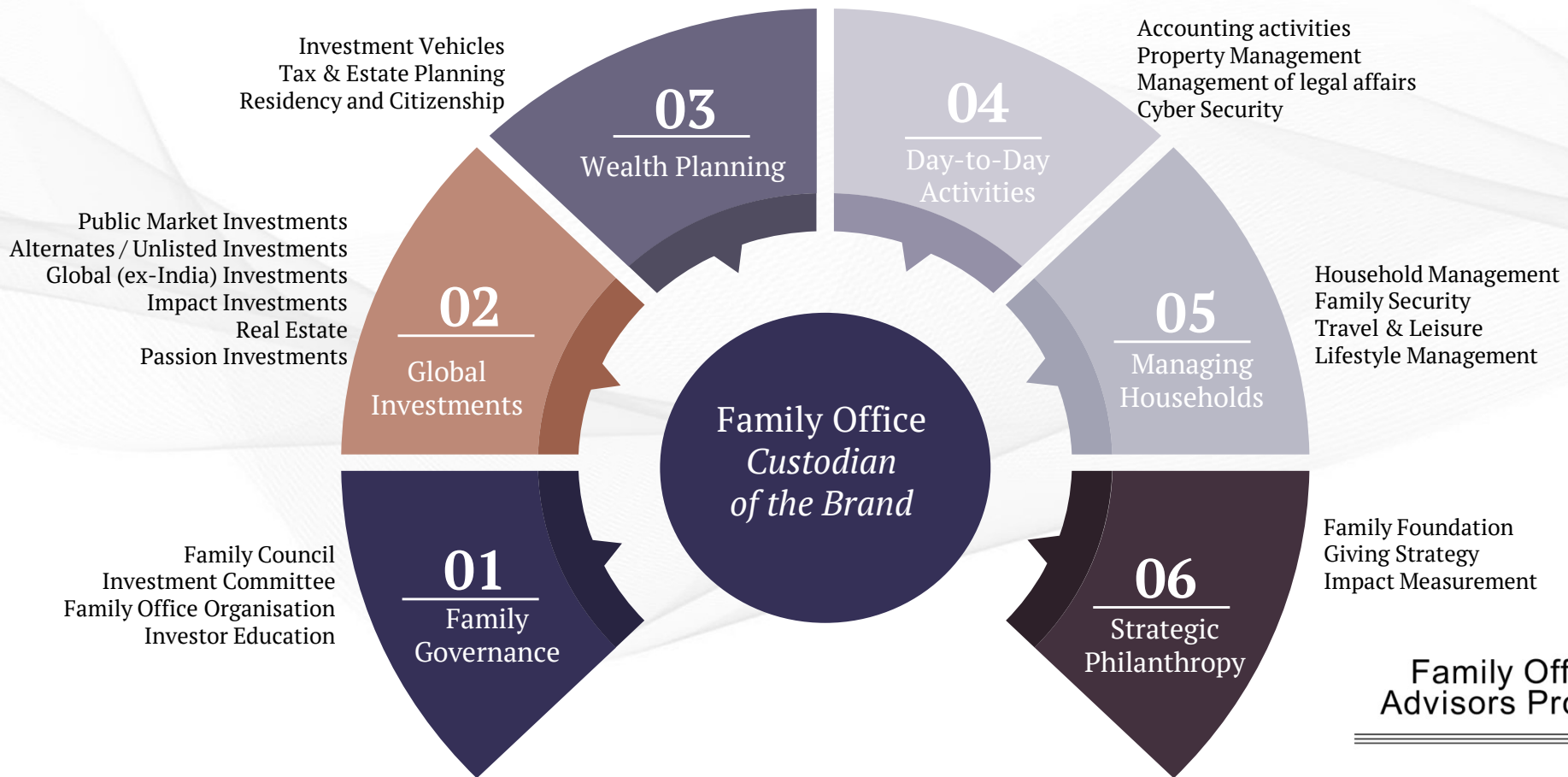


An Overview of the Services of a Multi-Family Office

Soumya Rajan

Founder & CEO
