MFO Due Diligence Checklist

Use this checklist to review a multi-family office before you share sensitive information, sign an agreement, or move assets. Fill in each blank, request supporting documents, and record open items. This guide is educational only. It is not legal, tax, or investment advice.

1. Firm Profile

Firm name: _____

Primary contact and title: _____

Office location: _____

Review date: _____

Years in operation: _____

Ownership structure: _____

Parent company or affiliated entities: _____

Number of employees: _____

Number of client families served: _____

Primary client profile: _____

Services offered: [ ] Portfolio management [ ] Financial planning [ ] Selecting other advisers [ ] Pension consulting [ ] Other: _____

Geographic coverage: _____

Ask for the firm’s current Form ADV or equivalent regulatory filing, if applicable.

Record the filing date: _____

2. Services and Scope

List every service included in the proposed engagement: _____

List every service excluded from the engagement: _____

Will the firm coordinate outside advisers? [ ] Yes [ ] No

If yes, describe the coordination process: _____

Will the firm provide consolidated reporting? [ ] Yes [ ] No

Reporting frequency: [ ] Monthly [ ] Quarterly [ ] Other: _____

Will the firm support family governance, education, or administration? [ ] Yes [ ] No

Describe the deliverables we will receive: _____

Who is responsible for each deliverable? _____

What happens when a requested service falls outside the agreement? _____

3. Team and Continuity

Lead relationship manager: _____

Lead investment professional, if applicable: _____

Operations contact: _____

Compliance contact: _____

Who will attend regular review meetings? _____

Average tenure of the proposed team: _____

What happens if the lead contact leaves? _____

Is there a documented succession plan? [ ] Yes [ ] No

Is there a backup contact for each key function? [ ] Yes [ ] No

How often will staffing changes be communicated? _____

List any outsourced functions: _____

Who supervises outsourced providers? _____

4. Fees and Expenses

Fee schedule received on: _____

Fee type: [ ] Percentage of assets [ ] Fixed fee [ ] Performance based [ ] Hourly [ ] Other: _____

Base fee or rate: _____

Minimum annual fee: _____

Fee calculation method: _____

Billing frequency: [ ] Monthly [ ] Quarterly [ ] Other: _____

Are fees billed in advance or arrears? _____

Are fees tiered as assets change? [ ] Yes [ ] No

List each tier and rate: _____

List setup, transition, reporting, custody, or termination fees: _____

List third-party costs paid by us: _____

Can fees change during the engagement? [ ] Yes [ ] No

Notice period for fee changes: _____

Are referral, placement, revenue-sharing, or other payments received? [ ] Yes [ ] No

Describe every potential conflict tied to fees: _____

5. Conflicts and Independence

Does the firm or an affiliate receive compensation from products, custodians, managers, or advisers? [ ] Yes [ ] No

Describe the compensation: _____

Does the firm recommend affiliated services or investments? [ ] Yes [ ] No

List all affiliates: _____

How are conflicts disclosed to clients? _____

How are conflicts reviewed and approved internally? _____

Does the firm or its personnel trade alongside clients? [ ] Yes [ ] No

Describe the policy: _____

Does the firm accept gifts, travel, entertainment, or other benefits? [ ] Yes [ ] No

Describe the policy and annual reporting process: _____

Open conflict items: _____

6. Custody, Cash, and Transactions

Who will hold our assets? _____

Will the firm have custody or authority to move assets? [ ] Yes [ ] No

Who approves wires, transfers, and distributions? _____

Are dual approvals required? [ ] Yes [ ] No

How are standing instructions verified? _____

How are cash balances monitored? _____

How are private assets, collectibles, property, or other non-standard holdings recorded?

_____

How are trade errors identified and resolved? _____

How are account statements reconciled? _____

What records will we receive for transactions and cash activity? _____

7. Investment Process, If Included

Describe the agreed investment objectives: _____

Describe liquidity needs and known cash demands: _____

Describe risk preferences and restrictions: _____

Who makes investment decisions? _____

How are recommendations documented? _____

How are outside managers selected and reviewed? _____

How are concentrated positions handled? _____

How are private investments, lockups, and valuations reviewed? _____

How often is the portfolio reviewed against the agreed plan? _____

What information is used to evaluate results? _____

Who can approve exceptions to the agreed plan? _____

8. Reporting and Data

Sample report received on: _____

Does the report show holdings, performance, fees, cash, and liabilities? [ ] Yes [ ] No

Can reports be customized by entity, family member, account, or strategy? [ ] Yes [ ] No

How are data errors corrected? _____

What is the expected reporting delay? _____

Can we export our data? [ ] Yes [ ] No

Available export formats: _____

Who owns the underlying data? _____

How long are records retained? _____

Describe the process for requesting historical records: _____

9. Privacy and Cybersecurity

Request the firm’s privacy policy and security overview.

Primary security contact: _____

Is multi-factor authentication required? [ ] Yes [ ] No

How is sensitive information encrypted? _____

How are access rights granted, reviewed, and removed? _____

How are phishing, payment fraud, and account takeover risks addressed? _____

How often are security tests or reviews performed? _____

Has the firm experienced a material security incident relevant to our review? [ ] Yes [ ] No

If yes, request the date, scope, response, and remediation summary.

How will we be notified of a future incident? _____

10. Compliance and Controls

Regulatory registration or filing reviewed: _____

Review date: _____

Compliance contact: _____

Written compliance policies received: [ ] Yes [ ] No

Code of ethics received: [ ] Yes [ ] No

Business continuity plan summary received: [ ] Yes [ ] No

Disaster recovery summary received: [ ] Yes [ ] No

How are complaints recorded and resolved? _____

How are personal trading and conflicts monitored? _____

How are required approvals documented? _____

Outstanding compliance questions: _____

11. References and Evidence

Request relevant client references, where permitted.

Reference contact 1: _____

Reference contact 2: _____

Questions asked consistently across references: _____

Documents received: [ ] Agreement [ ] Fee schedule [ ] Form ADV or equivalent [ ] Privacy policy [ ] Security overview [ ] Business continuity summary [ ] Sample reports [ ] Conflict disclosures

Document request owner: _____

Missing documents: _____

Statements or claims that need evidence: _____

Evidence received and date: _____

12. Decision Record

Top reasons to proceed: _____

Top concerns: _____

Open questions: _____

Items requiring clarification in writing: _____

Items requiring independent review: _____

Final decision: [ ] Proceed [ ] Proceed with conditions [ ] Continue review [ ] Do not proceed

Conditions before signing: _____

Decision makers: _____

Decision date: _____

Next review date: _____

Reference Snapshot

Directory snapshot date: _____

Directory firm count, if available: _____

Number of firms with available regulatory filings, if available: _____

Assets under management data and source, if available: _____

Reported fee types and source: _____

Reported services and source: _____

Use any directory figures as context only. They do not establish quality, suitability, performance, or selection criteria for any firm.

Prepared for educational use. Complete the blanks, keep copies of supporting documents, and record the source and date for each answer. This checklist does not provide legal, tax, accounting, or investment advice.