

ENVESTNET

Leverage your expertise. Streamline your business.

As a financial advisor, you bring invaluable resources to the ongoing responsibilities associated with planning and managing your clients' investment strategies. When you incorporate the Advisor Directed tool into your practice, you'll have a robust set of portfolio management capabilities at your disposal:

- > Build and manage your own portfolios from the ground up
- > Use existing models or adapt them to your own parameters
- > Streamline the maintenance of your models and client accounts
- > Customize investment solutions to better meet your clients' unique needs
- > Ease your administrative burden with comprehensive performance reporting and billing

Investnet's Advisor Directed enables you to combine the advantages of outsourced investment management with the control of self-managing your own advisor-directed portfolios. Coordinated through the integrated Investnet platform, this complex process is made much easier, more efficient, and more effective.



ADVISOR DIRECTED: STREAMLINING YOUR BUSINESS

Create, maintain, and implement custom portfolio models

A proven methodology...sophisticated management tools...customized investment solutions...the Envestnet platform brings it all together.

Of course, with Envestnet's Advisor Directed, you'll always have the support of a team of experts dedicated to guiding you through this process, ensuring a seamless transition and full immersion in this flexible and powerful portfolio management process.

1 > Define Your Portfolio Model

The platform offers the following range of solutions to assist you in building your own distinctive models:

- Build custom models manually from the ground up
- Build from a preset asset allocation developed by PMC*
- Build from an existing model or a targeted allocation along the efficient frontier
- Build from current positions in an existing client account
- Build from an imported Excel or CSV file

Envestnet Advisor Directed makes it simple: online prompts guide you at each stage, enabling you to describe and define the properties of your model, from naming the model and assigning an investment minimum to setting a tax-efficiency target and choosing a benchmark market index.

2 > Determine Your Model Asset Allocation

Once your target allocations have been set, you can begin selecting investments from an extensive list of securities within a specific style category. Then, you determine the desired allocation percentage for each security within the targeted range pertaining to that investment style.

3 > Create Client Portfolios

In this final step, a summary of your model is finalized, detailing the asset allocation profile as well as the specific securities and sectors selected. After you have reviewed and confirmed this model summary, you are ready to begin assigning clients to your new model.

For added convenience and flexibility, existing models can be used as a basis for new models, allowing for the modification of existing properties and positions.

ENVESTNET ADVISOR DIRECTED

Advanced capabilities at your fingertips

The Advisor Directed option gives you access to a robust menu of sophisticated online tools that streamline the process of managing client accounts:

Rebalancing and Liquidity Tools — automatically display recommended trades, enabling you to make portfolio decisions, modify trades, and exclude accounts as you see fit. Advanced functionality allows you to harvest gains and losses, set up trading rules for individual accounts, or liquidate accounts, as well as modify models by adding alternatives, modifying positions, and updating default percentages.

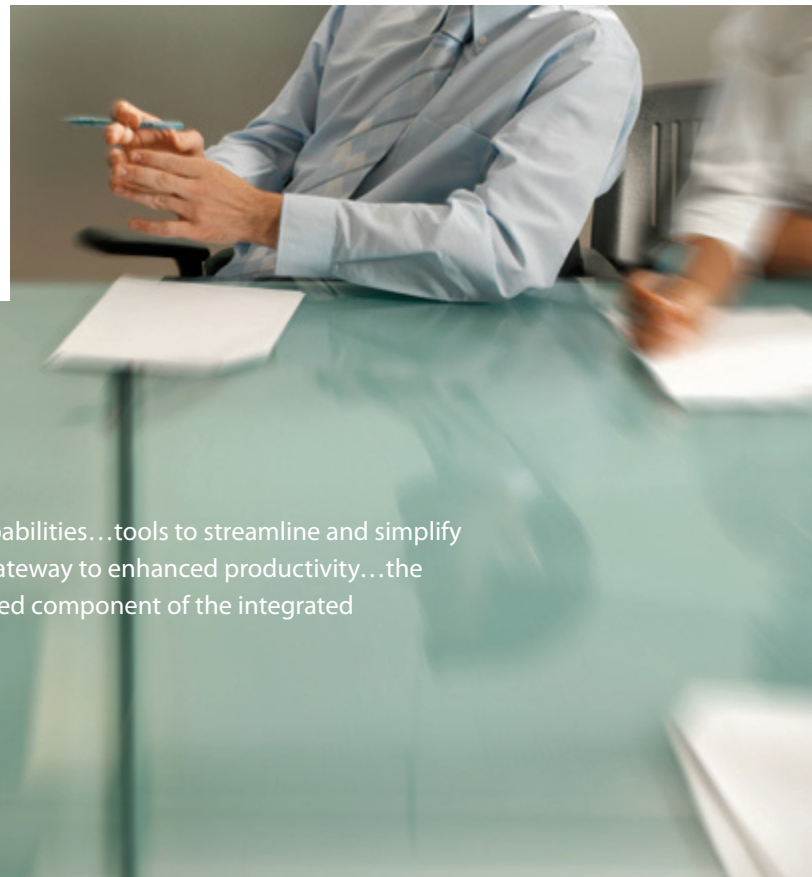
Account-Level Security Restrictions — let you safeguard client accounts by assigning account properties, setting cash restrictions, or restricting specified stocks from selected client portfolios. The system automatically sells any holdings of a restricted security during the next advisor-directed portfolio rebalancing and blocks the purchase of that security going forward.

Trading Tools — allow you to list trades and execute them with the click of a button. Through Envestnet's state-of-the-art trading system, trades can be managed with relatively little effort. In addition, you can set up alternate holdings for models, which means you can manage multiple accounts with one model and make adjustments for individual account-level customization.

Sophisticated Alert System — sends automatic notification when cash or positions have been received and when trades have been received and executed by the custodian. If a client is restricted from holding a particular security, an automatic replacement option suggests alternatives.

Investment Range — may include mutual funds, stocks, and exchange-traded funds to offer added diversification to your model portfolios.

Integrated Administrative Functions — provide comprehensive performance reporting and client billing. You can view quarterly performance reports online and give clients direct access to their statements, as well as the ability to download statements if they wish.



Comprehensive asset management capabilities...tools to streamline and simplify account administration...one central gateway to enhanced productivity...the Advisor Directed option is a highly valued component of the integrated Envestnet platform.



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