Waterfield Advisors

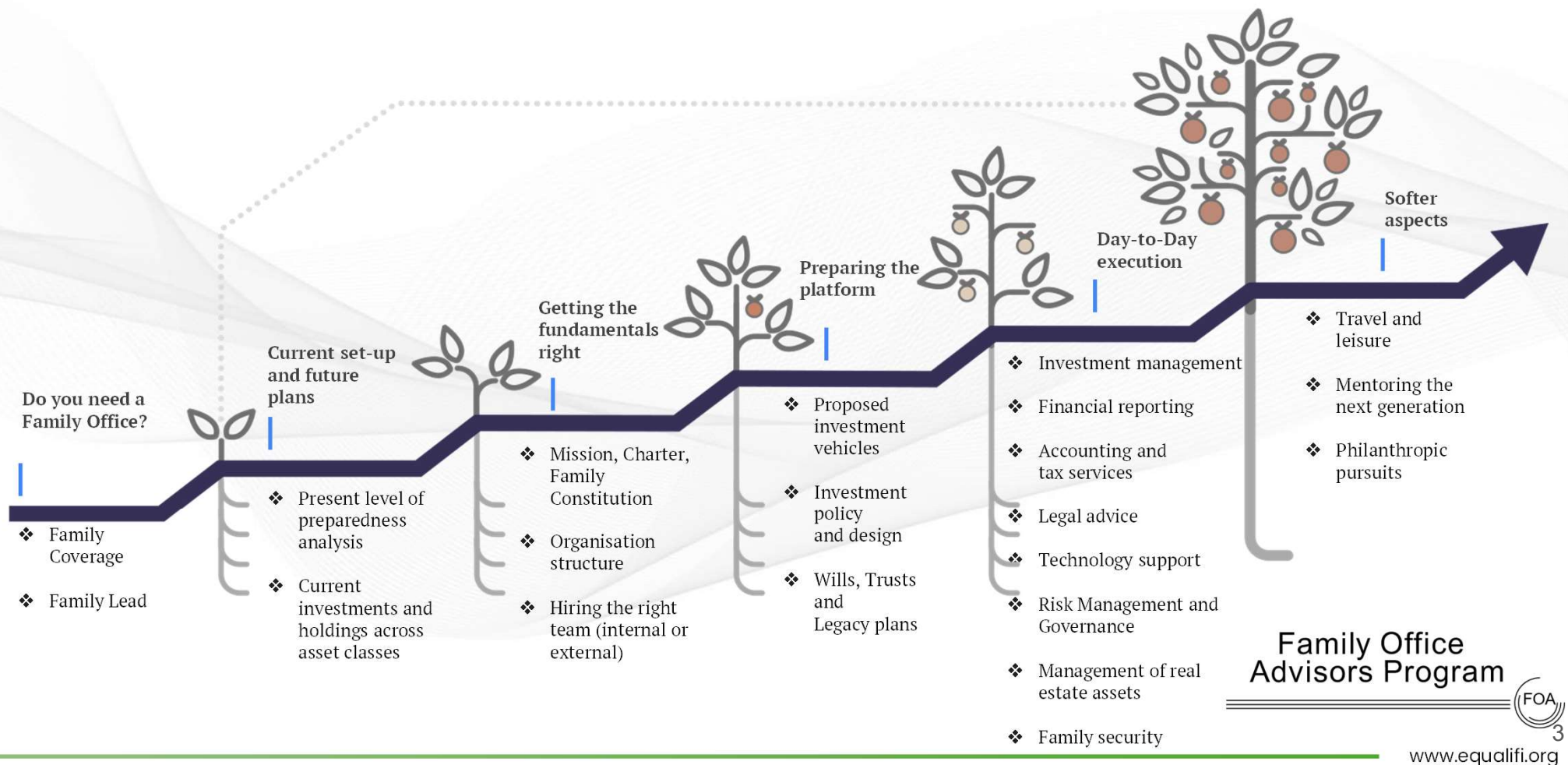
The Family Office should primarily cater to six areas



