Dell employs 80 people at his own MSD Capital, and Oprah Winfrey hired notable investment manager Peter Adamson to run the operations at her Family Office. According to a recent article in Forbes Magazine, single-Family Offices in the United States are arithmetically burgeoning. With the wealth and influence they control, they are undoubtedly growing exponentially. Single-Family Offices currently administer and manage a larger pool of investable assets than all the hedge funds combined. Traditionally, Family Offices have been primarily focused on managing assets, with managers to conduct their asset allocations and even

manage their investments. Recently however, driven by many factors including historically low yields in fixed-income markets and the extreme volatility in equity and commodity markets, Family Offices have made more direct investments in middle-sized businesses through joint ventures, minority investments or even acquisitions.

While many Family Offices emerged after a family sold its principal and family business, others were established by taking substantial capital out of the core business to diversify their investment holdings. Some Family Offices may invest in specific industries and business models in which they are conversant. We have recently seen one family that sold its manufacturing company; after receiving the capital, it invested in similar ventures where it had relevant experience to make direct investments. Sequentially, these Family Offices could become the potential partners for particular verticals.

Private Equity Firms vs Family Offices

Whatever the case, Family Offices epitomize a strong potential source of buyers and capital for firms looking to expand or sell. In general, Family Offices do not have the same kind of time frames as private equity firms. This would suggest that Family Offices take a longer term view of any potential businesses they buy into. Those Family Offices that have acquired businesses with stable long-term growth have no desire to look toward fast-approaching liquidity events. It is in their best interest to cultivate longer-term investment relationships that will provide consistent returns. Selling a growing business would require them to redeploy the assets and face the inherent risks that come with making new investments.

Private equity firms, on the other hand, are not investing their own capital. In this fashion, they typically acquire with a four-to-seven-year time frame in mind. They raise money with the expectation that they will invest for a five-year period and exit within four-to-seven years. As private equity firms go to market periodically to raise their next fund, they need to show their historical returns in order to garner and gather interest from potential investors. Another distinction

between Family Offices and private equity firms is that the former can be quick decision makers. Private equity firms are far more formal; they have investment committees and require numerous rounds of approvals before decisions are made. On the other hand, Family Offices have one or two key decision-makers who can act quickly with executive authority. Additionally, Family Offices do not have a stiff or rigid fund structure that a private equity firm has. Multi-family offices have also become more prevalent and well-established in the markets in recent years.

They can offer robust solutions for those seeking to establish their own Family Offices. For example, GenSpring Family Offices, an affiliate of SunTrust Banks, provides highly customizable wealth management advice and service options for single-purpose and multi-function Family Offices. This can range from multi-generational sustainment to administrative management and more.

Without a doubt, Family Offices offer key differentiators and benefits as prospective partners and buyers. Mid-sized businesses and firms who are seeking capital from flexible partners with a sharp focus on their industries and the proclivity to make long-term investments, should keep Family Offices in mind, in addition to private equity firms.

The Association of Private Bankers in the Greater China region (APB) is a platform that is utilized by industry practitioners and wealth organizations to assist in building new relationships and opportunities that emerge around the world.



Eva Law - Founder & Chairman
Association of Private Bankers In Greater China Region



INTEREFFEKT

GLOBAL FRONTIER HIGH DIVIDEND EQUITY



Wytze Riemersma: Portfolio Manager

Despite the recent volatility in emerging- and frontier markets, there is still a lot of attention from institutionals to invest in the asset class. Generally speaking the reasons for considering frontier market investing as opposed to EM is the higher economic growth and also the lower volatility, which in essence provide investors with a very attractive risk-return profile relative to EM. Also, the lack of correlation to other markets is interesting from a risk budget point of view, and the fact that the frontier market population is both younger, faster growing and urbanizing provides a good foundation for value creation. These demographics are interesting, in addition the public debt levels are lower than in the rest of the world, and ROE numbers are also superior, so in general the frontier markets are very attractive for long term value creation. Intereffekt Global Frontier High Dividend Equity seeks to provide investors with high-dividend income as well as long-



