



THE INVESTMENT FUND FOR FOUNDATIONS
Pursuing investment excellence

To: TIFF Members and Friends
From: Richard J. Flannery
Chief Executive Officer, TIFF Advisory Services, Inc. (TAS)
Date: August 5, 2010
Re: TIFF Transition Update

More Good News. Last week, we had the pleasure of informing you that Larry Lebowitz would succeed David Salem as President and Chief Investment Officer of TAS. Today, we would like to give you additional information about that transition, offer a few words of thanks to deserving folks, and share with you our enthusiasm for and confidence in TIFF's future.

Stay Tuned. Larry Lebowitz will formally take the reins as President and CIO of TAS on September 16, 2010. He is, however, already peppering our staff with requests for information about all things TIFF and he's already engaged a number of our senior investment pros in discussion. For those of you who don't know Larry, he's a high-energy, competitive fellow who'll sprint along the TIFF learning curve this fall. As he's doing so, we'll be introducing him to our members. We'll be in touch shortly to describe the various methods of introduction we will employ.

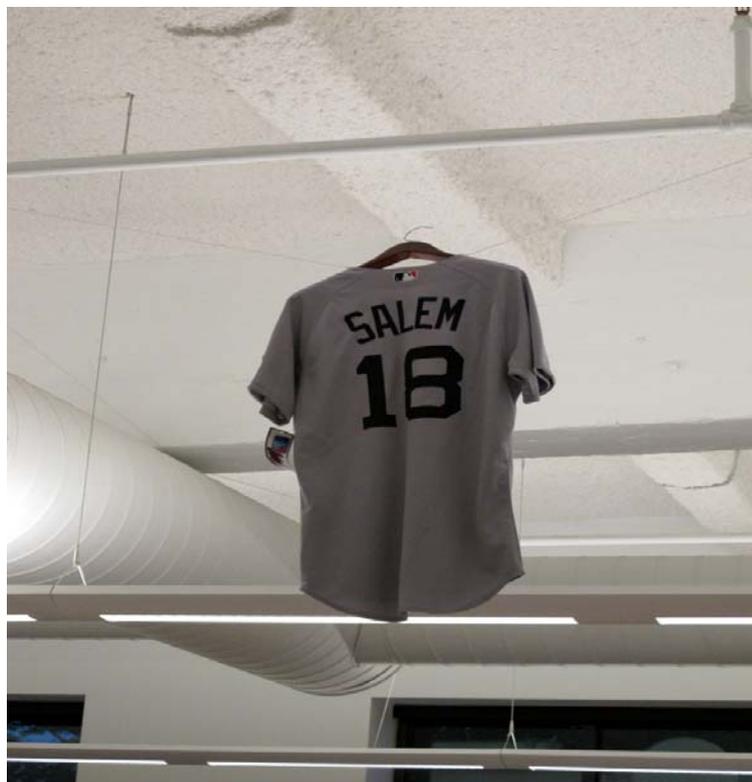
Mind Meld. David Salem will complete his tenure as President and CIO of TAS and a member of the TAS board at the end of this month. At TAS' request, David has agreed to serve as a consultant to it through at least year-end 2010, working closely with Larry and me to ensure that our transition continues to unfold smoothly. Accordingly, I'll have the pleasure in coming months if not beyond of watching two formidable intellects (Salem and Lebowitz) engage in what Larry now refers to as a "Vulcan mind meld." (Readers not familiar with Star Trek are encouraged to Google "Vulcan mind meld." You'll quickly get the idea.) David will also continue serving as President of the TIFF Education Foundation (TEF), in which capacity he'll conduct TEF's 2010 endowment management seminar in Boston on November 4. In short, while David will serve as TAS' CIO for but a few more weeks, he'll continue to be part of TIFF in many ways and happily so.

Fortunate Indeed. Organizational transitions are hard. They do not succeed unless lots of folks pull the transition oars hard and in the same direction. In our case, we were fortunate indeed to have superb and steady guidance from the savvy folks comprising the TIFF boards, and from an engaged board search committee. We were fortunate also to have three seasoned TIFF investment pros serve on our staff search committee, and to receive valued help from our member services and editorial teams. We had terrific recruiting assistance from the talented folks at Spencer Stuart and outstanding transition planning advice from Harry Clark of The Stanwich Group. We appreciate all these efforts. Our most heartfelt thanks are, however, reserved for our members and their advisors who patiently supported us throughout this transition and indeed saw fit as a group to place substantial new dollars under our stewardship while the transition was still ongoing. That has been truly gratifying.