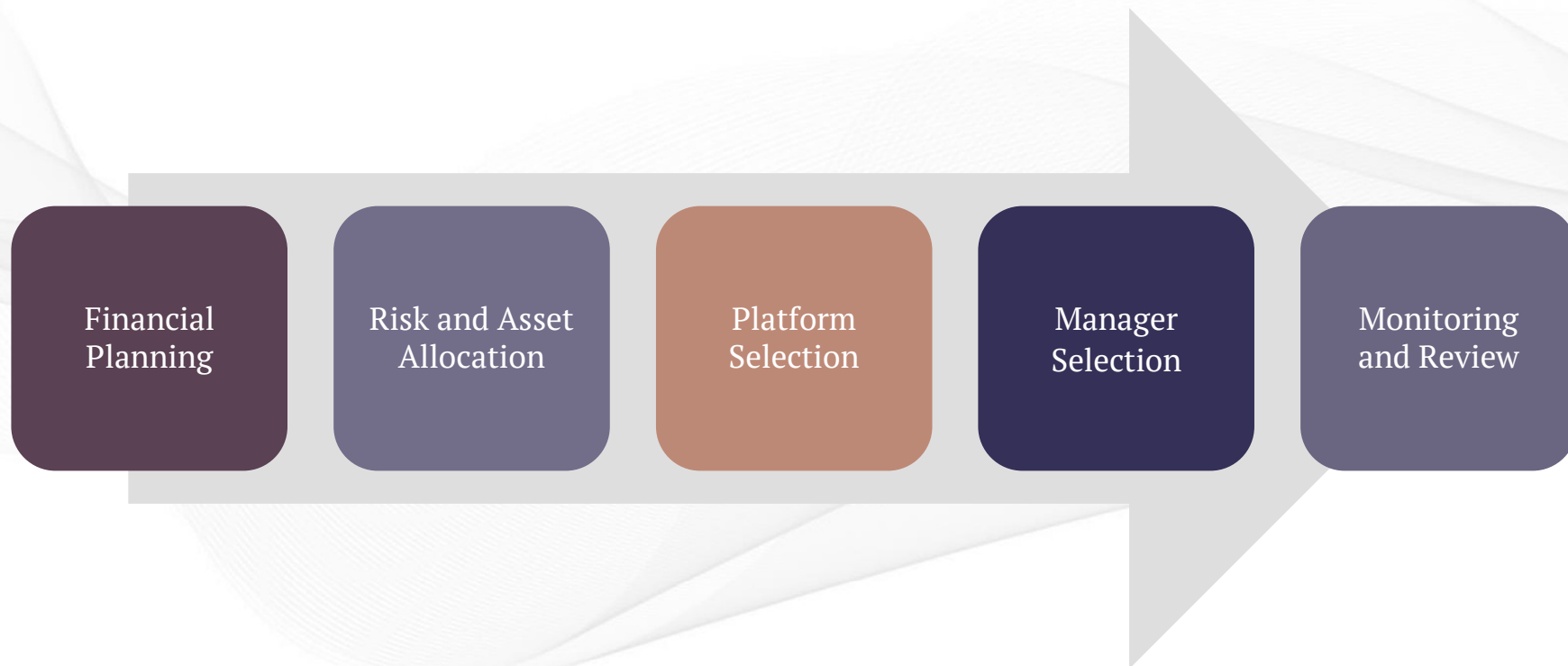
Family Office
Advisors Program



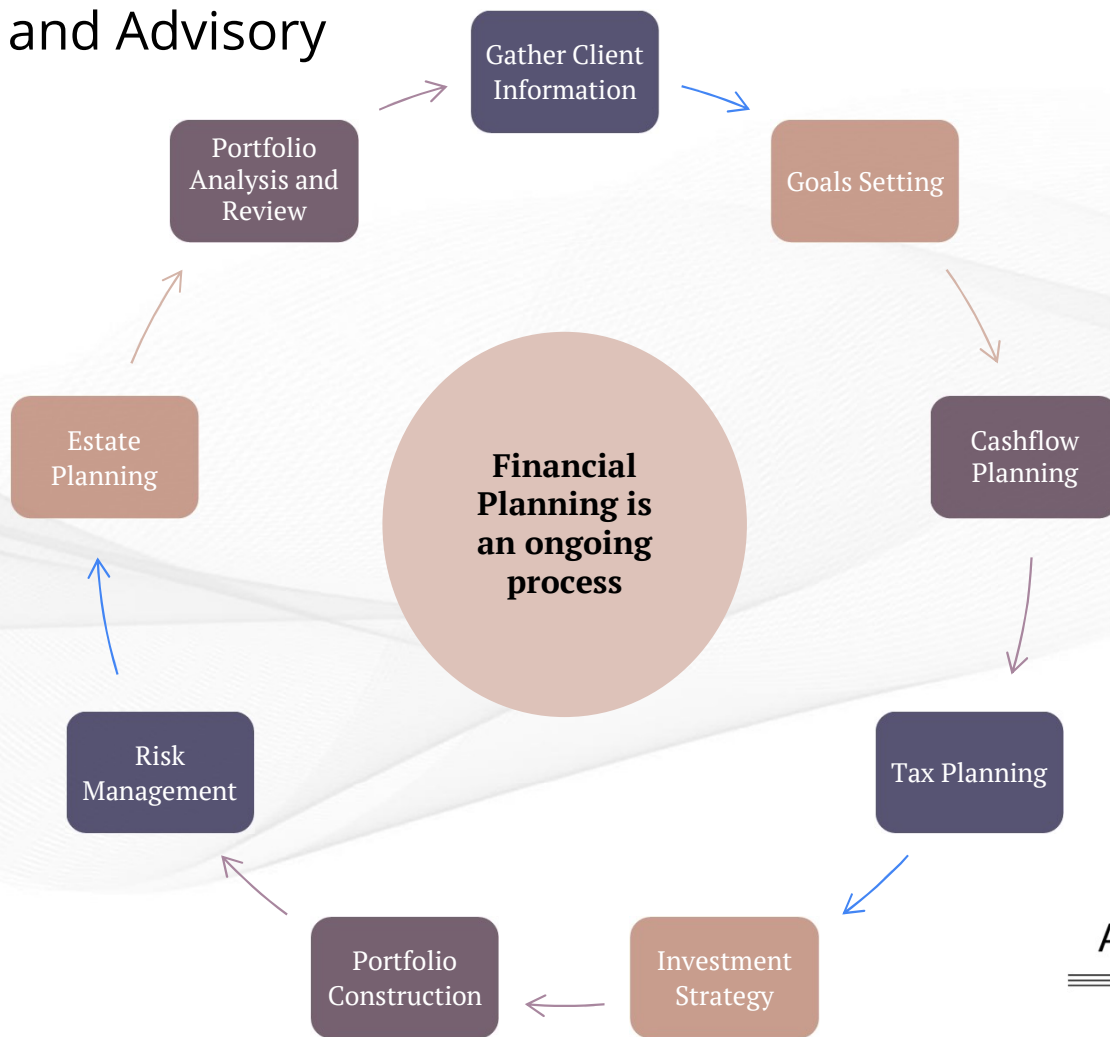
Helping Clients set up a Family Office



Implementation and Monitoring of an Investment Portfolio



Financial Planning and Advisory



Investment Strategy and Asset Allocation

- ❖ Family Offices are **very focussed and disciplined about their asset-allocation** and tend to not budge from the plan they have created with their advisors
- ❖ **Family offices look for inflation-proofing their portfolios.** With the help of advisors, Family Offices are able to benchmark returns that either cover or beat consumer price inflation or CPI.
- ❖ Customized asset allocation for Family Offices based on
 - a) **Risk allocation** - Core investment portfolio bucketed into risk pools
 - Conservative Pool – Principal protection; Fixed Income
 - Growth Pool – illiquid; Alternative investments
 - Market Pool – liquid; market-linked securities
 - b) **Asset Allocation** - Market pool
 - Equities
 - Fixed Income
 - Commodities

Access to Alternative assets

