

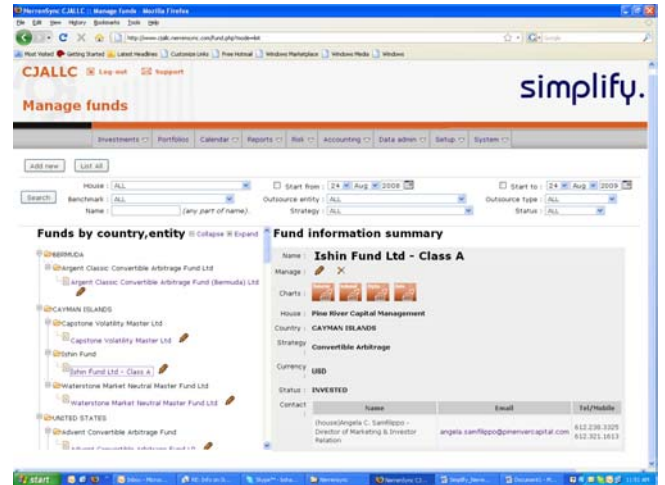


## PortfolioCentriX™ – Simplify Fund of Funds Management

Through **SIMPLIFY**'s pioneering Platform as a Service ("PaaS") model comes PortfolioCentriX™, the alternative investment industry's leading solution for:

- Multi-Currency Portfolio Management
- Due Diligence and Document Storage
- Fund of Fund Risk Reporting
- Calendar and Event Management
- Client and Prospect Reporting

PortfolioCentriX™ is 100% web-based solution, providing Fund of Fund Managers, Family Office, Wealth Managers, Marketers, Plan Consultants, Pensions and Endowments as well as Individual Investor a singular alternative to their portfolio and risk management, and due diligence needs.



### Featured Highlights

- Track all investment transactions, including subscriptions, redemptions, and transfers
- Full support for US Limited Partnerships and Offshore Class/Series funds
- Cash Management capabilities let you enter inflows and outflows, account for operational costs, sales costs, trade currencies, K-1, equalization and share and basis adjustments
- Understand your upcoming trading possibilities instantly with instant Liquidity Analysis. lets you know how far in advance you must make redemption requests, as well as how much cash you can redeem, execute mass or partial liquidations and produce manageable pro-forma cashflow schedules
- Consolidate and organize all your qualitative data: Limited partnership, share class and series details, investment terms, manager information, service provided, introducer data and fund documents are at your fingertips
- Perform detailed analysis on asset class, strategy, fund and manager level exposures
- Construct and manage model portfolios, tracking independently your real and theoretical books
- Custom define investment roles and managed specific fee and liquidity provisions for funds, side letters, side pockets and other tranche types
- Perform and Produce concise correlation and deviation analysis and reports
- Utilize Benchmark Analysis tools to compare funds against each other using quantitative measures, including the "greeks" (alpha, beta, etc.), risk ratios (Sharpe, Sortino, etc.), and more
- Managed underlying service provider and counterparty exposures
- Easy initialization and ongoing maintenance using Data import tools for easily leveraging legacy data and external data sources (e.g. Hedge Fund and Fund of Fund Databases, Excel and third-party accounting systems)
- Intuitive report building tool to create ad-hoc reports and access relevant data sorted, grouped, and filtered by any criteria users choose
- Secure online reporting, accessible from anywhere in the world
- Advanced search engine finds keywords in contact history, meeting notes, and document contents, and can find contacts by keyword, location, or relationship

## Key Benefits

- Streamline monthly NAV update and fund closing process onto a single system
- Store all information, correspondence, and documents in a central repository – accessible via the web – and link them to funds, managers, contacts, and others
- Track manager and fund contacts, roles, and communication preferences to ensure the right person receives the right correspondence via their preferred channel
- Custom define, benchmarks, groups and correlations to produce vivid reports on the fly and easily distribute them.
- Easily export data to MS Excel™, Adobe PDF™, and other file format such as CSV, TXT or XML
- Allows fund of funds managers and investors to track both their liquidity and investment liquidity at the individual transaction, or class or series or tranche level.
- Keep manager meeting diaries and notes online and due diligence activities from falling through the cracks with firm wide calendars, reminders, tasks, and follow-up flags all custom defined by the user.
- Import performance data from Excel and third-party databases (Hedgefund.net, HFR & Eurekahedge)
- View end-of-period account balances for funds and investments, and how contributed capital has appreciated over time; visually compare account performance with one or more indices or from to investment to investment, portfolio to portfolio