Hail But Not Farewell. We won't attempt to describe here all that this organization's founding President and CIO, David Salem, has done for TIFF. Such would be too daunting a task. Instead, we'll simply report that at a dinner held recently to honor David we hoisted a Red Sox jersey bearing the name Salem and the number 18 (for David's years at TIFF) to the rafters over the trading desk in our Cambridge office. There it shall remain, to remind those of us now employed at TIFF and those fortunate enough to serve our members in the future that there once was a baseball nut named Salem who had something or other to do with TIFF. For those of you who know David's passion for the Bosox and worry he'll succumb to the temptation to pilfer the aforementioned jersey, fear not: we had two of them made and gave one to David. Rumor has it that he's worn it to bed every night since.

Changing Means, Unchanging Ends. We know that Larry Lebowitz will find many ways to improve TIFF over time. We must and will continue to evolve. But Larry shares our clear and firm conviction about one thing: TIFF has been and shall remain dedicated **exclusively** to the pursuit of investment excellence on behalf of endowed charities. We were formed for this purpose and we'll stay true to this mission. We look forward with great enthusiasm to the contributions that Larry Lebowitz will make as we continue our unending pursuit of investment excellence.

End





THE INVESTMENT FUND FOR FOUNDATIONS
Pursuing investment excellence

To: TIFF Members and Friends
From: David A. Salem
Founding President and Chief Investment Officer
Date: August 5, 2010
Re: TIFF Transition Update

A Privilege Indeed. If my friend and valued colleague Dick Flannery hadn't invited me to pen this final missive to endowed charities that TIFF's money management arm serves, I'd have begged for the privilege, for three reasons: to applaud our board's selection of my successor; to thank TIFF's board, staff and member-charities for their help over the years; and to use some baseball arcana I've not found occasion to employ since first putting pen to paper on TIFF's behalf 18 years ago.

Savvy Pick. I've known Larry Lebowitz for many years and respect greatly his intellect and investment acumen. Of equal importance, I've learned firsthand through interactions with Larry something confirmed repeatedly by the many reference calls on Larry conducted by TIFF of late: he's a man of upstanding character who practices routinely what Samuel Clemens preached when he advised, "Always do the right thing. It will please some people and astonish the rest." As Larry and I have discussed at length, no one can foretell accurately what challenges Larry and the team of talented investment pros he'll soon be heading will confront in coming years. All we know for certain is that these challenges will differ from those that TIFF has confronted during my tenure here. Happily, the boundary condition just mentioned appeals to Larry, who relishes novel challenges and is demonstrably skilled at meeting them. I've pledged my cooperation through and beyond my passing of the baton to Larry several weeks hence. I'm pleased and hugely gratified he's answered TIFF's call and am confident he'll do a superb job.

Many Thanks. I'm gratified too by the many messages I've received since TIFF disclosed publicly last December my plans to move on professionally. Obviously, the labors that transformed TIFF from a raw start-up when I assumed its presidency in 1992 to the \$8+ billion investment organization it's become haven't been solely or even primarily my own. 'Tis been a true team effort, involving much toil by persons too numerous to mention here. Fortunately for me, the multi-month professional transition I'll soon consummate has given me the chance to thank personally many of these fine folks. Board and staff members, past and present; external managers; other vendors; and above all else trustees of charities that have entrusted capital to TIFF: I'm grateful for your help and support over the years.

Onward. As has been true since I passed the CEO baton to Dick more than six years ago, TIFF's dedicated staff will continue to be led by a truly gifted and effective CEO. Indeed, suggesting to our board that it make Dick TIFF's CEO was the best business decision I've ever made — the proverbial grand slam. I view Larry's hiring similarly — as a grand slam for TIFF — and as reason enough to cite here the memorable words of baseballer Steve Balboni after the Royals slugger hit a four-bagger some 20 summers ago: "Hitting your first grand slam is a thrill.

TIFF Members and Friends - DAS

August 5, 2010

Page 2

I'll always remember this." (Reminded that he had hit a grand slam two years earlier.) "You're right. I guess I forgot about that one." Having agreed to carry on in my role as founding president of the TIFF Education Foundation, I guess some persons receiving this memo won't soon have the chance to forget about me. If this news is off-putting, apologies. If it's pleasing, I look forward to keeping in touch, and invite you to contact me following Larry's mid-September arrival at TIFF via dsalem@windhorsegroup.com. Answering pre-emptively a question I've already fielded several times, Windhorse is a private investment firm catering exclusively to high net worth individuals that'll be my principal professional focus henceforth. Will I be as overwhelmingly proud of it 18 years hence as I am of TIFF? I don't know and can't know. I do look forward to my work as Windhorse's CEO and CIO, however, mindful that the team effort that has made TIFF what it is today is inherently difficult to repeat. Say, that reminds me of what Len Barker's grandmother said after Barker pitched a perfect game for the Cleveland Indians in 1985: "Tell Len I'm very proud of him. I hope he does better next time."

End