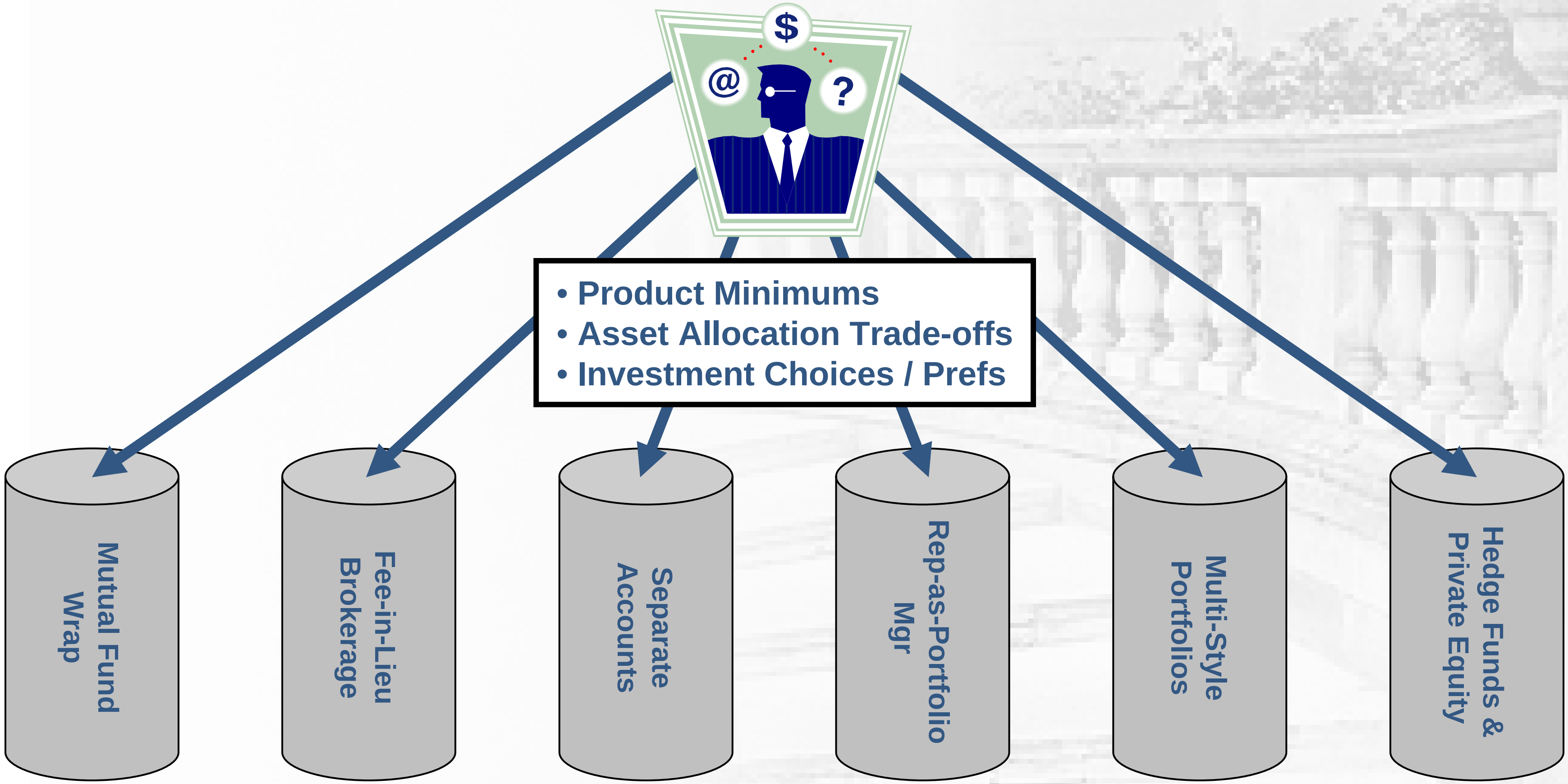
Managed Investment Solutions-

The Next Wave of Growth

Lee Chertavian
Chairman & CEO
Placemark Investments, Inc.
March 16, 2006

Investment Consulting – Product Focused



Silos defined by Different Accounting Systems, Trading Systems, Marketing Materials, Suitability/Proposal Process, Broker Tools, Client Reports, and Product/Service Fees& Processing

What's the Consumer Want?