**Portfolio fund holdings and returns**

Modify fund return estimates (coloured titles) | View fees, contacts, stats | Export to Excel/CSV

Fund Name	Benchmark	Strategy	YTD	Assets (\$)	(%)	Income	Jul09: 6 Funds	(%)	Returns	Jul09: 2 Funds	(%)
Investcorp Silverback Opportunistic Convertible - Class A Unrestricted	NONE found!	Convertible Arbitrage	19.76%	26,983,353	46.5	0.00%	26,983,353	46.5	19.76%	22,531,190	42.9
Waterstone Market Neutral Master Fund Ltd	NONE found!	Equity Market Neutral	0.00%	12,912,000	22.2	0.00%	12,912,000	22.2	7.60%	0	0.0
Permal Hedge Fund Opportunities II Ltd - Class A	NONE found!	Convertible Arbitrage	0.00%	7,500,000	12.9	0.00%	7,500,000	12.9	0.00%	0	0.0
Lazard Convertible Opportunities SPC	NONE found!	Convertible Arbitrage	0.00%	4,503,600	7.8	0.00%	4,503,600	7.8	0.00%	0	0.0
John Fund Ltd - Class A	NONE found!	Convertible Arbitrage	0.00%	3,152,385	5.4	0.00%	3,152,385	5.4	5.08%	0	0.0
JP Morgan Cash Management C&I Arb Fund	NONE found!	Cash Management	0.00%	3,000,000	5.2	0.00%	3,000,000	5.2	0.00%	30,000,000	57
<b>CALCULATED</b>				<b>Totals:</b>	<b>58,051,338</b>	<b>100.0%</b>	<b>58,051,338</b>	<b>100.0%</b>	<b>19.76%</b>	<b>52,531,190</b>	<b>10</b>
<b>PORTFOLIO</b>				<b>Actual:</b>	<b>25.02%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>10.91%</b>	<b>N/A</b>	

**Portfolio strategy attribution**

Export to Excel/CSV

Strategy	YTD	Assets (\$)	(%)	Income	Jul09: 6 Funds	(%)	Returns	Jul09: 2 Funds	(%)	Returns	May09: 1 Fd
Convertible Arbitrage	12.65%	42,139,338	72.6	0.00%	42,139,338	72.6	13.03%	22,531,190	42.9	0.00%	
Equity Market Neutral	0.00%	12,912,000	22.2	0.00%	12,912,000	22.2	7.60%	0	0.0	0.00%	
Cash Management	0.00%	3,000,000	5.2	0.00%	3,000,000	5.2	0.00%	30,000,000	57.1	0.00%	50.00%

**Portfolio fund attribution**

**Portfolio details**

**Portfolio performance**

**Latest accounting period summaries in portfolio currency [USD]**

Excel/CSV | Transfer data to front end from (May 2009)

Select	Period	Status	Transact	Info	Fund subscriptions	Fund redemptions	Closing balance
	Aug 2009	OPEN	0		\$0.00	\$0.00	\$9,143,435.37
	Jul 2009	CLOSED_SOFT	5		\$27,000,000.00	\$27,000,000.00	\$58,051,327.90
	Jun 2009	CLOSED_SOFT	2		\$20,000,000.00	\$20,000,000.00	\$32,531,189.80
	May 2009	CLOSED	1		\$50,000,000.00	\$0.00	\$50,000,000.00

