

commonfund

**CUSTOMIZING YOUR MARKETABLE
ALTERNATIVE STRATEGIES PORTFOLIO
THROUGH COMMONFUND**



ACHIEVE CUSTOMIZATION WITHOUT THE COMPLEXITY

It's well documented. Nonprofits have allocated more of their investments to marketable alternative investments, including hedge funds, absolute return and similar strategies, in recent years. Many others seek to increase their allocations, but concerns over the adequacy of oversight and transparency have slowed adoption. In fact, few institutions have the internal resources to construct and manage a well diversified marketable alternatives portfolio of direct managers.

Investment committee expertise can help, and many investors rely on consultants to supplement internal staff. Yet there is another answer.

Consider Commonfund.

Achieve expertly constructed exposure to marketable alternative portfolios without building large staff

Outsource management of your marketable alternative strategies to Commonfund, one of the leading managers of endowment assets for nonprofit organizations.

Commonfund will construct a custom portfolio tailored to your specific risk tolerances and return expectations and draw from a universe of the world's leading marketable alternative managers. (Account minimums apply.)

Why Commonfund?

Because an effective portfolio is not simply the sum of its parts. Some providers pick top-tier managers and assume performance will follow. But, without in-depth portfolio risk modeling and analysis, you risk unintended exposures and highly correlated sources of return—a recipe for volatility and loss.

Our marketable alternatives team of seasoned investment professionals understands the intricacies of successful portfolio construction.

Access and Selection

In the U.S. alone there are more than 8,000 hedge fund managers, yet only a few meet Commonfund's rigorous criteria. Our active portfolio of managers numbers more than 80 of the top global marketable alternatives firms, and we actively monitor another 200.



Flexibility

Our solutions can combine our commingled funds and separate accounts. Plus, we'll consider managers with whom your institution has a relationship as long as they meet our rigorous standards.

Risk Management

How will your portfolio perform in periods of stress? Our state-of-the-art risk management modeling can help manage uncertainty and provide an early warning to avoid costly losses.

Fees

Our fees are among the lowest in the industry.

Performance Attribution and Transparency

Marketable alternatives performance that is too good to be true usually is. With Commonfund, you'll know the source of investment performance and the portfolio and market exposures we take to generate it.

Experience

Commonfund has been a leader in marketable alternative strategies since 1982. Our marketable alternatives investment team is led by six Managing Directors with many years' experience in trading and/or portfolio management.

Of course, investors in our marketable alternative programs benefit from the broader resources of our 80-person investment team that is active in all segments of the capital markets globally. We further support you with dedicated client service professionals. And, we enable your staff to improve their efficiency by placing leading-edge reporting tools at their fingertips.

To find out more, call Bill Jansen, Managing Director, Marketable Alternative Strategies at 203-563-5190 or contact him via e-mail at wjansen@cfund.org.

COMMONFUND:

It's the alternative that offers more alternatives to nonprofit investors.

OUR MISSION

Commonfund's mission is to enhance the financial resources of nonprofit institutions and to help them improve investment management practices. As a result of our commitment to excellence and our exclusive focus on the nonprofit sector, Commonfund has become one of the leading managers of nonprofit investment assets. The cornerstone of our philosophy places the fulfillment of our mission ahead of profit, unfettered growth and asset gathering. This philosophy allows Commonfund to offer thoughtfully constructed, high quality investment programs and related services at competitive costs.

THE THREE PILLARS

At Commonfund, we pursue our mission through the delivery of:

- *Funds and investment programs that seek to generate superior long-term investment performance net of fees**
- *Insight and educational programs that promote the sharing of best practices for nonprofits*
- *Service based on an in-depth understanding of client needs*

We believe that strong financial resources will serve as the underpinning that enables us to implement our mission. Further, it is this strong base that will permit us to hire, grow and retain talented people; invest in information technology and other client-support assets; and consistently deliver top quality educational programs for nonprofit institutions.

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Moving missions forward.

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