Investors are Least Satisfied with The following Brokerage Services:

3. *"Teaching how to make better investment decisions."*

2. *"Monitoring accounts and suggesting changes."*

1. *"Helping manage **all** financial-asset needs."*

Annual SIA Investor Survey:
Attitudes Toward the Securities Industry
November 4, 2004

The Paradox: What Do Clients Want?

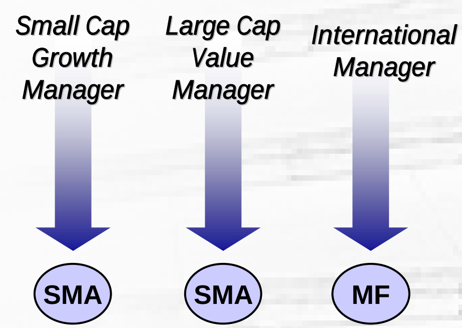
"People don't want to buy a quarter inch drill bit. They want a quarter inch hole."

-- Theodore Levitt, Harvard Business School

Clients don't care what route we take….. they only care about the destination!

Fee-Based Product Roadmap

Separately Managed Account



Selling Points

Access to Managers

Tax Efficiency

Customization

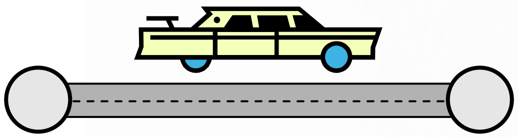
Reality

Operational Complexity

Limited Tax Mgmt

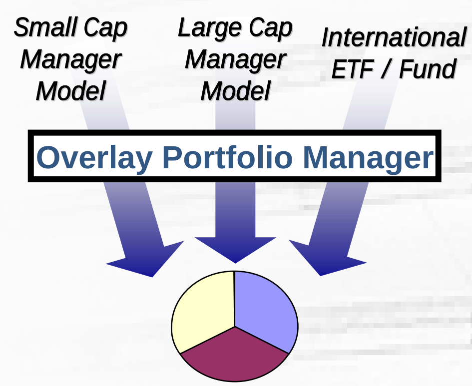
Little Customization

Fee-Based Product Roadmap



Separately Managed Account

Unified Managed Account



Unified Managed Account

Selling Points

One Account

Automated Services

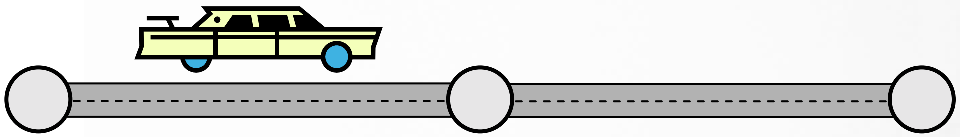
<u>Real</u> Customization

Reality

Limited Products

Trading Concerns

Fee-Based Product Roadmap

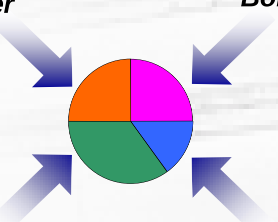


Selling Points

Better Allocations

Broker Participation

Better Client Service

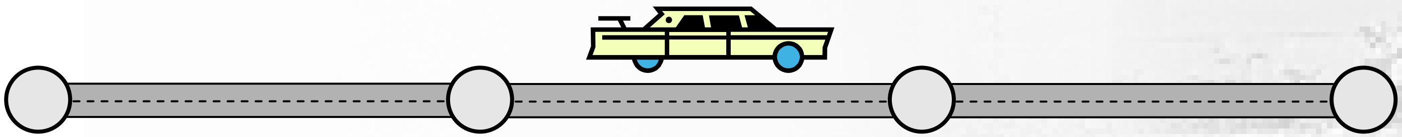


Reality

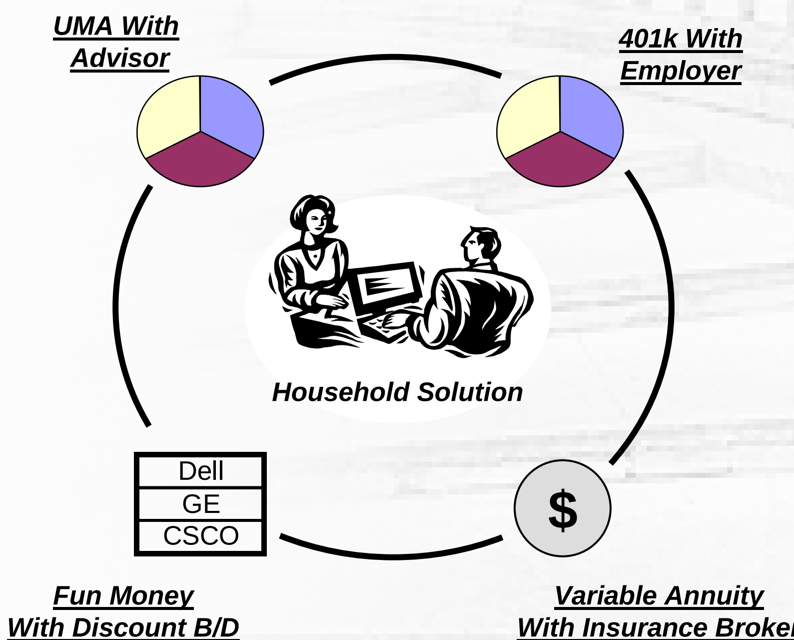
"Account" Focused

"Investment" Focused

Fee-Based Product Roadmap



Separately Managed Account | **Unified Managed Account** | **Expanded UMA** | **Unified Managed Household**



