



*Facilitating Excellence in the Management of Wealth™*

# Wealth Technology Services



*Enabled By*



PHILOSOPHIES | PROCESSES | PARTNERSHIPS



# A Way of Life

*It is our sole purpose to help facilitate excellence in the management of wealth.*

This will be accomplished by harnessing our industry experience and expertise to ensure that we gain a thorough understanding of our clients' circumstances, purpose and issues to enable us to design and implement the most appropriate strategies and solutions to meet their needs.

Our belief system is grounded on the principles of delivering the highest quality, client centric, offerings in a professional and objective manner. We will always strive to be the thought leaders in our professional practice areas in order to ensure that the solutions we take to our clients are current and relevant.

We are passionately committed to a service-based culture where values such as understanding, honesty and openness are not only encouraged but are, in fact, our way of life.



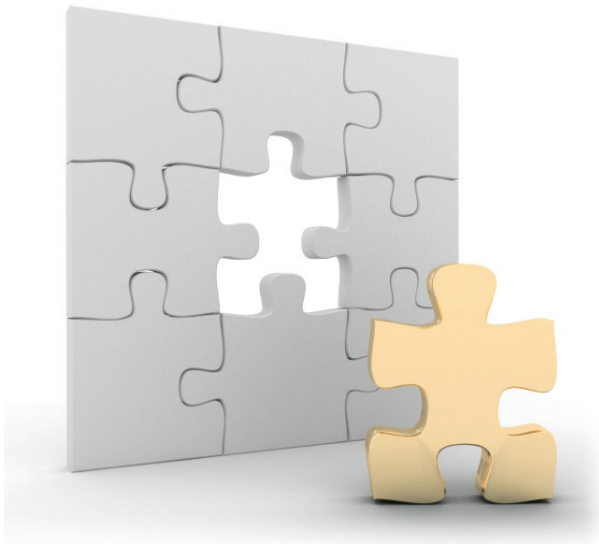
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## Overview

The array of investment options available to wealth management firms today is virtually limitless: stocks, bonds, mutual funds, pool funds, hedge products, structured products, private equity, income trusts and commodities. In Canada alone, there are more than 5,500 mutual funds! To simplify the delivery of this vast array of investment solutions to their clients, firms are increasingly shifting their offerings towards managed asset programs that contain a prudently structured set of discretionarily managed investments with the ability to be customized for each client situation.

In our experience, though, the challenge that many firms face is that they are often seeking to bring investment products and managed solutions to their clients that are unique, and in some cases, restricted to only their firm. Although it's a noble goal to attempt to "build a fence" around your product and solutions offerings, the reality is that the world is awash in investment product, and with the globalization of the capital markets and the advances in technology over the past decade, we believe that it's extremely challenging for firms to define their competitive advantage by product or solutions alone. Clearly, high quality investment products and managed asset solutions are critical to a firm's existence but we must now view these offerings as "table stakes".

Given this view, what is it then, that creates differentiation and a unique client investment experience? Although there are many elements that go into the successful "client experience" — quality service & support, solid investment solutions, timely reporting & communications — we believe that a core element of a differentiated client experience for Advisors is all about meeting client needs. The following quote, which is targeted toward High Net Worth Investors but equally applicable across all spectrums of private wealth, summarizes our beliefs:

*"A client's specific needs change significantly over the course of his or her relationship with an Investment Advisor, and must be continuously monitored if the full potential value of that relationship is to be unlocked.*

*By taking a more client-focused approach to client servicing, wealth management firms and their Investment Advisors can deepen their relationships with their clients."*

World Wealth Report 2008, Capgemini/Merrill Lynch

Specifically, HighView's Wealth Technology Services provide a comprehensive tool set that enables wealth management firms to realize their business potential by assisting Advisors in the creation of a set of unique and personalized asset management experiences that will enable them to not only satisfy investment compliance obligations but also help achieve each firm's financial ambitions in a timely and productive manner. We do this in partnership with Concord Canada Wealth Solutions

Concord Canada Wealth Solutions Inc., owned jointly by HighView Financial Group and Concord Wealth Management of New Jersey, provides the wealth technology solutions that support both HighView's asset management services and those of our clients. Throughout North America, Concord currently has in excess of US \$7 Billion of client assets operating through its specialized technology platform.





