

FIVE STAR Wealth ManagersSM Award Program



Program Overview and Summary of Research Methodology

Crescendo Business Services

Crescendo Business Services, LLC (the Company), a Minneapolis, MN based company, contracts an independent third party research firm, Quantitative Market Intelligence (QMI), and partners with city and regional magazines to administer its FIVE STAR Wealth ManagerSM evaluation process and to prepare an article describing the survey and evaluation process, along with their results.

Research — evaluation/selection methodology summary

The FIVE STAR Wealth ManagerSM Award Program and its research process adheres to the guidelines established within the Investment Advisors Act of 1940 regarding third-party recognition.

Under the Program, by mail and phone, up to 200,000 high-net worth individuals (identified by the Company) and 10,000 financial service professionals (identified by the Company) are asked to name and evaluate up to three wealth managers. The number of individuals in the sample varies based on the size of the local market. For the purposes of the research, wealth managers are those individuals who help their clients prepare a financial plan and, or implement aspects of their financial plan. Common examples of wealth managers are financial planners, investment advisors, life insurance agents, accountants, tax advisors, estate planning attorneys, etc.

Each respondent is asked to evaluate only wealth managers whom they know through personal experience, and evaluate them on nine criteria: (i) customer service, (ii) integrity, (iii) knowledge/expertise, (iv) communication, (v) value for fee charged, (vi) whether the wealth manager meets client financial objectives, (vii) post sale service, (viii) quality of recommendations and (ix) overall satisfaction. The questionnaires submitted to the reviewers are structured to make it equally easy for an individual to give negative or positive responses regarding each wealth manager evaluated. The Company scores the survey responses to determine which wealth managers meet the identified standards, and screens wealth managers, based on their regulatory compliance history as reported by FINRA and other regulatory agencies. Only wealth managers with five years of experience in the financial services industry are considered.

The Company then prepares a preliminary list of results for review by a Company-selected panel of local financial professionals. The Company-selected panel reviews wealth managers appearing on the preliminary list. As part of their review and evaluation, panelists are able to recommend additional wealth managers for inclusion and to recommend wealth managers for removal from the preliminary list (based on objective criteria). Checks and balances are in place to avoid conflicts of interest; specifically, panelists remain anonymous, only receive a portion of the preliminary list and, in most cases, cannot add or remove a wealth manager by themselves. Both favorable and unfavorable evaluation results are incorporated into the overall evaluation score at each stage of the process (survey stage, regulatory and compliance review and panel review).

After review by the Company-selected panel, the Company contacts wealth managers appearing in the revised preliminary list and asks them to (a) verify their name and contact information for the article and (b) to certify (i) that they have never had a license suspended or revoked by an applicable regulatory agency; (ii) that they have not had more than three customer complaints filed against them with any regulatory or industry agency where at least one complaint resulted in a settlement payment by them.; (iii) that they have been actively employed in the financial services industry a minimum of five years; and (iv) the number of clients they have provided services to over the last twelve months. Wealth managers that are unable or unwilling to verify contact information or to provide the required certificates are excluded from the final list. This certification is part of the Business Contact Confirmation Form that wealth managers are required to fax back to the Company.

Once the list is finalized, the contracting magazine publishes a Company-prepared article that describes the evaluation process and the resulting list of FIVE STAR Wealth Managers. The Program is not administered in the same market more often than once each year.

Wealth managers do not pay a fee to be included in the evaluation process or to be named as a FIVE STAR Wealth ManagerSM. In connection with publication of the article, wealth managers may elect to pay a fee to include a photo and certain profile information in the “Profiles” section that accompanies the article. For additional fees, the Company will (i) provide reprints of the Company’s article and (ii) provide the wealth manager with strategies for further publicizing being named as a FIVE STAR Wealth Manager. A wealth manager’s purchase of a profile, reprints or Company services does not influence the Company’s determination whether or not to include or exclude a particular wealth manager from a later list of FIVE STAR Wealth ManagersSM.

About the Special Section

City and regional magazines choose to do this special section because personal financial planning and wealth management are very important to their readers. This special promotional section is seen by their readers and is used by financial services consumers and other service providers as a resource throughout the year.

The list presented in the section is not a ranking of wealth managers, but rather a roster of wealth managers who score highest in client satisfaction, of those evaluated. The list is not intended to be exhaustive. Verbiage included in the editorial is as follows:

“Although this list will certainly be a useful tool for anyone looking for help in developing a financial plan or implementing aspects of their financial plan, it should not be considered exhaustive. Undoubtedly, there are many other excellent wealth managers who, for one reason or another, are not on this year’s list. But don’t be surprised to see them next year.”

Research Declarations:

The following research declarations are included in the section editorial:

- The 2010 FIVE STAR Wealth Managers do not pay a fee to be included in the research or the final list of FIVE STAR Wealth Managers.
- The overall evaluation score of a wealth manager reflects an average of all respondents and may not be representative of any one client’s evaluation.
- The FIVE STAR Award is not indicative of the wealth managers’ future performance.
- Wealth managers may or may not use discretion in their practice and therefore may not manage their client’s assets.
- The inclusion of a wealth manager on the FIVE STAR Wealth Manager list should not be construed as an endorsement of the wealth manager by Crescendo Business Services or the *magazine*.
- Working with a FIVE STAR Wealth Manager or any wealth manager is no guarantee as to future investment success nor is there any guarantee that the selected wealth managers will be awarded this

accomplishment by Crescendo in the future.

- The research process for the FIVE STAR Wealth Manager Award Program, managed by Quantitative Market Intelligence (QMI), incorporates a statistically valid sample in order to identify the wealth managers in the local market that score highest in client satisfaction. QMI does not include wealth managers on the list unless their score is statistically valid. At least fifty percent of the wealth managers in the market have a statistically valid score.
- For more information on the FIVE STAR Award and the research/selection methodology, go to: fivestarprofessional.com/wmresearch.

What's Next?

The wealth managers who have been selected to appear in the special section are asked to verify their contact information. There is no cost to appear in the special section. If a wealth manager does not return their Business Contact Confirmation Form they will not be included in the published list.

The selected FIVE STAR Wealth Managers are also given the opportunity to purchase an expanded profile highlighting their areas of expertise, website, expanded contact information, and their picture. This is an optional opportunity.