Selling Points

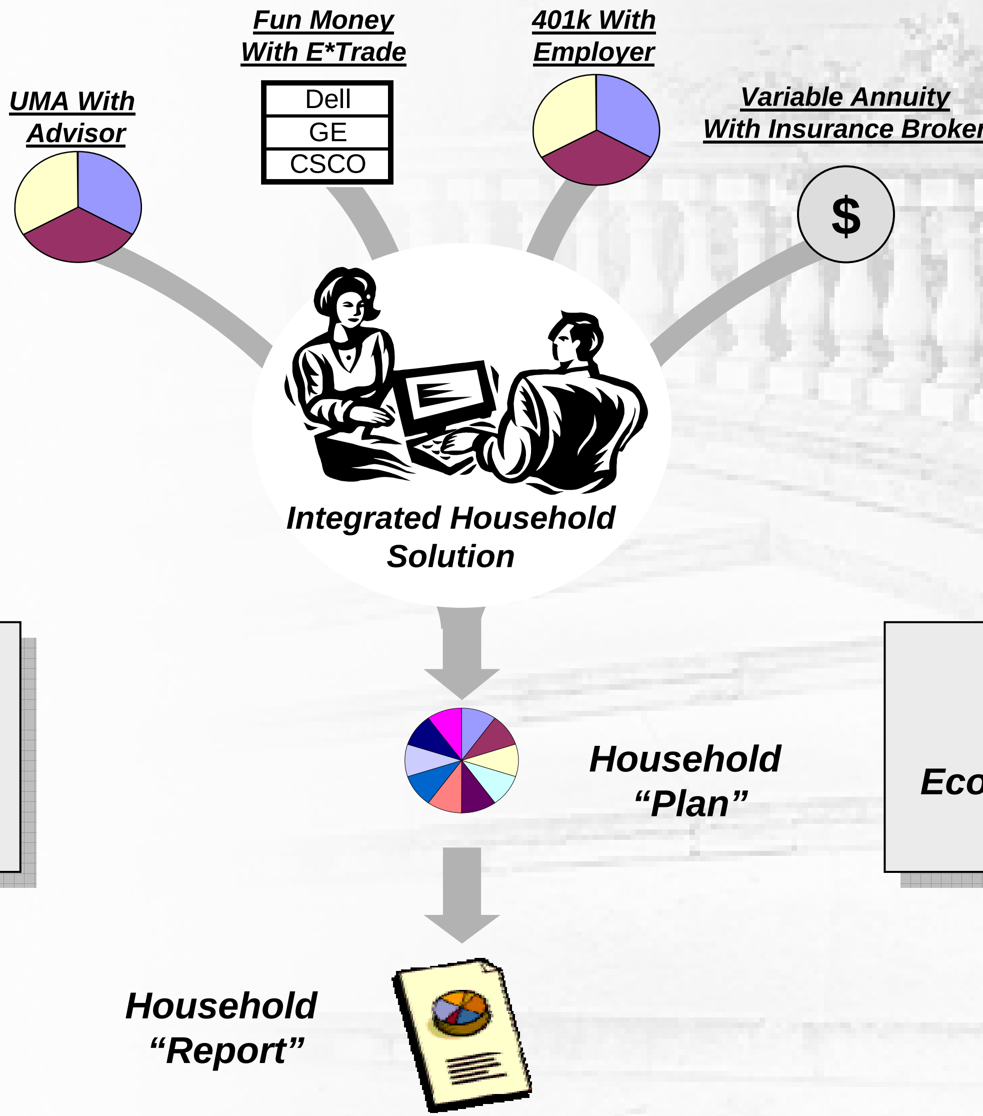
Nirvana

Reality

Concept, not Reality

Requires Massive Industry Evolution

The "Shallow" UMH



Selling Points

