

Institutional  
**SPECTRUM**

# The Institutional Spectrum Platform



**A Premier Platform For Fee-Based  
Investment Advice & Asset Management**

A comprehensive managed accounts platform available to independent registered investment advisors, trust companies, and banks working with **Schwab Institutional**.

**FundQuest**

A BNP PARIBAS company 

# The Institutional Spectrum<sup>SM</sup> Platform

## Driven By the Needs of Successful Advisors

The Institutional Spectrum<sup>SM</sup> platform leverages FundQuest's in-depth knowledge of the needs of financial professionals. Advisors gain the ability to increase productivity and accelerate business growth through: proposal preparation tools, back-office services, consolidated reporting, and investment due diligence. The platform offers built-in connectivity to Schwab's custody services.

## FLEXIBLE ACCOUNT OPTIONS INCLUDE

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### Mutual Fund Wrap Accounts

- FundQuest managed model portfolios
- **Core Portfolios**—utilizing actively managed mutual funds
- **Index Plus<sup>SM</sup> Portfolios**—features ETFs or indexed mutual funds combined with actively managed funds
- **Income Portfolios**—designed to address income needs of the investor

### Separately Managed Accounts (SMA)

- FundQuest managed model portfolios
- SMA managers selected through comprehensive due diligence

### Unified Managed Account (UMA)

- FundQuest managed model portfolios including: mutual funds, SMAs, & ETFs
- Broad-based diversification across asset classes
- Utilizes overlay portfolio management for coordination, to manage risk, and provide tax management opportunities

### Advisor Managed Account

- An advisor directed account
- Investment options include mutual funds, SMAs, and ETFs
- Individual stocks and bonds may be held in this account

### Russell Managed Accounts

- **Russell Model Strategies** A mutual fund wrap account with ten asset-allocated models, five core and five tax-managed, diversified across asset classes and styles
- **LifePoints<sup>®</sup> Funds**—**Target Portfolio Series** Fully asset-allocated fund of funds mutual fund account with regular rebalancing

# Platform Features and Benefits Summary

PLATFORM FEATURES	BENEFITS for INVESTMENT FIRM and ADVISORS
<b>Open Architecture</b> platform options	Provides a wide universe of non-proprietary investments
<b>Taxable and tax deferred investment accounts</b> including: individual, joint, custodial, trust, and retirement	Capture a broad range of client assets within many types of taxable and qualified accounts
<b>Web-based customized investment proposal</b> including asset allocation	Professional investment proposals support effective sales process
<b>Ongoing portfolio management</b> with rebalancing for FundQuest managed models	FundQuest maintains target portfolio allocations for investors without creating an administrative burden for advisors
<b>Professional, objective mutual fund screening and scoring</b> that is updated monthly based on current quantitative and qualitative information	Investment screens are updated monthly so advisors and their clients can receive the most current data on their investments for ongoing due diligence
<b>24 hour/7 day a week web access</b> to investor account information including: daily performance updates, transactions, and account history	The advisor can see and provide investors with information whenever and wherever they want
<b>Complete back-office functionality and support</b> including production and mailing of quarterly performance reports for each investor account	The advisor can focus on client service and depend on FundQuest for this administrative support
<b>Sales collateral and agreements</b> can be downloaded from website	It is easy to produce materials for investor clients without having to “reinvent the wheel”
<b>Effective reporting capabilities</b> for sales management and support for compliance management	Assists the firm to assess trends in asset growth and in managing risk and compliance responsibilities
<b>Highest quality support services</b> through FundQuest’s wholesale team	Provides ongoing onsite training and education, and prompt phone and email-based assistance