- ❖ Compelled by innovative technologies, digitisation and new business models, family offices are turning their interest to alternative investing
- ❖ Alternative Investments include investments in private markets covering both debt and private equity
- ❖ Average asset allocation in alternatives asset class has only been increasing over the years, in the range of 10-15% of the overall portfolio
- ❖ Important to have an allocation to private markets because newer investment themes are emerging in these markets and many companies are choosing to remain private longer.

Special considerations for Family Offices | Separately Managed Accounts:

- Objective: A bespoke solution by creating an optimal & efficient structure to manage Unlisted Investments
- Strategy:
 - Customized strategy for the Family Office
 - Dedicated fund manager for the approved strategy
 - Allocation Strategy
- Advantages:
 - Greater transparency and control over investments and exits
 - The fund reflects the investment thesis of the Family Office
 - Confidentiality

Multigenerational Wealth transfer and Estate planning

Wills and Trusts are simple yet impactful estate planning tools

A will goes through probate and a trust vests as per its deed



Both a will and trust allow for control of wealth distribution after death. A trust can also come into play during one's lifetime

A trust can protect and insulate assets from third party claims



A trust provides potential avenues to plan around the possibility of inheritance tax & estate duty being introduced in India

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Family Dispute Resolution

Conflicts and misunderstandings always exist in families and are the greatest enemy of family businesses. Managing conflicts is key not just for the survival of the business but for the survival of the family itself. Family members need to establish strong and well-structured business relationships.

Why do conflicts arise?



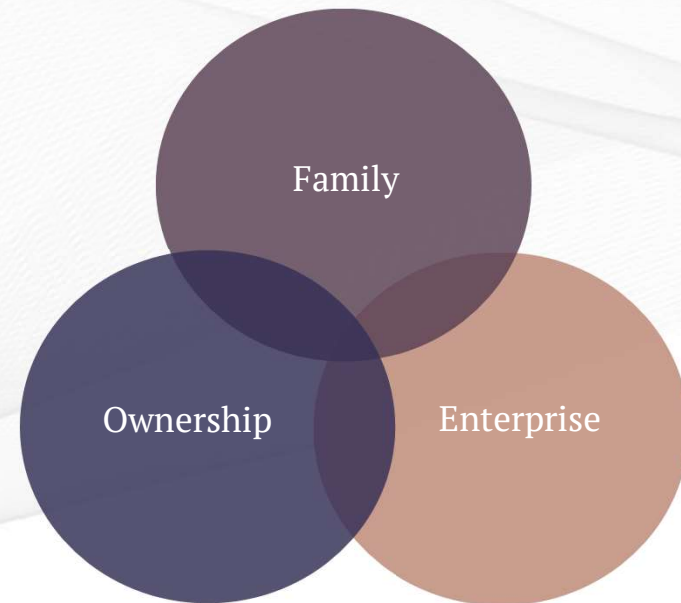
Needs not met
The family owners perceive that their needs are not met



Lack of Clarity
Conflicts arise when situations are unclear or not properly understood



Lack of Communication
Lack of understanding and communication between the 3 family dimensions – the Family, Owners and Enterprise