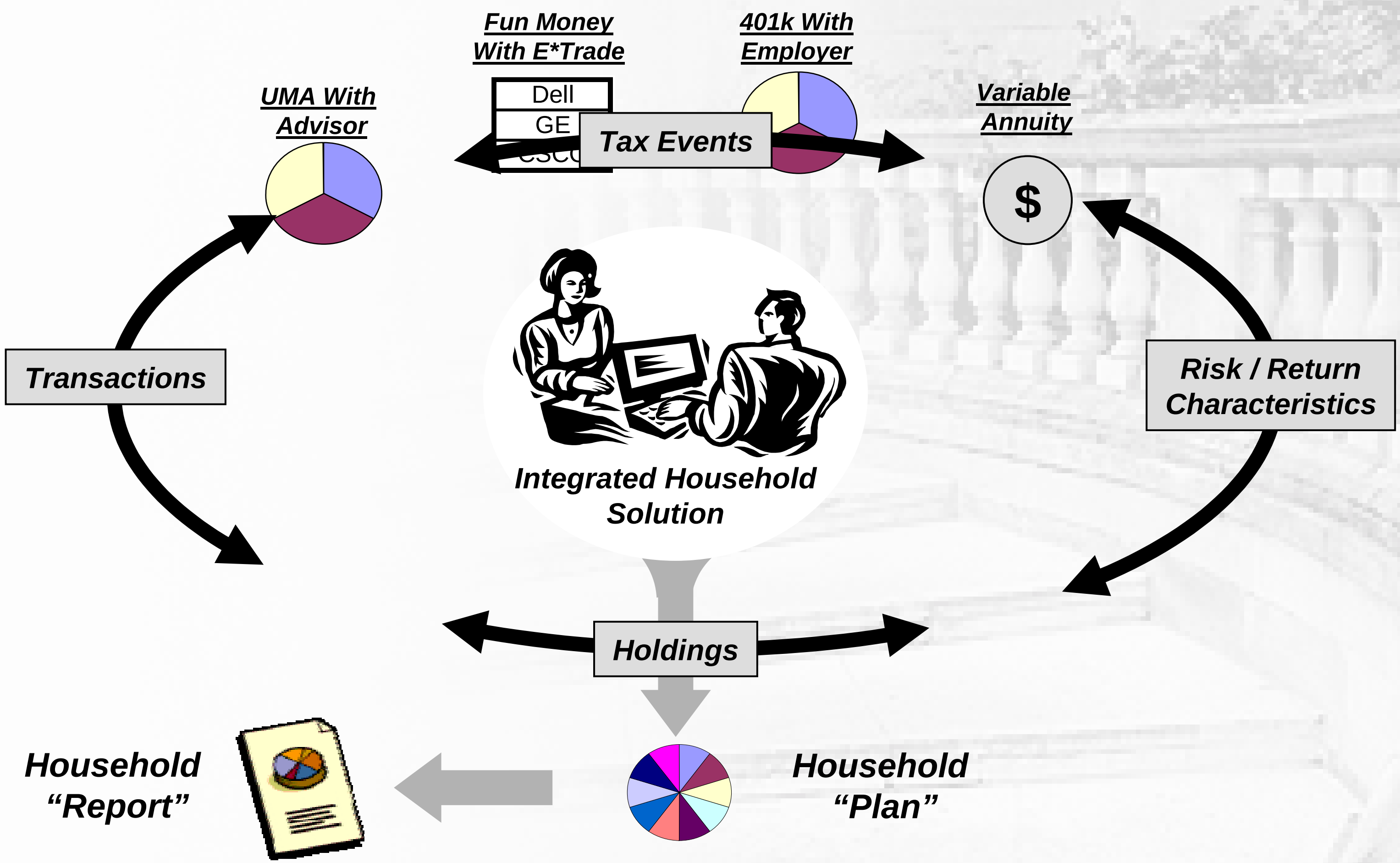
Comprehensive Solution

Reality

No Integrated Management

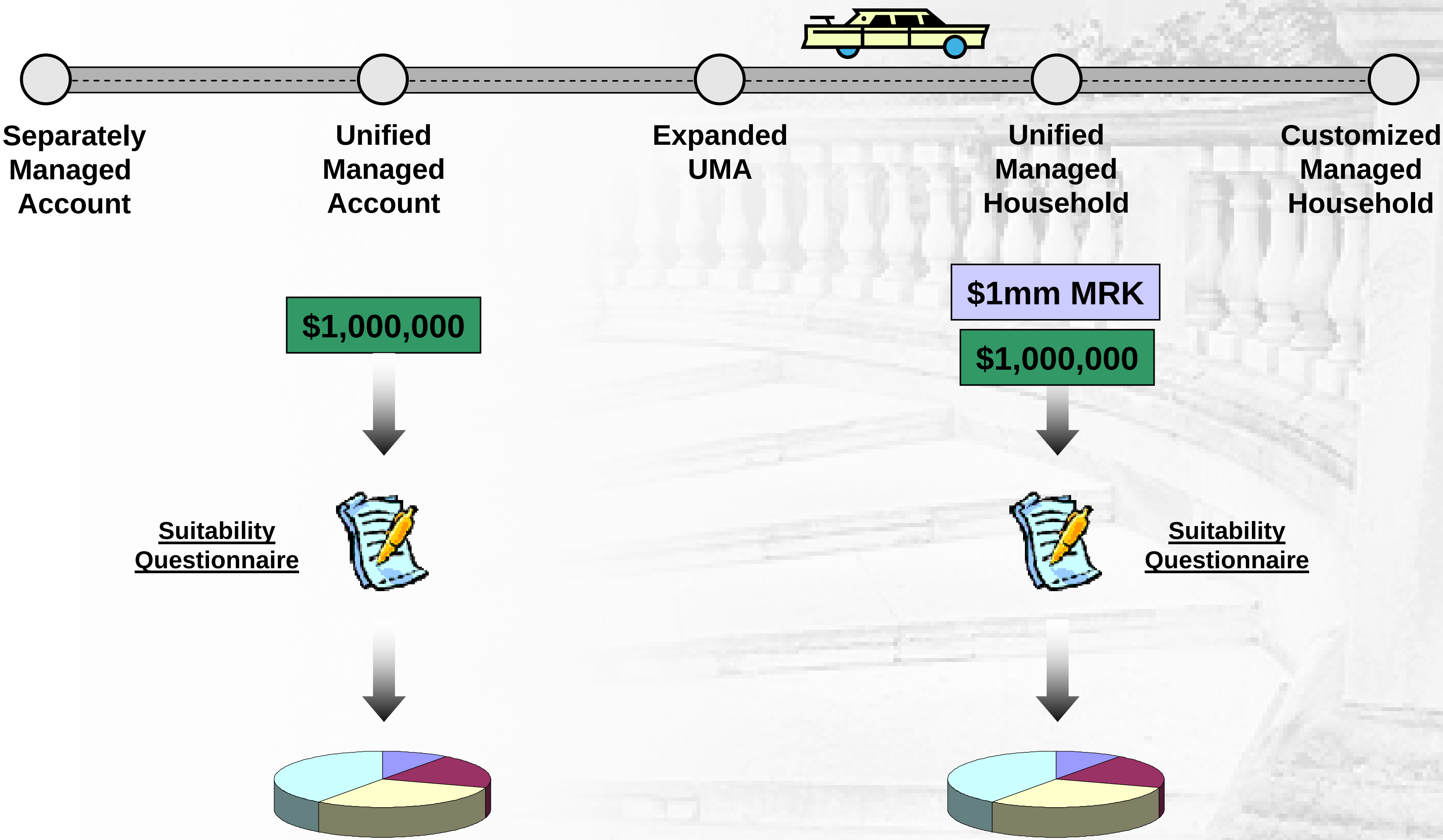
Economic Incentives for Advisor

The “Deep” UMH



A Unified Managed Household must dynamically and continuously integrate the management of a client’s disconnected products and accounts.

