



ENHANCEMENTS TO ADHESION'S WEALTHADV UMA PLATFORM REINFORCE MARKET LEADERSHIP; EMPHASIZE INVESTMENT TRANSPARENCY, CLIENT REPORTING AND PAPERLESS WORKFLOW

February 26, 2009- Charlotte, NC – Adhesion Wealth Advisor Solutions today announces the availability of the 3.0 release of the WealthADV Unified Managed Account (UMA) platform. The enhancements contained in this release revolve around the central themes of providing greater visibility and transparency for UMA-based investment programs and enhanced administrative efficiencies for advisors.

“We are quite enthusiastic about the beneficial impact to our investment advisor clients from this significant set of enhancements,” states Michael Stier, Adhesion’s President and CEO. “While investment transparency and administrative efficiency have always been important criteria for our platform and our advisors, recent events and market turmoil has only heightened their importance. We are proud to be at the leading edge of these efforts in our industry.”

The set of WealthADV UMA enhancements can be summarized as follows:

- **Manager/ Sleeve level inquiry and reporting**
 - Full visibility to holdings, activity and performance associated with each UMA manager/ sleeve.
- **Advisor – Client Workflow Automation**
 - Customizable client risk profile questionnaires;
 - Associating advisor-defined asset allocation strategies to client risk profiles;
 - Generating client asset allocation proposals, with paperless workflows for client approval and UMA enrollment;
- **Advisor – Overlay Manager Workflow Automation**
 - Researching and selecting managers/ products with which to implement asset allocation strategies;
 - Paperless workflow for enrolling client accounts;
 - Paperless workflow for changing UMA program attributes (e.g., model changes, manager hire/fire/reweights, account parameters);
 - ‘Overlay Dashboard’ - Online monitoring of account lifecycle, communication with overlay team and an integrated messaging framework for immediate alert notifications;
- **Tax Management Accounting**
 - Tax lot matching between overlay tax management and the portfolio accounting / reporting platform;

Until now, significant hurdles impeded the migration of client assets by advisors into Unified Managed Accounts, including:

- The lack of granular manager visibility upon compressing separate accounts into one. While advisors clearly see the benefits afforded from UMAs, some advisors have resisted the approach due to their inability to evaluate and report on the performance of individual managers which comprise the UMA allocation. Manager/ sleeve level reporting for UMAs removes that issue.
- The disconnect of current TAMPs providing tax overlay management services from the advisor’s core portfolio accounting and reporting operation. This critical gap has been largely overlooked by the industry. Tax overlay management decisions are typically made in vacuum, with the advisors portfolio accounting system never updated to accurately match lots with those sold by the overlay manager. This causes taxable gain/loss information to be out of synch with the overlay manager and tax-aware rebalancing decisions to be subsequently compromised



“To address these hurdles we’ve introduced a state-of-the-art manager trade-tagging system that ensures all positions, down to the tax-lot level are associated with their respective manager, even when multiple managers hold the same security,” comments Barrett Ayers, SVP of Product Management. “As a result, not only do advisors now have the flexibility to monitor their UMA-based investment programs at the level of granularity they deem appropriate for their practice, but are able to maintain the integrity of the tax management and reporting they provide their clients.”

This new WealthADV release will be available to Adhesion clients in a phased manner starting in March.

For firms wishing to get an advanced preview of these WealthADV enhancements, Adhesion will be unveiling the release at the Technology Tools for Tomorrow conference in Dallas on Feb 26th. Visit Adhesion in booth 26.

About Adhesion Wealth Advisor Solutions

Adhesion has been delivering wealth advisor solutions since 1999. Its WealthADV platform is a comprehensive Managed Investing service, providing the complete unified managed account, client reporting and back office solutions RIAs need to stay at the forefront of the market and grow successful practices. For more information regarding WealthADV please visit with us at www.WealthADV.com, or contact Rich Conley at rich.conley@wealthadv.com or 888.295.8351 extension 1.

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