Marco Balk: Co Manager

term capital appreciation by investing in a diversified portfolio of equities listed in the Frontier Markets Universe. The fund will only invest in stocks with an expected dividend yield of 4% or more. The expected dividend yield of the fund will be between 6%-7% per annum, based on the historical performance. Dividends are paid out twice a year. Adding to the case of high-dividend investing, numerous studies have shown that a high-dividend strategy is a proven way to outperform over time. And although most of the studies have focused on developed markets, we carried out back testing studies on frontier markets that confirm that this is also true for frontier investing. Which countries to invest in? - By investing globally, in a universe of 20 countries, the minimum dividend requirement of 4% directs the funds automatically to the cheapest markets and away from markets that rallies whereby dividend yields came down. Our model has, for example, directed

more funds to Egypt where, due to the political unrest stocks became attractive in terms of dividend yield and valuation. We would never have invested at that time if our stock selection methodology were based on visiting the country.

Recommending Stocks - We don't write outlooks about what to buy and where to invest. The country weightings we have in the fund are mainly determined by the relative attractiveness of the market as a whole relative to other countries. That's how our model works. Consequently, the fund differs significantly from the benchmark index. We currently have 78 equally weighted stocks in our portfolio, which are spread over 13 different countries. The countries with the largest weightings are now Egypt (16,5%) Saudi Arabia (15,9%), Pakistan (15,5%) and Vietnam (13,9%). In these markets we currently find the most interesting high-dividend stocks, which meet our quality requirements. Every six months we bring the portfolio back in line with the model and equally weight all the stocks.

The benefits to investors

- High-dividend income returns from a high-dividend yielding portfolio;
- Capital returns from the high dividend Frontier Markets Universe;
- Early adoption of the high-dividend strategy;
- Attractive risk/return profile through bear and bull cycles;
- Unique combination of the prospects of Frontier Markets with a high-income strategy.

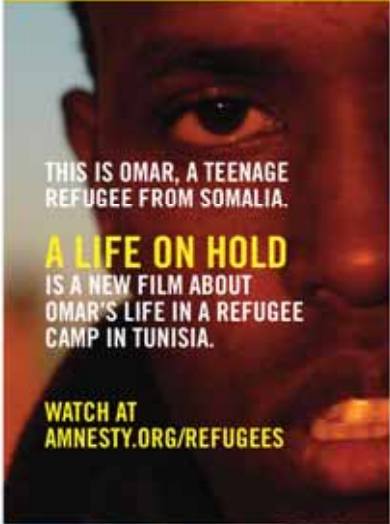
Managers: The investment funds of Intereffekt Investment Funds N.V. are managed by TRUSTUS Capital Management B.V. in Joure, the Netherlands. At present, this organization manages the following listed equity funds:

- Intereffekt Global Frontier High Dividend Equity
- Intereffekt Frontier Vietnam High Dividend Equity and
- Intereffekt Emerging Africa High Dividend Equity

The manager of Intereffekt Investment Funds holds a license issued by the Netherlands Authority for the Financial Markets in accordance with the Financial Supervision Act (Wet op het financieel toezicht).

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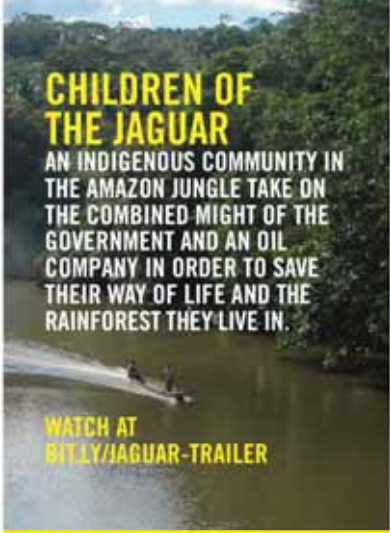


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DELIVERY

HOW YOU DELIVER IS AS IMPORTANT AS WHAT YOU DELIVER!



Jamie McLaughlin

CEO at James H. McLaughlin & Co., LLC

We are in the very early innings of a shift in demand where few wealth management firms meet the current demand from families of great wealth and complexity. Families are yearning for investment and non-investment advice mostly free of conflicts. Perversely, they have been unwilling to pay the true costs of these services and firms have socialized them that they can get these services at discounted fees or pricing levels below their true costs.