# Wealth Technology Modules:

The functionality of the HighView Wealth Technology platform has been designed specifically to support the creation and ongoing management of an investor client experience by focusing upon three core areas, all of which are modular, yet seamlessly integrated and customizable to the unique requirements of each wealth management firm:

## **1. Investor Profiling**

The crafting of customized client portfolios, through the use of tailored Investment Policy Statements & Proposals, which incorporate an understanding a client's journey in life, together with the purpose of their money and their various financial life goals, as well as an assessment of their attitudes towards risk.

## **2. Portfolio Monitoring**

The monitoring of client Investment Policy Statements, and rebalancing of client portfolios, against their construction metrics such as asset allocation, security quality, diversification of holdings by individual securities and/or industry allocation, as well as an overall assessment as to historical portfolio returns against the account objectives.

## **3. Unified Managed Account (UMA) Reporting**

The seamless consolidation of client accounts into portfolios and/or households which typically align against the portfolio structures outlined in client Investment Policy Statements in order to assist Advisors with efficient and effective portfolio performance & goals reviews with investor clients.

In addition to the Investor Profiling, Portfolio Monitoring and UMA Reporting modules, the HighView Wealth Technology platform also includes a Stewardship module. One of the challenges fiduciary based organizations such as Advisory firms face, is how to effectively and efficiently organize and store all of the various documentation that is critical to the successful oversight of managed asset offerings. As a result, our Stewardship module allows firms to organize and store of all their governance materials, such as investment committee mandates, meeting agendas and minutes, in one location that can be easily retrieved.

The HighView Wealth Technology platform is primarily supported through our relationship with Concord Canada. Concord Canada is a wealth technology business that is jointly owned by HighView Financial Group and Concord Wealth Management of New Jersey.





The Services Summary table below provides an overview of the various modules that comprise the HighView Wealth Technology solutions, together with their various features.

Module	Function	Features
Investor Profiling	“Traditional” Risk Scoring	<p>Current or “traditional” risk tolerance questionnaire and scoring. Integrated proprietary and or third party investment solutions to match investor profiles.</p> <p>Integrated production of investment policy statements &amp; proposals</p> <p>Easy creation of customized templates for different market segments.</p> <p>Proposal system that receives directly-entered content or uploaded PDF and Word documents.</p> <p>Full customization of asset classes, permitting both private and public holdings</p>
	Goals Based	<p>Modeling of any need, goal, liability, obligation, or purpose with custom descriptions for maximum flexibility.</p> <p>Need/goal values projected into future horizons, illustrating magnitude and timing of each cash outflow.</p> <p>Cash flow matching technology maps assets and investments to specific time horizons, permitting efficient portfolio construction.</p> <p>Cash Flow Reports provide complete transparency in an easy-to-understand Sources/Uses format, eliminating the mystery of “black box” investment formulas.</p> <p>Risk-based methods, target performance, or asset allocations to produce growth rates for each portfolio.</p> <p>Full customization of asset classes, permitting both private and public holdings. Integrated production of customized IPS &amp; proposal.</p> <p>After-tax cash flow analysis.</p> <p>Goal shortfall illustrations.</p> <p>Proposal system that receives directly-entered content or uploaded PDF and Word documents</p>
Portfolio Monitoring	Household/ Client Portfolio Oversight	<p>Monitoring of client portfolios against investment goals and Investment Policy Statement constraints. Customizable exception based portfolio monitoring reports that illustrate client portfolio violations at client, advisor &amp; firm levels.</p> <p>Smart logic auto rebalancing capability.</p> <p>Auto alert with hierarcial permissioning to fit Firm portfolio oversight requirements.</p> <p>Full archiving for retrieval and compliance administration</p>
UMA Reporting	Portfolio Analysis	<p>Wide array of graphic-rich packaged reports as well as complete custom reporting to conduct client reviews for portfolios (individual or at household level) and policy statements.</p> <p>Template-based system for “on-demand” production.</p> <p>Permissioning hierarchy allows for full customization capability of all page elements such as content descriptions, report analysis, fonts, colors, logos, and footnotes down to the Advisor level.</p> <p>Scenerio analysis capability including Monte Carlo and Efficient Frontier analysis</p>
	Client Reporting	<p>Wholly customizable monthly/quarterly portfolio (individual or household) performance monitoring.</p> <p>Customization (“Look and Feel” as well as content) by permission down to Advisor level.</p> <p>Reporting designed to answer “how am I doing”.</p> <p>Incorporation of standard or individual “factoids” allows for personalization of reports</p>



## Wealth Technology Support:

In addition to the provision of the above technology tools, HighView Wealth Technology provides each client firm with the following support services:

### 1. Practice Management Design

Given the wholly customizable nature of the HighView Wealth Technology platform, we work with each firm, based upon our asset management experience and your unique needs, to tailor the Investor Profiling, Portfolio Monitoring and UMA Reporting capabilities of HighView Wealth Practices.