**Fund transactions in active period [Jul 2009]**

ADD a transaction | Excel/CSV

EDR	Create date	Transaction	Fund	Series/Lot	Original series	Currency	Cross rate	Units	Unit NAV	Total value	Equal
	3-Aug-2009	Initial subscription	John Fund Ltd - Class A	200907		USD	1	3,000.00	\$1,000.00	\$3,000,000.00	
	3-Aug-2009	Redemption	JP Morgan Cash Management C&I Arb Fund	NA		USD	1	27,000,000.00	\$1.00	\$27,000,000.00	
	10-Aug-2009	Initial subscription	Lazard Convertible Opportunities SPC	200907		USD	1	45,000.00	\$100.00	\$4,500,000.00	
	3-Aug-2009	Initial subscription	Permal Hedge Fund Opportunities II Ltd - Class A	200907		USD	1	7,500.00	\$1,000.00	\$7,500,000.00	
	3-Aug-2009	Initial subscription	Waterstone Market Neutral Master Fund Ltd	200907		USD	1	56,125.35	\$181.47	\$12,000,000.00	

**Fund pricing data for active period [Jul 2009]**

EDIT all valuations | Excel/CSV

EDR	Fund	Currency	Series/Lot	Returns %	Theory return %	NAV/price	Equalisation	Status
	JP Morgan Cash Management C&I Arb Fund	USD	ALL	0.00	0.00	(H) \$1.00	Ltd. Partnership	ESTIMATE
	John Fund Ltd - Class A	USD	200907	5.08	0.00	(H) \$1,050.80	Series account	ESTIMATE
	Lazard Convertible Opportunities SPC	USD	200907	0.00	0.00	(H) \$100.08	Series account	ESTIMATE
	Permal Hedge Fund Opportunities II Ltd - Class A	USD	200907	0.00	0.00	(H) \$1,000.00	Series account	ESTIMATE
	Investcorp Silverback Opportunistic Convertible - Class A Unrestricted	USD	200906	19.76	7.12	(H) \$1,349.17	Series account	ESTIMATE

## Charting & Reporting

### Analytic reports include:

- Profit and Loss
- Transaction Blotters
- Strategy Exposure – Snapshot (current)
- Strategy Exposure – History (by month)
- Bet Size Exposure – Snapshot (current)
- Bet Size Exposure – History (by month)
- House (Manager) Exposure – Snapshot (current)
- Outsourcer Exposure – Snapshot (current)
  - By Prime Broker, Administrator, Custodian, Auditor, Lawyer & Leverage Provider
- Liquidity Exposure – Snapshot (current)
  - Bucketed: 1-30 Days, 30-90 Days, 90-180 Days, 360+ Days
- Number of Underlying Funds – History (by month)
- Returns by Benchmark – History (by month)
- Indexed Returns by Benchmark – History (by month)
- Drawdown Analysis
- Rolling Annual Return vs. Benchmark – History ( by month)
- Rolling Annual Std. Deviation vs. Benchmark – History ( by month)
- Rolling Annual Modified VaR (95% confidence) vs. Benchmark – History ( by month)
- Rolling Annual Sharpe Ratio vs. Benchmark – History ( by month)

### Due Diligence reports include:

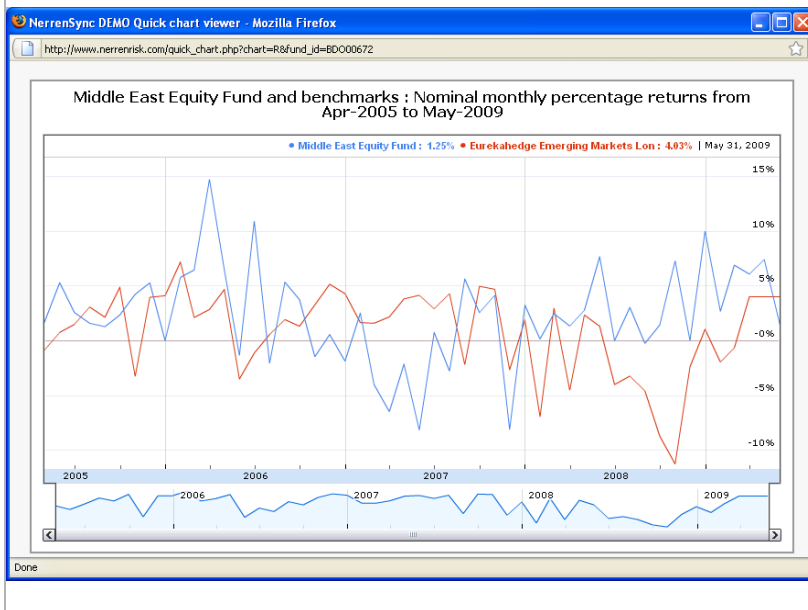
- Fund Quantitative Analysis
- Fund Contact Details
- Due Diligence
- Manager Meeting Report