Separately, wealth management businesses economics depends on top line growth where performance and compensation management systems often prefer asset gathering over client service delivery. Consequently, the discovery and guidance process is often not disinterested and too often riddled with a sales bias where a more nuanced feathering out of the true client need is often overlooked or neglected. Two trends are reshaping the integrated advice business broadly and shifting pricing power to wealth management firms who can evolve and adapt to

today's market exigencies. First, transactional business models, where firms manufacture and distribute products while also advising clients on those same products, place the firms in an inherent conflict. They are being forced to adjust to a new reality where transparency and disclosure are increasingly in favor. Second, the market leaders in wealth management have moved from delivering products or services to focusing on how they provide financial solutions. In this post-product, post-service environment, clients are yearning not only for advice, but for something more existential in nature; an experience that goes well beyond a discussion of their financial affairs. Unfortunately, most clients have been conditioned to expect to be disappointed in the utility of the advice itself. And they have little reason to imagine what else an advisor might provide.

The consumer goods and retail industries made this transition some time ago. Successful companies now differentiate themselves by the design of the client experience. A strategy that started with luxury goods — names such as Tiffany, Lexus and Ritz-Carlton come to mind — has trickled down to mass-market brands, including Starbucks and Target. Now it's being deployed in wealth management. Together, these two trends portend the disintermediation of a concentrated group of manufacturers and distributors. And despite a highly fragmented market of firms and professionals, advisors who provide impartial advice and a unique client experience will command pricing power.

Wealth management firms that remake themselves to provide such a client experience will be the ones who not only survive, but thrive in a post-product, post-service era.

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LÜRSSEN LAUNCHES “KISMET” GLOBAL PROJECT

LÜRSSEN



Lürssen announces the successful launching and unveiling of project Global, which will soon be named “Kismet”. She is built for a very experienced client, who up-graded from his former 68 m Lürssen yacht.

During the launch, the owner praised the excellent cooperation between his team consisting of his captain Kyle Fultz and crew, the

design teams of Espen Oeino and Reymond Langton Design and Moran Yacht & Sip, who supervised the project as well as the Lürssen project team who played an important role in bringing this project to fruition.

Lürssen confirms: “We are happy that we have met the high-end expectations from the owner in terms of product quality and being able to stay

within budget and on time. We are looking forward to Kismet finding her place as a remarkable statement in large yacht construction.” Espen Oeino has given Kismet very harmonious lines: “The external living spaces are numerous and generous and have been laid out for both charter and private use in mind. The external deck facilities include an open fireplace, external lounge



and eating areas on three different decks including one with a fully equipped BBQ, an oval shaped swimming pool with integrated Jacuzzi on the sun deck and a private observation deck. The master stateroom also has its own private external deck fully equipped with Jacuzzi and TV."

Interior designer, Pascal Reymond explains what enhances Kismet's luxurious style: "The interior spaces distributions of Kismet are very original with some very dramatic features and

fabulous perspectives with large voids between decks, perfect for large dining parties and also suitable for smaller private and more intimate uses thanks to sliding doors and panels which can separate each area elegantly.

Kismet has everything any owner would inspire to. Elegant, spacious and well equipped spa with a plunge pool, each guest suite and owner's area have their own identity and superb handmade textile and artwork, exotic woods and marble. Looking closely at the joinery detail

of Kismet, she is very intricate with unusual organic shapes and textures, while keeping the elegant and coherent design as a whole."

Kismet will be an exciting addition to the global charter fleet and is available through Moran Yacht & Ship. She represents the very latest in high-end luxury cruising. With her experienced crew, she will without doubt provide an experience to remember. She will be cruising her first season in the Caribbean.

www.lurssen.com



\$1B + FAMILIES & REALITY

Global Perception of \$1 Billion+ Families & Reality

BY RICHARD C WILSON

I recently travelled to London to discuss co-investment opportunities with a \$2B & a \$5B+ family, and while I was in town, I recorded a BBC World News TV interview on \$1B+ families and their single-family offices. Much of the interview focused on why these families are not spending more of their money to help the economy, the perceptions of the ultra-wealthy, and what it is like to work with them every day. In addition, my book is not focused on the topics of public perception or political views, but I do think some important points came out of the show's discussion which include:

- None of the families interviewed in my book, and not a single one that I have met to date has come into wealth through pure good fortune, such as winning the lottery, or finding gold on their horse ranch, etc...almost all of them have all started and grown successful businesses and worked long hours over a long period.
- While family offices and \$1B+ families are sometimes seen as secretive, hard-to-access, and under-the-radar, they are everywhere. They are behind the charities we hear about, backing the venture capital funds, owning the sports teams we cheer for, and refining the oil going into our cars. They are omnipresent yet someone secretive at the same time.
- Part of the interview focused on what it is like to work with these families. As I explained on-air I have found them all to be highly professional, respectful of time, and while very busy they do take time to identify high-quality partners and products starting with what their peers refer to them as high-quality resources. I also think it is important to note that while these families are very wealthy, if you can provide genuine insight on your area of expertise, then you have a knowledge-currency they don't have and in that way you may be seen as valuable to their team despite that you may not have \$100M or \$1B yourself.



