



Family Office Advisory
The global family office expert



About FOSS Family Office Advisory

Service Offering Presentation
Zurich, Switzerland





About FOSS

- ◆ FOSS Family Office Advisory (FOSS) is an integrated part of the Wealth Planning department of Union Bancaire Privée, UBP SA (UBP).
- ◆ FOSS core service is:
 - advising affluent families on the establishment of a single-family office, and
 - supporting families in selecting a suitable multi-family office for their specific needs.
- ◆ In 2011, founders Jan van Bueren and Thomas Ming* became aware that most families trying to establish a single-family office or appoint a multi-family office experience this as really challenging. They recognized that there was the need for an independent and objective advisory service to support families with their search for a suitable single- or multi-family office solution.
- ◆ They developed an independent, objective and transparent advisory service to support affluent families from around the globe with their family office questions.

* Jan van Bueren and Thomas Ming are employees of UBP's wealth planning department in Switzerland.



About FOSS

- ◆ They have, among others, created:
 - an extensive online educational platform about the concept of family offices, which is available in ten languages, www.family-office-advisory.com;
 - a sophisticated and highly structured process to support families with the establishment of their customised single-family office; and
 - an unconventional and comprehensive multi-family office database (>450 multi-family offices in Switzerland) containing essential information for families worldwide to enable them to properly select the best multi-family office.

- ◆ FOSS is not itself a family office and neither FOSS nor UBP offer in-house family office services.

- ◆ FOSS's advisors have over many years gained the necessary experience, expertise and specific insight in the family office industry to professionally support families that consider the establishment of a single-family office or the use of a multi-family office.

- ◆ FOSS's single-family office advisory and multi-family office intermediary services have been launched in 2014.



Single-Family Office advisory



FOSS's single-family office advisory process

- ◆ Every family arrives at the decision to start a single-family office from a different starting point.
- ◆ Although every family has a different angle to the establishment of a single-family office, the drive behind it - the reason 'why' - is often comparable.
- ◆ The main drivers for families to decide on setting up a single-family office are:
 1. Preserving the family legacy.
 2. Control, coordination and consolidation of all family assets.
 3. Implementing an institutional approach to family wealth.
 4. Transforming a private investment approach to an institutional one.
 5. Preserving family wealth over generations.
 6. Safeguarding the privacy of family members.
 7. Wealth protection and stability for family members.
 8. Other reasons.
- ◆ A family establishes only once in a lifetime a single-family office. It normally lacks the knowledge and experience to do so properly. Professional guidance is therefore a must.



FOSS's single-family office advisory process

- ◆ Reflecting global best practices, FOSS has developed a comprehensive advisory process to support families all over the world with the establishment of their own single-family office or private investment office.
- ◆ Our process contains 12 dedicated and detailed modules to make sure a structured approach is followed. Below you find a short overview of these 12 modules:
 1. The family office objective.
 2. Family involvement.
 3. The assets which are managed by the family office.
 4. The services the family office provides.
 5. Family office leadership structure.
 6. Drafting the family office business plan.
 7. Budget & costs of the single-family office.
 8. The family office jurisdiction.
 9. The family office structure.
 10. Recruitment of family office staff.
 11. (Operational) Infrastructure.
 12. IT, family office software & cyber security.
- ◆ More detail about our family office modules and our role as advisor, sparring-partner and project manager are provided in a personal meeting.



Multi-Family Office selection

Why is support necessary?

- ◆ An unprecedented amount of wealth will transfer to the next generation in the coming decade. Often the wealth of a family starts to decline just as of that moment.
- ◆ A great (and growing) number of multi-family office providers, all with a completely different offering, promote their services to the public.
- ◆ Most families are not wealthy enough to establish a single-family office, and multi-family offices are hardly regulated, if at all.
- ◆ Most multi-family offices support their clients with only a limited number of services, instead of with a full range.
- ◆ Most multi-family offices focus on a on a specific client base (e.g. only accept clients from certain jurisdictions).
- ◆ The multi-family office industry is not transparent and has over the last years become increasingly complex due to, among others, a constantly growing number of new providers entering the market.