### Charting Analysis

- By Fund
- By Fund Group
- By Select Portfolio
- By Scenario
- Versus Benchmark

### Available Chart Types:

- Nominal Return
- Return Histogram
- Index Returns
- Scatter Plotter with Trend
- Rolling 12 month Correlation
- Rolling 12 month Beta
- Rolling 12 month Alpha
- Rolling 12 month Omega (T=0)
- Rolling 12 month Standard Deviation
- Rolling 12 month VaR at 95% Confidence
- Drawdown Analysis



Metric	Gold Traded Fund	Emerging Markets	Emerging Markets	Emerging Markets	Test
Total return :	31.13%	13.46%	-4.99%	-7.21%	-7.03%
Annual return :	31.13%	13.46%	-4.99%	-7.21%	-7.03%
Ann. Standard deviation :	30.94%	3.03%	8.12%	7.31%	24.39%
Percentage positive months :	55.23%	83.33%	75.00%	41.67%	66.67%
Correlation :	100.00%	34.36%	1.41%	-7.89%	25.12%
(sp) Correlation :	100.00%	-48.95%	4.47%	-1.89%	39.95%
Down Correlation :	100.00%	64.30%	-0.02%	-49.83%	37.93%
Worst month :	-18.12%	-0.23%	-4.13%	-4.86%	-14.22%
Max. drawdown :	-18.12%	-0.23%	-10.36%	-12.70%	-18.99%
Return/Risk :	1.01	3.82	-0.61	-0.96	-0.29
Sharpe ratio(M=4, S=5) :	0.24	0.53	-0.39	-0.52	-0.22
Sortino ratio(M=4, S=5) :	0.44	2.80	-0.36	-0.46	-0.34
Ann. Up standard deviation :	22.74%	3.05%	1.34%	1.42%	13.09%
Ann. Down standard deviation :	22.87%	0.80%	6.63%	5.86%	20.79%
Modified value at Risk(95%) :	21.53%	2.85%	5.57%	4.41%	15.47%
Modified value at Risk(99%) :	27.44%	2.94%	6.83%	5.36%	18.34%
Omega(Breakhold=0) :	2.39	30.22	0.00	0.47	0.07
Skewness :	-0.88	0.22	-1.86	-1.02	-0.96
Kurtosis :	1.62	-1.29	2.81	0.25	-0.14
Mean :	2.65%	1.94%	-0.40%	-0.40%	-0.17%
Auto correlation coeff (3m) :	-0.25%	0.01%	0.49%	0.12%	-0.18%
Alpha :	0.00%	1.02%	-0.42%	-0.39%	-0.89%
Beta :	1.00%	0.02%	0.01%	-0.02%	0.20%