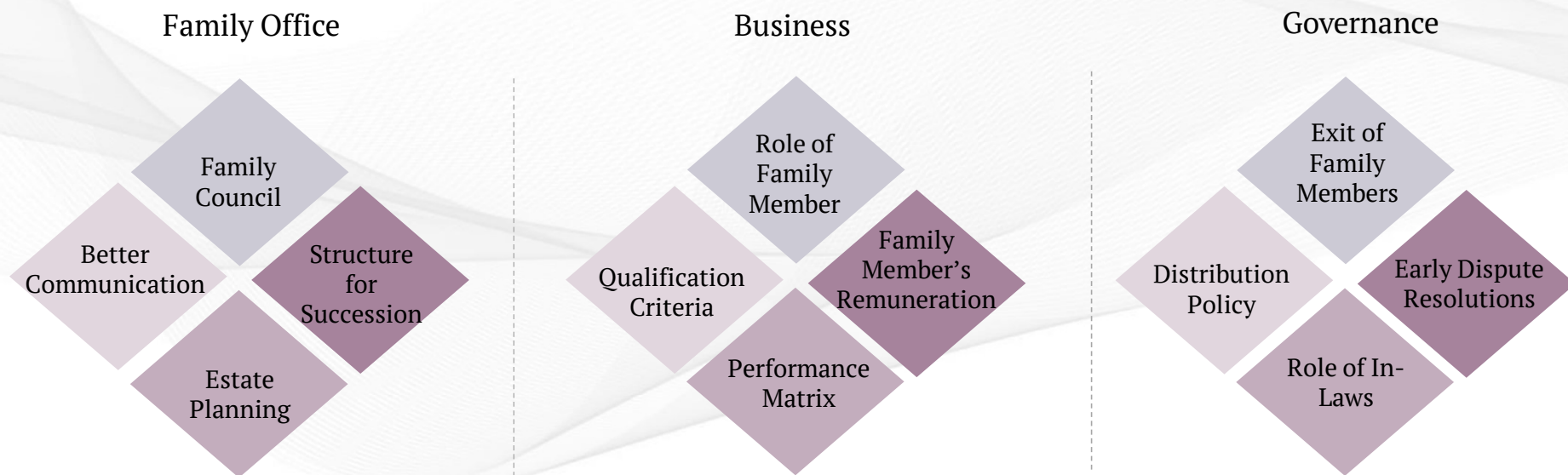
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Family Dispute Resolution

How to protect family's interests and avoid disputes

Inclusive and fair forums for discussion will help the family and businesses thrive



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Sustainable Development Capital

A research report by Waterfield Advisors and the India Impact Investors Council (IIC) on the state of impact investing practices amongst family offices (FOs) and high net-worth individuals (HNIs) in India presented the following key insights:

