Separately Managed Account Solutions

A wide range of investment choices selected through sophisticated research to accelerate the growth of advisory firms.

FundQuest

A BNP PARIBAS company

Separately Managed Account Solutions for Business Growth

FundQuest's Separately Managed Account (SMA) solution provides advisory firms with a comprehensive and flexible managed account platform supported by an experienced global investment management and research team. Advisors receive personalized service and advanced analytical tools while their investor clients gain access to best-of-breed money managers.

Expansive Breadth of Products. FundQuest screens over **11,000 separately managed account strategies** covering **over 30 investment style categories,** in order to provide advisors with an extensive choice of investments to fulfill a wide range of investor needs.

Access to World Class Money Managers. Clients receive access to managers typically only available to institutions or high net worth investors. FundQuest makes these managers available to more of your clients by offering lower minimum account sizes.

A Flexible Offering to Meet Your Needs

FundQuest will build an SMA program based on a review of your institution's needs. This review will ensure that the solution we create reflects your specific investment philosophy and any restrictions and requirements.

Seamless Integration

Our comprehensive platform can integrate easily with your existing system so there is no disruption to client relationships. Your preferred proprietary separate account managers may also be included in the program.

Clearing and Custodian Firm Neutral

FundQuest has relationships with numerous clearing and custody firms so that we can provide built-in connectivity to the service providers that you prefer.

Flexible Portfolio Management

Advisors can act as portfolio manager by choosing from recommended best-of-breed investment managers to populate their desired allocations. Alternatively, advisors can utilize FundQuest model portfolios which offer the benefit of being managed by our experienced investment management team.

Global Resources

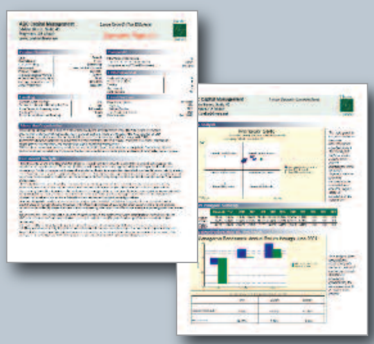
FundQuest's investment management team covers the world, with portfolio managers and affiliated investment analysts across the U.S. and Europe. With global reach, FundQuest spans the world of investment managers to offer a breadth of investment strategies.

Support Services for Advisors

FundQuest provides advisors with the right tools, delivers superior service, and reduces the burden of ongoing investment research. As a result, advisors can spend more time meeting with clients and prospective clients in order to grow their business.

Detailed Manager Profiles

Our global investment management team maintains a Recommended Manager List and creates a detailed profile of each manager, which includes:



- Description of organization
- Investment philosophy and process
- Product summary
- Historical performance
- Detailed holdings information
- Style and risk analysis

Managers are continually evaluated to ensure they meet the criteria established for inclusion in the program. Managers who are not conforming to the criteria warrant additional scrutiny and are placed on a **Watch List** which is also available to advisors.

Reliable Sales and Service Support

FundQuest's sales support team provides onsite training and education to get advisors up to speed quickly on platform capabilities, enabling advisors to focus their time on building business and serving clients.

Investment Consulting Specialists

FundQuest's dedicated SMA specialists provide product training, assist advisors with customized analysis and competitive reports, and help with asset allocation and manager selection. These specialists can provide direct advisor support to develop comprehensive proposals to gain new assets and revenue.

Sophisticated Tools for Analysis and Proposal Development

Our client profiling and analytical tools help advisors create solutions to address each client's unique needs. FundQuest's platform technology helps advisors produce professional investment proposals with specific, well supported recommendations.

CLIENT PROFILING

Client Questionnaire

Advisor enters client specific data including investment objectives, risk tolerance, and time horizon. That data drives the automated production of all analytical tools, illustrations, and reports.

ANALYSIS AND RECOMMENDATION

An Investment Proposal includes a client profile assessment and extensive data to substantiate the recommendation, including:

Investment Strategy Report

Provides recommended asset allocation and historical performance of recommendation.

Portfolio Diagnostic Report

Analysis of client's current portfolio. Shows weaknesses, strengths and a comparison to recommended allocation.

Portfolio Analytics

Illustrates the recommended portfolio's risk/return and annualized returns as compared to the benchmark.

A Valuable Solution for Your Clients

Custom Diversification

Clients can provide specific instructions to customize their portfolio holdings, including purchase restrictions for specific securities.

Tax Management

SMAs allow investors potential tax advantages. FundQuest SMAs offer the flexibility to harvest gains/losses in the portfolio upon request.

Consolidated Quarterly Performance Reports

FundQuest generates quarterly reports and can send them directly to your clients each quarter. These reports contain detailed information about portfolio holdings and performance with explanatory charts and graphs.

A Disciplined Process for Identifying World Class Investment Managers

Selecting investment managers is one of the most valuable services that FundQuest provides. Our investment management team uses a thorough due diligence process to identify best-of-breed managers.

In-Depth Due Diligence

Our goal is to select the best investment strategies from the world's leading investment firms. Separate account investment strategies in the program have passed an extensive screening process using a combination of qualitative research techniques and quantitative analysis. In addition to on-site manager visits, the qualitative analysis includes an in-depth review of the manager's investment philosophy and process, client service standards and business plan evaluation.

QUANTITATIVE ANALYSIS

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

- **Risk** — traditional alpha, beta & standard deviation
- **Performance** — 1-, 3-, 5-, 10-, 15-year and since inception; how managers perform in up/down markets
- **Sector Weighting** — neutral or biased
- **Security Concentration** — over or under diversified
- **Style Consistency** — adherence to investment philosophy and process
- **Portfolio Attribution** — what is driving the returns

QUALITATIVE ANALYSIS

Understand who and what contributed to past performance by evaluating:

- **Experience** — investment team qualifications and depth
- **Fees** — manager and trading costs
- **Asset Size** — appropriate for strategy
- **Buy/Sell Discipline** — buy and hold or active trading
- **Philosophy** — does the manager's process support it
- **Compliance** — reporting and controls

Continuous Monitoring

Ongoing investment manager due diligence is critical to investment success. Our investment management team continually evaluates each manager's relative performance, risk parameters and other characteristics to ensure the manager continues to adhere to our benchmarks for best-of-breed investments.

FundQuest Managed SMA Model Portfolios

FundQuest combines multiple SMA investment strategies into carefully constructed models to suit a range of investor profiles from conservative to aggressive. These models may include investment categories which have historically provided positive **Exotic Beta**, meaning additional returns through risk premiums not directly correlated to the broad markets. FundQuest manages over 400 different SMA models which are continually monitored for variance from the recommended asset allocation and appropriately rebalanced.

A Flexible, Innovative, Strategic Partner to Accelerate Your Growth

Experience and Innovation: Founded in 1993, FundQuest is the best partner to help advisory firms grow their business via 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 advisor-based 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:
Call: **888.253.9169**
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Visit: **www.fundquest.com/usa**

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