



Performance Reports for pre-PMI numbers

Upon request, PMI can prepare monthly fund-level performance reports (what we call our “Perf Reps”) containing graphical and statistical measures that managers may find interesting or useful. When PMI assumes the administration of an existing fund, with appropriate notes, we normally incorporate earlier net monthly numbers from inception into the production Perf Rep.

New clients frequently ask if we can run historical numbers from a managed account through the Perf Rep engine to see what it looks like. We can normally accommodate such requests but first must provide the disclaimer that there are a number of rules, regulations, and interpretations that address the proper disclosure of performance information to current and prospective investors. Accordingly, if Perf Reps are to be used for marketing or investor communications, managers must contact their attorneys to determine if a Perf Rep is appropriate and to review and draft desired changes to the boilerplate disclosures and notes. Note that there are special legal issues relating to returns that pre-date fund formation. All fund sales materials should be reviewed by qualified persons to assess compliance with the anti-fraud provisions of the Investment Advisers Act of 1940 plus any state or other rules that may apply.

Unless PMI receives specific guidance and notes from a manager’s legal counsel, any pre-formation Perf Rep will have the legend “**Draft – For Internal Use Only**” prominently displayed. We will also note that the numbers were not derived or verified by PMI.

Guidelines for return data:

- ✓ Use Excel and format the data in columns.
- ✓ Include a date column.
- ✓ Provide monthly gross or net percentage returns from inception.
- ✓ If gross returns are provided, provide fee parameters: flat fee and incentive rates.
- ✓ If PMI is provided month-ending account values, we can compute the monthly gross. Note that month-end market values of an account must be on a trade (versus settlement) date basis.
- ✓ If there are cash flows, they need to be placed as of the nearest month end in a separate column.

Note that turnaround time for a project like this may be a week or more.

Please refer to our Perf Rpt FAQ to better understand questions and use of these Performance Reports.

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