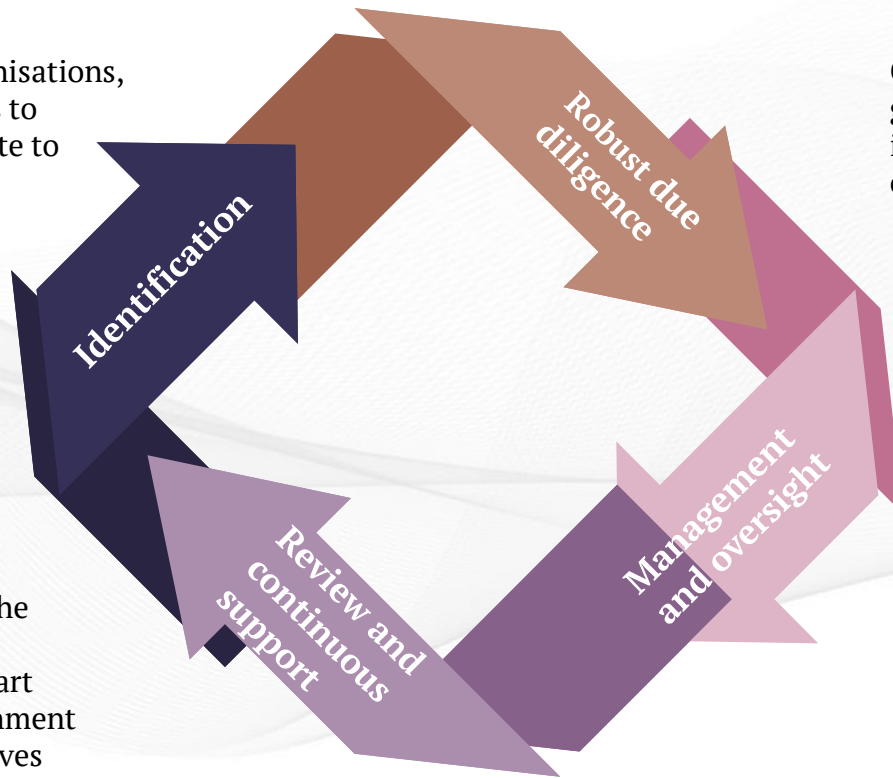
- ❖ Only a fifth of FOs/HNIs investing in VC deals, are active in impact investment
- ❖ Most FOs/HNIs invest small amounts at seed stage
- ❖ FOs/HNIs prefer direct investments into impact enterprises as compared to investing through impact funds. Almost 60% of the total amount of investments in the impact sector has been made as direct investment
- ❖ While FOs/HNIs have invested across a variety of sectors, financial inclusion and healthcare are more in demand.
- ❖ Ambivalence towards combining impact and returns, with over 50% FOs/HNIs comfortable with below market returns.
- ❖ Crucial to establish track record on social impact. It is important for the industry, especially impact funds and wealth managers, to adopt and align to globally accepted impact measurement frameworks and communicate the social impact of their investments
- ❖ Limited product variety holding back FOs/HNIs; investment advisors need to up their game in terms of providing guidance and access to good impact investment options

Family Office
Advisors Program



Sustainable Development Capital | Strategic Philanthropy

Identify causes, organisations, charities and projects to support and contribute to



Conduct thorough financial, governmental, regulatory and internal compliance for each organisation

Monitor and review the giving portfolio on a periodic basis and chart the trajectory in alignment to the client's objectives

Provide assistance in the execution process, including overseeing the agreements

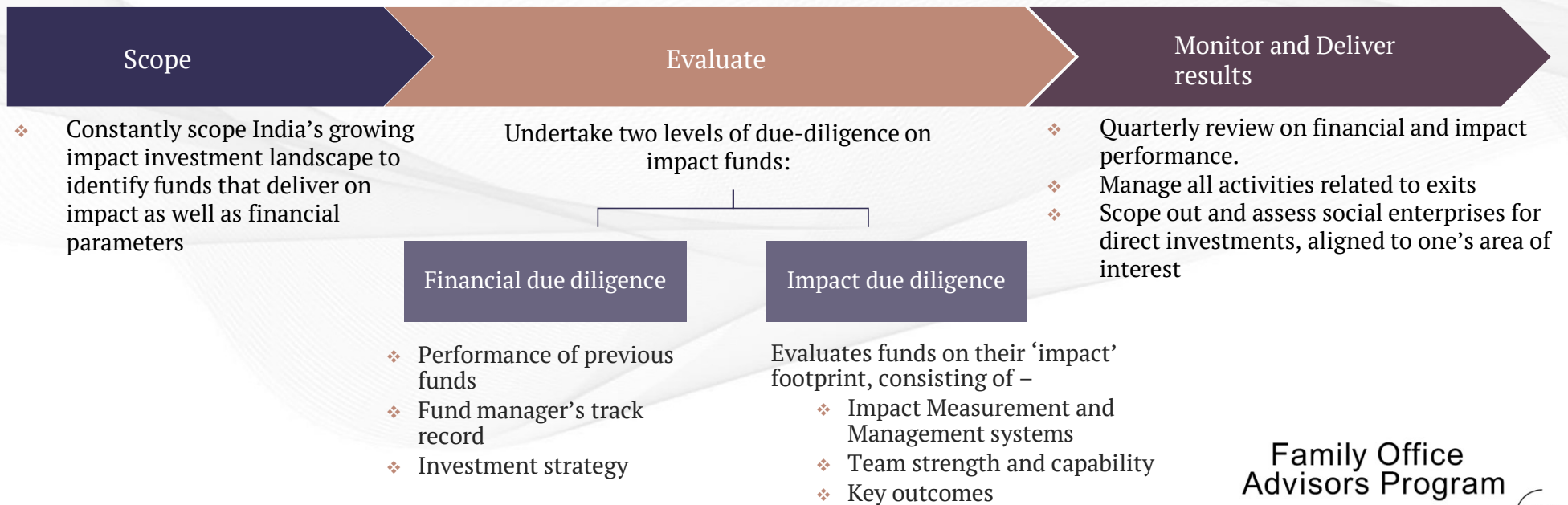
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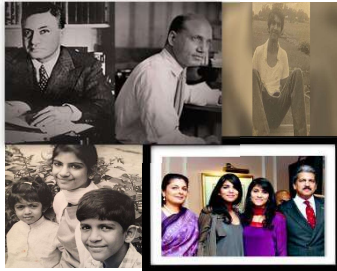
Sustainable Development Capital | Impact Investing