- Many tabloid and newspaper headlines on the ultra-wealthy focus on the negative such as wasting money, crashed Ferrari's, family disputes, or other aspects of being very wealthy that could sell a story. In addition to that, there are many family disputes, but what goes on with these families is far from what the media portrays and is not consistently negative. Some may disagree, and this is as political as I ever get, but I believe as a society we are playing the game of capitalism and with the exception of a few corrupt politically connected billionaires, the rest of these individuals are winners of this global game that we all play. Their successes should be studied, learned from, respected, and seen as such.

I hope you have enjoyed this short piece I wrote for Family Office Elite Magazine. I wrote it because it's important that while working in the family office industry and finance in general that we focus on reality and not a journalists interpretations of how the world is operating, or we risk getting lost in the mainstream media noise that surrounds us all.

Richard C. Wilson is the CEO of Wilson Holding Company, he has several operating businesses and relationships with a number of \$1B + families. His team offers the Qualified Family Office Professional (QFOP) designation, industry data at FamilyOffices.com.

HOW TO CHOOSE A PRIVATE BANK

This book is an easy-to-use guide for anyone considering using a private bank, or those who already makes use of private banking services, but require a greater depth of understanding. As your needs and priorities in life change, so must the management of your finances adapts to reflect this. How to Choose a Private Bank helps you to take charge of the present and plan for the future.

The book seems to cover everything about private banking, it offers highly-specialized information about the world of wealth management, from the importance of the brand to your relationship with your private banker. It includes issues of confidentiality and privacy, the truth about fees, tax planning, and concerns about regulation and offshore jurisdictions. The author confidentially explains in detail how you can reduce the risk by diversifying your investments

and using several banks and geographical locations. It has the basics to equip you with the knowledge to find the right private bank that will serve you best. It also has some interesting insights into the world of private banking and the many products and services on offer by the private banks around the globe.



I did enjoy the end of every chapter, which has a checklist that itemizes and reiterates the most important points covered in the previous chapter. There are over 170 items in the combined checklists; this should equip the reader with the knowledge and ideas that will help when choosing the right private bank or assist a move to a more productive bank.

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YACHTDESIGNS

Christopher Seymour Super Yacht Designs



Christopher Seymour Designs is currently developing his new species of cruiser / explorer superyachts – Elementum. With its brutal appearance, and outrageous features, in the name of efficiency - the concept holds some pretty strong numbers compared to others.

Straight to the business end, the bow being one of the prominent features of the vessel, thus making it an overall unique design is the talking point behind the concept. As the concept's main focus is to improve hydrodynamics in relation to hull efficiency as displacement length ratio and frictional resistance plays an increasing roll. The hull form is currently a semi-displacement format, coupled with chines, all of which will promote not only higher cruise speed, but the top speed as well.

The hull's longitudinal centre of gravity calculations are located just behind the amidships and still forward of the engines. With this, the vessel also has a lower centre of gravity as the vessel is a low-displacement configuration due to a smaller tonnage in the superstructure, this will then allow the bow to sit at a normal or reasonable height in the back section of a large wave when running with the swell. The ride comfort of the vessel in a head sea is also improved compared to conventional vessels, as the bow now penetrates the waves, not needing to go up and over,

thus allowing the vessel to hold a higher cruise speed without the pitch and roll. The vessel also has flare, thus increased volume and spray chine incorporated in the bow section to allow the boat to lift with the larger waves. All of these attributes gives the vessel great explorer qualities while allow the vessel to withstand harsh conditions most environments have to offer. Elementum also has some traditional features to show off as well, not only does it have the flare incorporated in the bow, and a stunning sheerline, but also boasts tumblehome in the stern section, which complements the open aft deck and pool area. Elementum offers up to 12 guests, including owner, this includes two guests cabins, 3-VIP suites, with one offering its own balcony, and one owner's suites offering the second balcony. The vessel will be operated by 16 crew, with their quarters located on the lower deck equipped with lounge, kitchen and mess area. There is, of course, the usual toys, consisting multiple RIB tenders, underwater scooters, dive equipment, and helicopter on the fore deck if you prefer.

