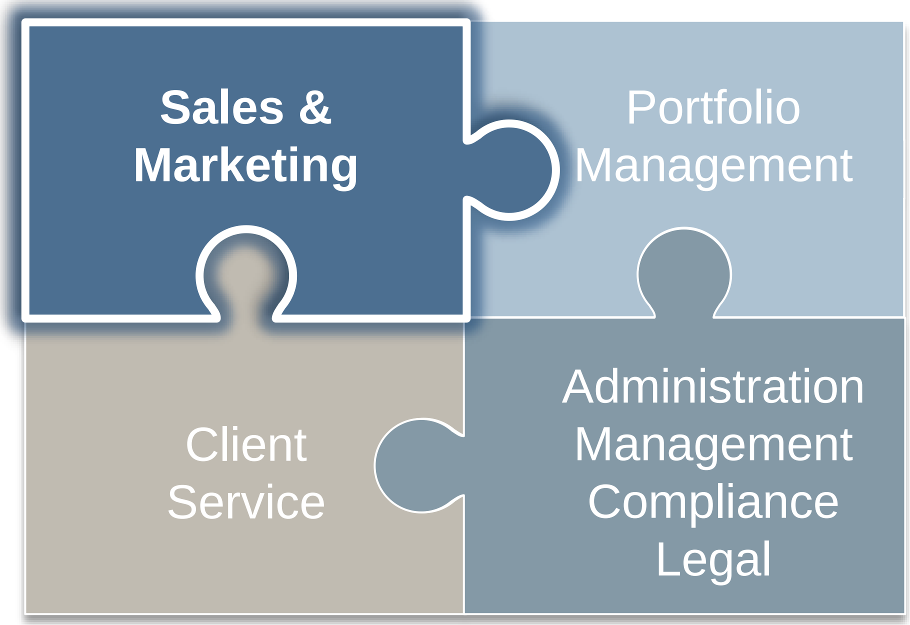
An Introduction to Third Party Marketing

A proven, cost-effective sales & marketing strategy

ARROW PARTNERS

Reasons to Hire a Third Party Marketer

- Cost effective alternative to hiring internal salespeople
- Replace ineffective internal distribution effort
- Raise assets for established undermarketed strategies
- Transition from part-time portfolio manager effort
- Expand distribution into new market or territory
- Launch / seed new strategy to achieve critical mass



Our Credentials

Proven Track Record of Success

Raised	Generated	Awarded	Awarded
$3+ Billion	**$75+ Million**	**$700+ Million**	**$400+ Million**
since 1995	in management fees for our clients	of sub-advisory mandates	from emerging manager programs

Market Expertise & Industry Leadership

			Published / Authored
30+ Years	**250+ Finals Presentations**	**Founding Member**	**30+**
of investment industry experience held by each partner	participated in by Arrow team	of Third Party Marketers Association in 1998	articles on sales and marketing

Principals’ Experience

Steven G. Rubenstein

Steve Rubenstein is the founder of Arrow Partners and possesses 30+ years of experience and success in the institutional asset management business raising billions of dollars across wide range of traditional and alternative asset classes.

Steve is a leading advocate of the third party marketing industry and served as President of The Third Party Marketers Association from 2004 to 2006. He has written several articles on sales & marketing practices.

Currently, Steve holds Series 7, 24, 50, 54. 63 and 65 securities licenses with FINRA and is registered with the SEC and MSRB.

Prior Experience:

- Vice President at Bankers Trust in the Global Investment Management Group. He was responsible for establishing private-label and subadvisory relationships.
- Steve began his career selling independent research products and services to financial institutions for Drexel Burnham Lambert.

Education:

- Steve graduated from Lehigh University in 1984 with a Bachelor of Science in Finance.

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Kenneth G. Rogers

Ken Rogers joined Arrow Partners in 1998 as a Principal, and has been instrumental in its steady growth into a leading third party marketing firm. Ken has 30+ years of industry experience and has a proven track record successfully selling a broad range of investment products to institutional investors and financial intermediaries.

Ken’s leadership role within the third party marketing industry is extensive. Ken has been quoted extensively in industry publications and is a frequent speaker at industry events and conferences.

Currently, Ken holds Series 7, 24, 50, 63 and 65 securities licenses with FINRA and is registered with the SEC and MSRB.

Prior Experience:

- Principal and Managing Director at RogersCasey, leading the sales effort and serving on the firm’s Executive Management Committee.
- Ken began his career spending four years at Metropolitan Life Insurance Company as an account executive, managing an institutional sales and client service team.

Education:

- Ken graduated from Muhlenberg College with a BA in Communications in 1985.