What is Impact Investing?

Impact investments are investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return.



Reputation Management



Highlight the family's multi-generational story



Develop a brand that can help the family transition from management to ownership

Give an identity to the family's back story, values & perseverance



This can help transmit shared family values to future generations

Some of the prominent global family offices have a distinct Family Office Brand different from their Corporate identities



Family Office of Sergey Brin, Founder of Google



Family Office of Yamauchi No.10

Family Office of Yamauchi Family, the makers of Nintendo



AARS

The Family Office of Møller Family, Founders of Maersk Shipping



Family Office of Laurene Jobs and the late Steve Jobs, Founder of Apple



Willett Advisors

Family Office of Michael Bloomberg, Co-Founder of Bloomberg, Mayor of New York City

Pritzker Group

Family Office of the Pritzker Family, Founders of Hyatt Hotels

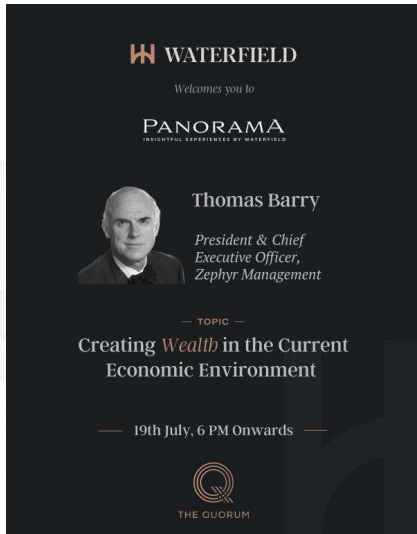
FEPD

Family Office of Adresen Family, Biggest Tobacco Company in Norway

Family Office Advisors Program



Lifestyle Management



Panorama Speaker Series

Organizing offline in person sessions to engage with our clients.



The Postcard Hotel One-Key Collaboration

As a part of the engagement, our clients get an exclusive price along with the ability to reserve an entire Postcard Hotel across various locations



ICC T20 World Cup Exclusive Experience

An exclusive Waterfield VIP Box to host our clients at MCG, Australia for ICC T20 World Cup match between India and Pakistan



Plated Project Exclusive

To create a unique welcome experience, Waterfield has collaborated with 'The Plated Project' which is an art piece commissioned to welcome new members. The illustration represents Waterfield's proposition

Family Office Advisors Program



Best Practices followed by most Families Offices



Q & A