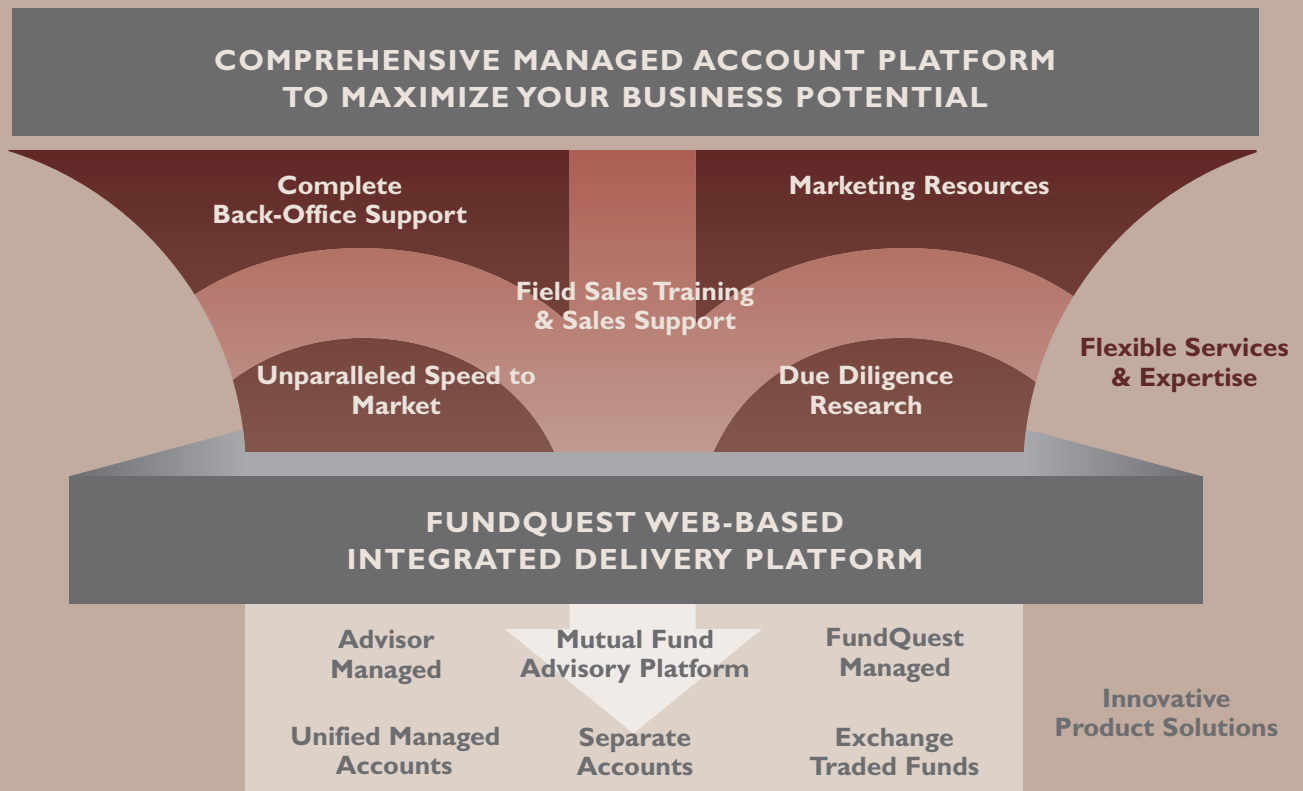
## Highest Quality Support

FundQuest's external support team provides regular onsite visits to assist advisors to maximize the value they derive from using the platform. Advisors receive training to get up to speed right from the start, and assistance in learning about investment products and system capabilities.

FundQuest's internal support team is easy to reach via phone and email. This support team enables advisors to optimize the use of the Institutional Spectrum platform for proposals and ongoing service to their clients. By providing the best overall support services, FundQuest enables advisors to focus their time on building business and serving clients.

## Competitive Cost Structure

FundQuest's fee is based on a percentage of the assets under management and administration placed on our platform, with lower fee percentages at higher asset levels.



## High Quality Research Featuring Best of Breed Investment Choices

The Institutional Spectrum platform was designed to provide access to a wide-universe of non-proprietary investment choices. FundQuest's analysts evaluate the many thousands of investment alternatives and, through an in-depth quantitative and qualitative process, identify leading investments.



### FUNDQUEST INVESTMENT MANAGEMENT—BY THE NUMBERS

- Over **18,000** mutual funds are screened
- More than **11,000** separately managed account strategies are screened
- **Nearly unlimited** investment universe for objectivity and flexibility
- Over **800** models are managed
- Global team of **30** professionals, in US and European operations, conducts quantitative and qualitative analysis
- **\$43** billion in assets under management and administration in the combined US and European operations of FundQuest

#### QUANTITATIVE ANALYSIS

Using both proprietary and external tools, managers are evaluated against benchmarks and peers on criteria including:

- **Risk** — alpha, beta & standard deviation
- **Performance** — 1, 3, and 5 year
- **Fees** — manager and trading costs
- **Sector Weighting** — neutral or biased
- **Asset Size** — appropriate for strategy
- **Security Concentration** — over or under diversified

#### QUALITATIVE ANALYSIS

Understand who and what contributed to past performance by evaluating:

- **Experience** — investment team qualifications and depth
- **Buy/Sell Discipline** — buy and hold or active trading
- **Philosophy** — how it is supported by manager's process
- **Style Consistency** — adherence to strategy
- **Portfolio Attribution** — what is driving the returns
- **Compliance** — reporting and controls

# A Flexible, Innovative, Strategic Partner to Accelerate Your Growth

**Experience and Innovation:** Founded in 1993, FundQuest has fifteen years of experience in helping advisory firms to grow via some of the most innovative open architecture investment programs and advisor productivity tools

**Best Services and Support:** FundQuest is the most flexible service provider with the best overall support services for both management and advisors

**The Choice of Leaders:** More than 110 institutions including RIAs, insurance companies, independent broker dealers, banks, and trust and wealth management firms partner with FundQuest

**Investment Management Expertise:** FundQuest's investment management team has more than 30 analysts in the combined US and European operations performing in-depth quantitative and qualitative investment due-diligence

**Retirement Income Management:** FundQuest has created the first comprehensive platform for the integrated planning, implementation, and monitoring of income distribution

**Proven In the Field:** Institutional partners make FundQuest's web based platforms available to a national network of 49,000 financial advisors

**Operational Scale:** FundQuest has \$43 billion under management and administration in its combined US and European operations

**Financial Strength:** FundQuest is part of BNP Paribas, one of the world's largest financial services firms

Services are offered in the U.S. through FundQuest Incorporated, a Registered Investment Advisor.

**For more information please:**

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