At present, the vessel's engine configuration is a diesel propulsion system, coupled to shaft drives. But a hybrid diesel-electric propulsion system can be used for additional efficiency and green thinking of the vessel. The hull and superstructure will be of an aluminium construction, with composite curved fairings.

PRESTEL & PARTNER

FAMILY OFFICE FORUM IN LONDON



Prestel and Partner is a company that organise high profile conferences exclusively for Family Offices and UHNWI. The conferences facilitate the discussion of relevant topics and promote networking and information exchange among peers. Prestel and Partner have no interest other than to provide a networking platform whilst at the same time guaranteeing complete privacy. Family Offices and UHNWI attend as guests, and a limited number of passes are made available to relevant solution providers, sponsors/partners and delegates. What is interesting about the Prestel and Partner events is that they make sure that there is more genuine Family Offices than solution providers attend, both onstage and in the audience. A genuine Family Office in their definition has a minimum of US\$150 million AUM and works for one or few Families (not as a solution provider to many third parties).

At the request of their network, of Family Offices, Prestel and Partner are hosting a Family Office Forum in London on 21st - 22nd October 2014 at the Dorchester Hotel. It is one of the networking events that many genuine Family Offices based in England attend.

As we all know, Family Offices and UHNWI can be wary of events that include too many service and solution providers who tend to push their own individual solutions, however, many fail to offer any genuine opportunities to meet their peers in return.

The concept of the Family Office Forum event series was created with this very real need in mind: it is not a place for product presentations or specific pitches. All topics covered at our events are key issues of Principals and Family Offices based in England and have been meticulously researched by Prestel and Partner. Topics include Allocation, Family Governance, Operations or Tools and their close connections to the Family Offices ensure that the content is highly relevant and addresses their particular needs. In addition, the event has private and networking rooms at all times during the Family Office Forum to facilitate discussion and networking throughout the events.

Prestel and Partner offer a limited number of opportunities for a more active participation at their Family Office Forum in London. All their sponsors and partners work for single or multi Family Offices and are individually selected according to the carefully researched needs of our Family Offices. Their partners have ample opportunities to connect with some of the wealthiest Family Offices and UHNWI, who may not attend other similar events. It takes time to establish these connections and therefore one should never expect on the spot business decisions. Attendees appreciate the convivial, private and discreet atmosphere which is one of the outstanding characteristics of these events. If you are a Principal or Family Office, Prestel and Partner may offer free admission! For more information: Visit, www.prestelandpartner.com



SEEDING FUNDS



Mignonne Khazaka

Seeding Funds in the hedge fund world are a type of fund of funds, created to provide a pool of capital to be invested into early stage hedge funds in the form of seed capital. A number of these types of seeding funds have been launched over the past couple of years, mainly as a result of the requirement of capital by start-up and early stage managers in order to increase their asset base and assist them to cover their organisational expenses. This enables them to be considered as credible among institutional investors. An initial injection of Seed capital allows their assets under management (AUM) to reach a level whereby new investors into the fund (depending on the level of investment they make) will not hold a majority of the AUM of the fund. This is often a prerequisite to investment by institutional investors.

As with any industry, seed capital involves investing during a more risky time in the life of fund and in some cases also the investment manager and as a result it comes with some upsides in order to balance the risks. The Seeding Fund, as well as looking for a return on its direct investment, in accordance with the manager's investment strategy, also will seek to take a revenue share of the fund for an agreed period. This is on average anywhere between 15-30% and sometimes with a put / call option on certain events being triggered, or in some cases in perpetuity. Some Seeding Funds will require an equity stake of the investment manager's business. Another common condition of allocation by the Seeding Funds is that the managers must discount their fees in respect of the Seed Capital that are allocated. An investor into a Seeding Fund would be advised to carry out careful due diligence of the Seeding Fund's manager. Things to be aware of are; how much experience they have had

in seeding new managers; what due diligence process do they employ when selecting managers; do they invest in managers who hold liquid securities; what level of control or supervision do they retain over the managers. Based on a number of recent studies and analysis, it has been shown that institutional investors still retain a significant appetite for early stage funds given their potential to generate higher returns. These new managers tend to have leaner cost overheads and are more hungry for success as they usually have a substantial portion of their own personal wealth invested in the fund. It is often these principals who run the business on a day to day basis.