Why is support necessary?

- ◆ The majority of (multi-)family offices operates discretely and under the radar screen of the general public; most do not advertise. This makes it very difficult for families to come into contact with the right service provider.
- ◆ As the type of services offered by multi-family offices are often strongly linked to the professional background of the founders of the respective provider, all providers tend to have a completely different service offering and expertise.
- ◆ Families rarely go through the process of selecting a multi-family office more than once in a generation and therefore lack the experience and specific insight to properly select the most suitable provider.
- ◆ It is strongly advisable for affluent families to seek professional advice and support when they consider the use of multi-family office services, and to at least visit several providers before taking a final decision in favor of a specific provider.
- ◆ A lack of experience with and insight in the (wealth management) industry could strongly affect the (financial) well-being of your family and your chance to preserve your wealth for more than just one generation, or two.

FOSS's multi-family office selection process

- ◆ Through its unique 4-step service-process, FOSS is able to support you through every stage of selecting a multi-family office:
 - **Analysis:** During a personal meeting with you (and/or your advisor) we analyse and map, on basis of our unique evaluation process, the specific needs of you and your family and the actual requirements for your family office;
 - **Selection:** Based on your requirements we select a shortlist (i.e. 3 or 4) of most suitable high quality multi-family offices from our database that offer exactly the services you and your family searched for;
 - **Introduction:** Subsequently meetings with the selected multi-family offices are organised by us, and jointly with you and/or the family (representatives) we visit every selected family office. We focus on selecting the family office with the philosophy, services and cost structure that fits best your and your family's needs;
 - **Matching:** We jointly analyse the meetings, and you select the best suitable multi-family office for you and your family.





FOSS's multi-family office selection process

There are many reasons for affluent families to engage a (multi-)family office based on a proper advisory and selecting process. You can ask yourself the following questions:

- ◆ Why do you actually want to start using a multi-family office right now?
 - Is a single-family office, a multi-family office or another solution right for you?
 - Most probably your personal and/or financial situation has changed recently and as a result also your (financial) needs will/have change(d) considerably. But do you really know how they will change and how that affects you?

- ◆ A lack of experience with and insight in the multi-family office industry could strongly affect the choice you make;
 - What do you know about the actual differences between providers?
 - Do you know what you should ask when you visit a provider?
 - Can the provider of your friend also serve your needs? Why so or why not?

- ◆ A multi-family office is always selected for the long-term. Families should therefore carefully consider the counter party they engage;
 - How solid is this provider?
 - In which jurisdiction should the provider be located, and why?
 - To change your provider after several years is extremely burdensome.



Why should we use FOSS?



Why should we use FOSS?

- ◆ **Know-how:** As family office specialists we meet on a yearly basis with dozens of different affluent families like yours, to discuss their overall wealth situation and assist them with their unique single- or multi-family office related challenges.
- ◆ **Insight:** Due to our numerous visits of single- and multi-family offices every year, we have gained a unique insight in the family office industry.
- ◆ **Experience:** Due to the fact that we are already for years completely dedicated to family offices, we have built up extensive experience. Our structured approach incorporates global best practice.
- ◆ **Information:** FOSS's multi-family office database is constantly updated and different multi-family offices keep being added to it on a regular basis.
- ◆ **No costs:** In return for our services we would appreciate it if your family would use UBP as a one of their custodian banks to custody a part of their free investable assets (only a certain percentage as families should spread their assets over several financial institutions for reasons of wealth preservation).
- ◆ **And most important:** we just love to work with families like yours and are able to offer you unique insight and unbiased advice.



Why should we use FOSS?

- ◆ FOSS also supports wealthy families with:
 - A review of their existing but not properly functioning single-family office.
 - Finding another multi-family office when they are unhappy with the services provided by their current one, in Switzerland or elsewhere in the world, or when they have outgrown their current advisor;
 - Finding an independent asset allocator or a provider of consolidated reporting services;
 - Finding another Trustee for their Trust, following a similar process;
 - The selection of a jurisdiction to relocate to.



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