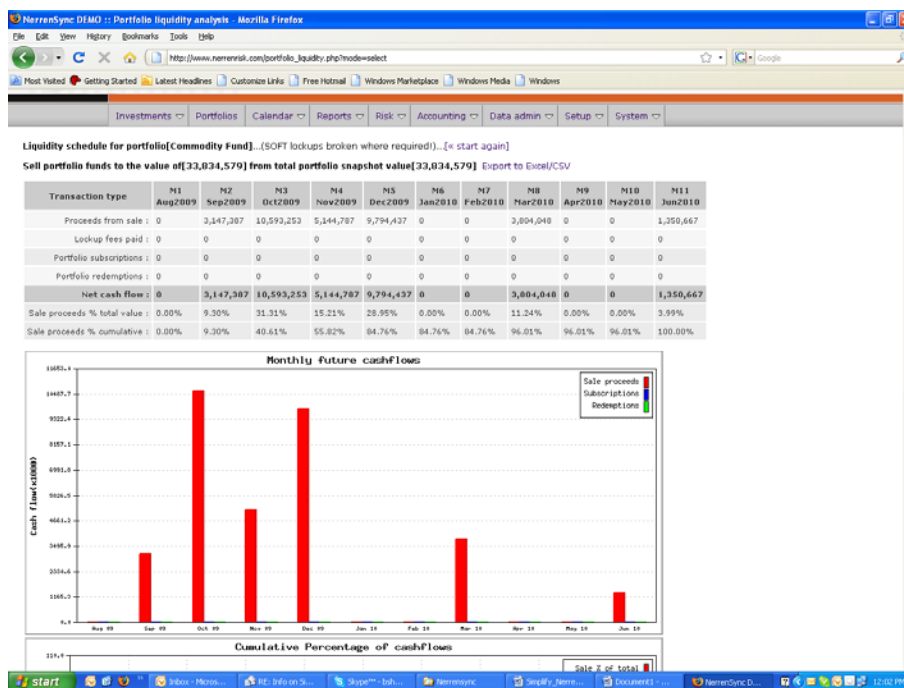
## Liquidity Analysis

Simplify's PortfolioCentriX™ solution allows users to track liquidity at the individual transaction, class, series or tranche level, and report on aggregate liquidity at the portfolio, fund or house level.

Store all Liquidity terms including lockup, notification period, redemption fee, hold back, and redemption period (e.g. annual, quarterly, etc.). In addition, an interactive liquidity calendar can be used to apply different liquidity terms to different periods, allowing users to track gates, holdbacks, and other complex terms.

Analysis Features Available include:

- **Assets by Notice Date** report can show investor liquidity, in aggregate, for each of your products or funds.
- **Liquidity Scenarios** This report offers an overview of account liquidity. It is useful for understanding when investor accounts will become liquid. For fund of funds managers, this report can also be used to understand when portfolio investments will become liquid or how illiquid it may be.
- **Liquidity Scenarios** report enables you to compare the liquidity of your portfolio provide versus underlying investments. **Holding Liquidity** report offers a long-term view of your portfolio liquidity, and features a useful graphical representation of the data and pro-forma cashflow schedule.
- **Liquidity Opportunities** report is useful for understanding when you can liquidate each of your investments, and, if necessary, how you could unwind the entire portfolio. It shows earliest possible redemption for each holding or individual transaction, and can be configured to show different liquidity considerations, including redemption fees, gates and side pockets.



## Technology & Services

- Fully Java J2EE compliant
- Microsoft and MAC compatible
- MS Office Compatible
- Hosting is fully SAS 70 Type I & II certified
- Nightly Backups
- 24x7x365 access with 99.8% uptime reliability

## FAQ

### **Is Simplify/PortfolioCentriX™ is right for my firm?**

- PortfolioCentriX™ is a complete fund of funds management platform for tracking multi-manager portfolios and research, integrated with complete portfolio analytics and reporting capability. It is intended for fund of funds managers and other investment organizations that manage multi-manager portfolios, including banks, family offices, consultant, pensions, and endowments.

### **What type of firms use Simplify/PortfolioCentriX™?**

- PortfolioCentriX™ is currently used by fund of funds managers and other organizations throughout Europe and the Mid-East, including banks family offices, consultant, pensions, and endowments, even high net worth individuals

### **I'm currently tracking everything in Outlook and Excel, what else do I need?**

- Outlook and Excel are a common solution for managing investment and fund of funds portfolio information, and while they offer the basic features to get the job done, they are missing the benefits of professional level software. PortfolioCentriX™ provides the following advantages over merely using Outlook and Excel:
- Comprehensive portfolio management and accounting system with built-in support for booking and tracking trades, income and expense events, pricing, liquidity, exposure, and more.
- Better access to your vital research information, with integrated qualitative and quantitative data, advanced search functionality, and compatibility with leading database providers.
- Integrated view of risk; saving you the time and frustration of manually producing complex models.