Fee-Based Product Roadmap



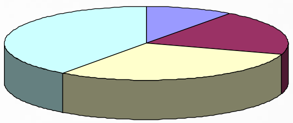
Fee-Based Product Roadmap

Separately Managed Account → Unified Managed Account → Expanded UMA → Unified Managed Household → Customized Managed Household

Unified Managed Account

$1,000,000

Suitability Questionnaire

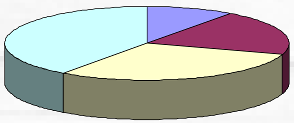


Unified Managed Household

$1mm MRK

$1,000,000

Suitability Questionnaire



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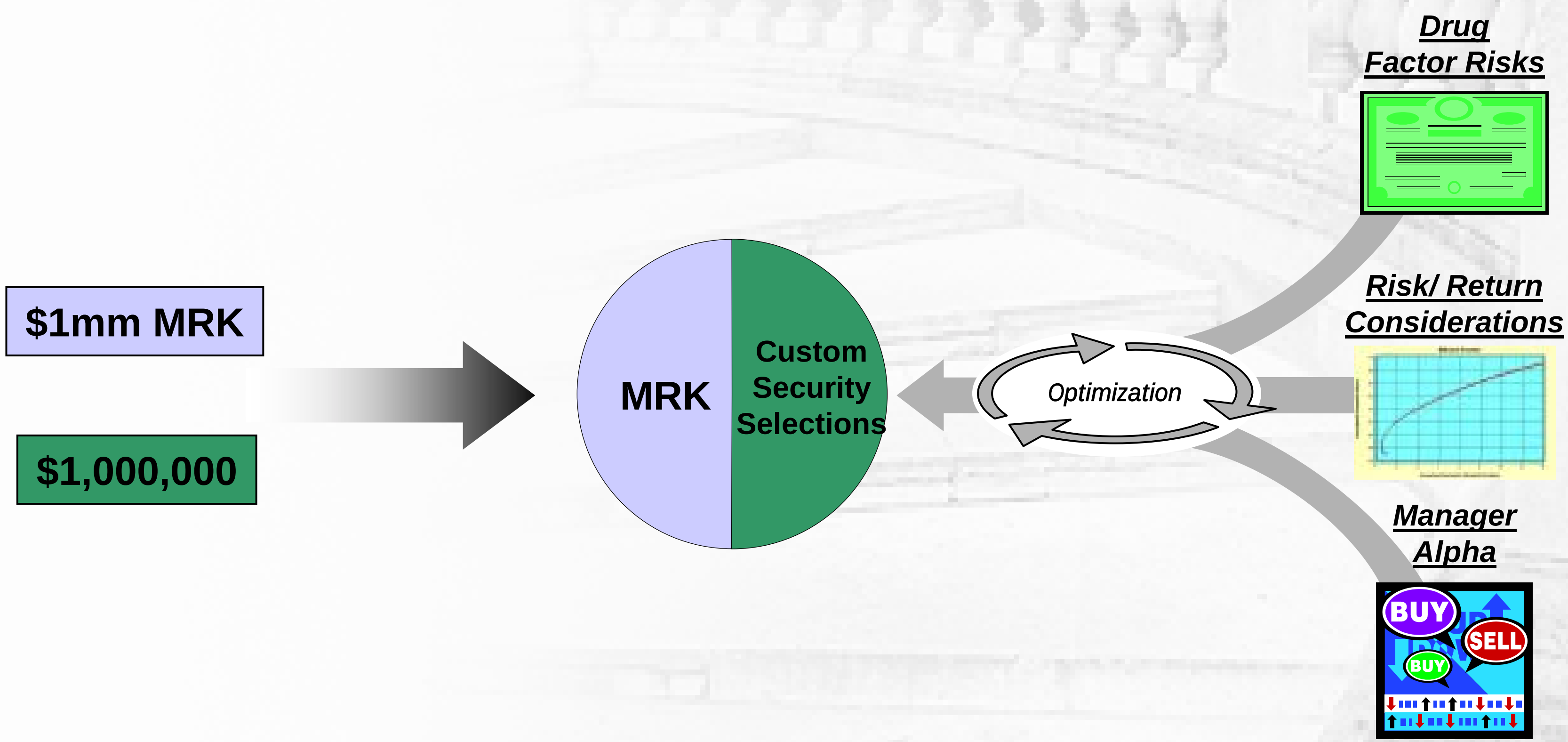

The Future

- It's About the Client and Meeting His/Her Needs
  - Financial "Solutions"
  - Customizing Solutions Specific to Needs
  - Handling ALL Their Investments
- Each Player in the Role They do Best
  - Money Manager – Investment ideas
  - Overlay Manager – Coordination, administration
  - Advisor/Distributor – Client service, communication, planning