The overriding positive for an investor making this type of early stage investment into a hedge fund, is doing it through a funding vehicle once removed i.e. the Seeding Fund. This is via a seeding manager who has painstakingly carried out months of due diligence and observation of the early managers to select a diverse yet complimentary portfolio of funds. This spreads the risk so if one of the investee funds is performing poorly then there should ample returns generated by the majority of the other seeded funds to balance this out. The investors should typically expect their investment to be returned anywhere between 5 and 8 years. In short, Seeding Fund vehicles are a practical and professional option for investors seeking to gain exposure to a number of early stage hedge funds that are carefully selected by the Seeding Manager on a platform with the infrastructure in place to help mitigate the early stage investment risks. All this collectively provides the right environment for the investor to enjoy the returns of the early stage investment.

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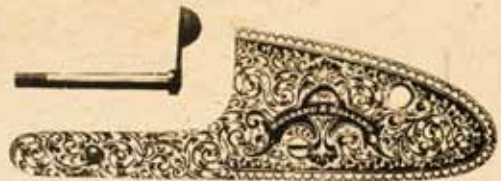
HOLLAND & HOLLAND have much pleasure in placing before their patrons their New Patent Detachable Lock Gun, which they have every confidence in recommending. This invention enables a sportsman to take the locks off for cleaning or examination purposes, without the aid of a turnscrew or other implement, all the advantages of stability, strength, appearance and perfect balance of the side lock gun being retained. It is applicable to rifles as well as to guns.

This new pattern gun is so constructed as to allow of the locks being brought "close up" to action, with the result that a very short, crisp pull of the trigger can be insured.

For illustration of SPECIAL TREBLE GRIP, see page 16.

Extract from *THE FIELD*, January 2nd, 1909

Messrs. HOLLAND & HOLLAND have submitted for notice a gun embodying an idea which they themselves affirm should have been brought out long ago. Anyhow, there is not one shooter in a hundred who can remove and replace the screws of his gun without leaving the unmistakable traces of his handiwork in the form of scratched and opened screw heads. Messrs. HOLLAND & HOLLAND have settled the question in another way by replacing the ordinary screw, having its head buried in one lock plate, and the screwed tip engaging in the other lock plate, with one carrying an external thumb lever.



Winners of all "The Field" Rifle Trials, London.

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LUXURY ASSET MANAGEMENT



by Neil A Richmond, MIH MIC

"The challenges we face in the superyacht sector are not easy to resolve"

The image of the superyacht moored off a sun-kissed island in a turquoise sea is one we are all familiar with. But behind that image there is an industry in which drink and drugs are endemic, kickbacks from suppliers to crew are the norm and staff turnover is high.

The impact on privacy, security, costs and service standards for owners and the effect on crew morale can be devastating.

Enter Neil Richmond, founder of Morpho Luxury Asset Management – a former banker and family office executive, who worked as a steward, trained as a cordon-bleu chef and is now working on the first official textbook on butlering and lifestyle management with the Savoy hotel and the University of West London.

"The challenges we face in the superyacht sector are not easy to resolve," he says. "I've seen accountants and estate managers with no knowledge of maritime life sent in to save money, with disastrous results.

"You need specialist knowledge to run a superyacht successfully, along with a well-structured management

organisation and support network, clearly defined operating procedures, accurate job descriptions, excellent recruitment processes and a well-defined hierarchy."

That's why Richmond founded Morpho Luxury Asset Management. Its goal is to save clients – high net worth individuals, and family offices – time and money and to put in place training and structures that will guarantee standards of service on board yachts, jets and in homes worldwide.

"We run a clear, well-structured and transparent system that helps provide clients with the lifestyles they want, without any unexpected surprises," Richmond says. "We are particularly keen to work with family offices, to help relieve the burden on them and to help them achieve their goals. We're happy to join their team, or to provide external consultancy."

Neil A Richmond, MIH MIC
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Talent Agency

StartupTalent Agency p.60