### **What kind of hardware do I need to buy?**

- None, the Simplify /PortfolioCentriX™ solution is 100% web-based, which means that we host the software, and store your data, on our enterprise-class servers at our secure hosting facility. There is no additional hardware or software for you to purchase or maintain. All you need is a laptop and an internet connection.

### **Is the platform secure enough to store my firm's sensitive data?**

- Yes, all Simplify solutions including PortfolioCentriX™ reside in a security infrastructure that would be out-of-reach for most organizations or individuals to deploy on their own.
- Our servers are housed in a world-class hosting facility that provides physical and network security. Security personnel monitor the system 7 days a week, 24 hours a day. Access to our servers requires multiple levels of authentication, including biometrics (hand print scan) procedures.
- When clients connect to Simplify from their office, or anywhere else, all information is transmitted in encrypted format, utilizing the Secure Socket Layer Security (SSL) protocol and 128-bit Advanced Encryption Standard (AES) algorithm.

### **Can I get my data?**

- Of course, data belongs to our clients. Our solutions offer a variety of ways for you to access and utilize your information locally. In addition to the "Export to Excel" buttons on data tables throughout the application, any housed data can easily be extracted and delivered from the database in which they reside.
- Further our system allow for full security and data segregation. Each system is fully multi-tenant designed, just like Salesforce.com™ and each client operates with zero knowledge of another.

### **Why is PortfolioCentriX™ only offered as a web-based solution?**

- PortfolioCentriX™ was designed specifically for fund of funds managers and other collective scheme or fund investors. We know that our clients' goal is to deliver maximum value to their investors, so they don't need to be distracted with the hassles of maintaining additional hardware or software.
- Additionally, on-demand software delivery allows us to solution cheaper and upgrade to our client faster.

### **Can I migrate easily from my current system?**

- Yes, Simplify has tremendous experience migrating customers from a wide variety of applications. We have developed automated conversion tools for many applications, and we have the in-house expertise to handle migration from nearly any proprietary legacy system.

### **Does PortfolioCentriX™ integrate with my hedge fund database provider?**

- PortfolioCentriX™ is integrated with several leading database providers, including, Hedgefund.net, Eurekahedge, and Hedge Fund Research. A qualified license from the database vendor is required to for access within PortfolioCentriX™.

## FAQ - Continued

### **Will I be able to interface with my administrator?**

- Yes, while not all administrator as pre-defined, the ability to import trades, NAV and other activity is already a part of the system.
- In addition the ability to extract data for delivery to administrators, auditors and other service providers is done via existing data extraction utility

### **How long does it take to implement PortfolioCentriX™?**

- Most firms are able to start using Simplify's PortfolioCentriX™ platform for day-to-day client operations within 4-6 weeks.
- Implementing investor account and portfolio information can take longer, and varies due to a variety of factors, including the number and age of the firm's products, and the availability/accessibility of historical data.

### **What are Simplify's support Hours?**

- Simplify support representatives are available to answer your usage and implementation questions from 8:00am – 6:00pm Eastern Standard Time. IT support personnel are on-call 24x7 to respond to any issues that may be reported by our automated server and network monitoring systems.

### **How much does access cost and how long do I have to sign up for?**

- Access to PortfolioCentriX™ costs a flat **\$500 per month per user**. There are no basis points, no minimum users, and no limits on number of funds or per fund charges and no transaction costs. A flat \$500 per month per person is all it takes.
- Clients are not required to license or buy software of any kind.
- Access is available on a month to month subscription basis, which can be terminated at any time and for any reason.
- Users can easily be added or removed on a monthly basis with no connection or termination cost.

## **For More Information or to Schedule a Demonstration Contact:**

### **Simplify – United States, Canada & South America**

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