### 2. Coaching

HighView provides initial & ongoing personalized training & coaching support. Based upon experiences managing private client wealth, these services will be practically oriented with a wealth management focus instead of simply the technology capabilities of HighView.

### 3. System Support

HighView will provide the necessary initial system support to ensure a successful integration of the specific technology tools selected by each firm as well the required on-going system support to ensure that the tools continue to achieve the business objectives for which they are being used.

## HighView Wealth Practices Clients

The HighView technology platform is targeted towards the following Advisory Firm client groups:

- Investment Brokers
- Financial Planners
- Private Bankers
- Councillors
- Insurance Advisors





## Concord Technology

Concord's platform utilizes a flexible open architecture technology structure made available via an enterprise solution or through a hosted ASP environment. It is designed to provide a cost-effective means for your organization to enter the fee-based advisory market, or to enhance your existing wealth management offering.

- As an alternative to the expensive and often times slow and frustrating process of building a technology platform internally, we can provide you with a proven, full-service platform that is totally private-labeled to reflect your brand, sales processes, business policies and compliance requirements.
- Our platform is built on a J2EE framework using common industry-leading and open-source Web, application, and database components. The open architecture nature of our platform is extremely flexible and is tuned to provide high performance, flexible deployment, ease of integration, and future scalability. Modular in design, Concord's platform allows for the easy deployment of some or all of our products and services, depending on your needs.
- Concord's Dashboard is web-based and only requires a PC with 128Mb+ and 1+ GHz processor to use the system.
- Concord interfaces with many file-processing formats on a batch basis for direct data feeds from custodians, trust accounting software, and third-party CRM applications
- Concord is committed to providing a protected environment to ensure both complete data integrity and the highest level of data information security. We achieve this secure environment primarily through two key methods:
  1. Challenge/Response Authentication verifies each user and the information that each user is authorized to access.
  2. 128-Bit Secure Socket Layer (SSL) Encryption protects data as it moves across the Internet and makes it unreadable for unauthorized users. Concord uses this type of encryption as well as private keys from Verisign Corporation, the leader in Internet transaction security, to ensure the privacy of all information transmitted to or from your computers.

To maintain the integrity of our security systems, we conduct a series of security audits and vulnerability analysis on a regular basis.





## HighView Wealth Technology Benefits

Given that the HighView Wealth Technology solution has been structured to support the design, implementation and ongoing management of portfolios for clients, this platform will provide wealth management firms with the following benefits:

### **1. Enhanced Client Relationships**

As portfolios will be designed specifically to meet clients' goals, while addressing their tolerance for both income and capital loss, clients will feel as if their financial needs are being satisfied and that their portfolios are being managed to a high standard of care.

### **2. Improved Operational Efficiencies:**

The seamless integration of the key elements of the wealth management client experience – investor profiling, portfolio monitoring & reporting – provides for a greatly enhanced set of operational efficiencies.

### **3. Enhanced Investment Compliance**

The automation of the portfolio monitoring process against client Investment Policy Statements and firm investment management guidelines provides for a greatly enhanced set of investment compliance standards that not only meets regulatory requirements but also industry best practices.

### **4. Increased Fee Based Business:**

The vast array of investment products becomes simply a “means to an end”. Products become the “portfolio building blocks” that are available to each Investment Advisor. These building blocks are carefully selected for a specific portfolio purpose and subsequently utilized to help meet each individual client's unique investment objectives and risk tolerances. As a result, more time is spent by Advisors focusing on the “portfolio construction” matters that are closely aligned with client need. Given that this portfolio approach is highly aligned with client needs, there is a natural process that supports fee-based business whether it's on a managed or non-managed basis.

### **5. Increased Share of Client Wealth:**

Given that much of the wealth management industry remains “transaction” based, and that this portfolio approach is highly aligned with client needs, our experience is that trust and confidence can build quickly with clients, which typically leads to an increased share of each client's investable wealth.



# Contact

HighView is based in Bronte Harbour in Oakville, Ontario. The Town of Oakville is a beautiful community situated on Lake Ontario, just 30 minutes from Downtown Toronto.

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*Facilitating Excellence in the Management of Wealth™*

HighView Financial Group is comprised of the following businesses:

HighView Business Advisory Services Inc.

HighView Asset Management Inc.

Concord Canada Wealth Solutions Inc.

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