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Value Proposition

1

Meet specific asset targets over a 3-5 year period

2

Targeted institutional and wealth management coverage

3

Comprehensive sales & marketing support

4

Clearly defined sales expectations with full accountability

5

Better leverage of investment professionals' time

6

Fixed budget with incentive-based compensation

Institutional Infrastructure and Support

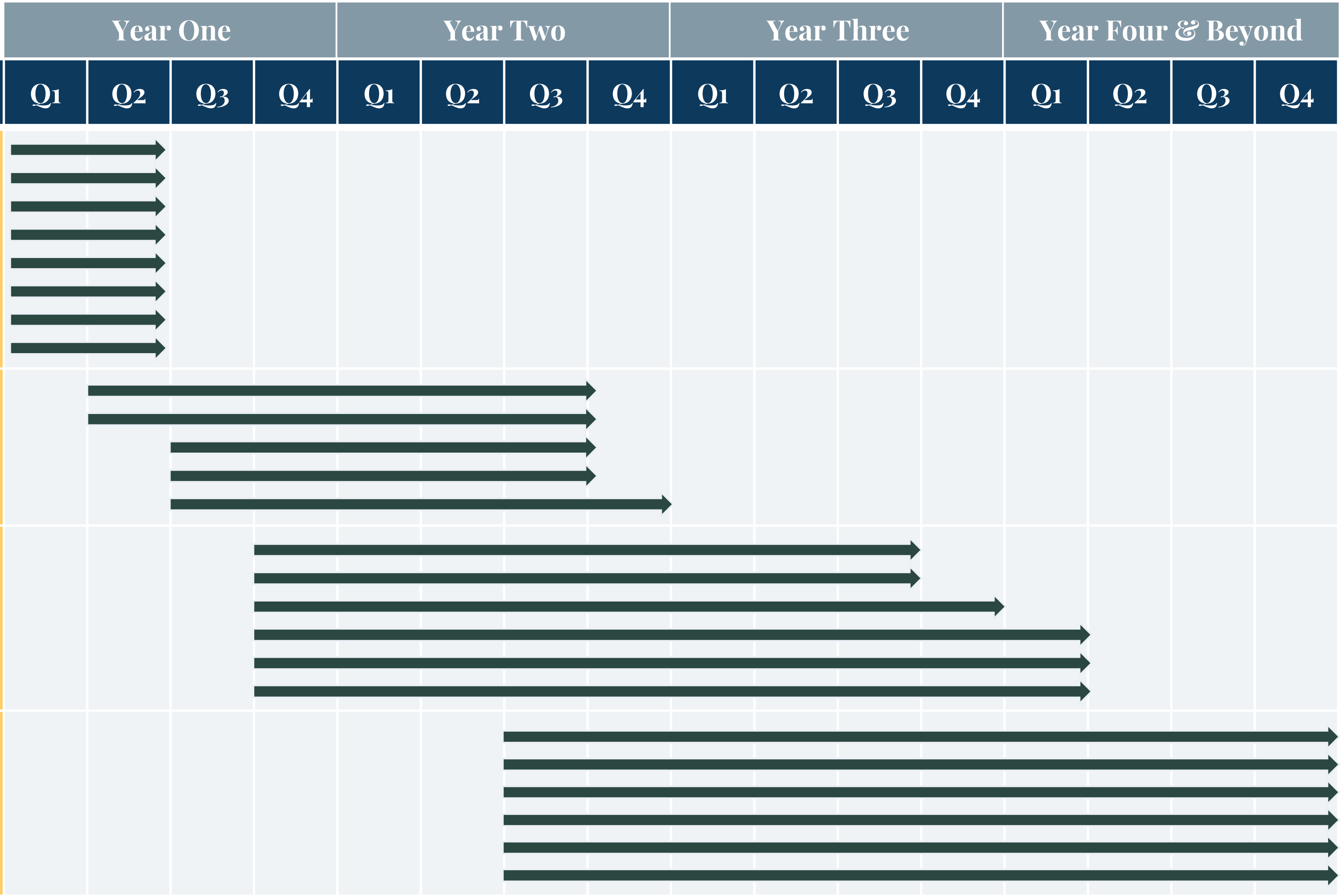
Analytics & Peer Analysis	EVESTMENT®
Database Population & Management	APX STREAM
Materials, RFPs & Questionnaires	DG • ANALYTICS
Investor Database & News	fin|searches
CRM System	salesforce
Marketing Software Platform	LEVITATE
Public Relations	SONDHELM PARTNERS
Email Archiving	globalRELAY®
Office 365	appriver®
File Sharing	Dropbox
Accounting	withum+
Legal	FINN DIXON & HERLING

US Distribution Model

Limited Roster of Managers	Diverse Asset Classes	Leverage Investor Relationships
Manager A Manager B Manager C Manager D	**US Equity** ▪ Value, Growth, Core ▪ Small, Mid, Large Cap ▪ Concentrated **International Equity** ▪ EAFE ▪ Global ▪ Emerging Markets ▪ Small Cap	**Financial Intermediaries** ▪ Consultants ▪ Insurance Companies ▪ Multi-Manager Funds ▪ Subadvisory ▪ Outsourced CIO **Institutional Investors** ▪ Corporate Pension ▪ Endowments ▪ Foundations ▪ Public Pension ▪ Taft-Hartley **Wealth Platforms** ▪ Family Offices ▪ RIAs / Wealth Managers ▪ TrustBanks ▪ Wirehouses & Regional BDs

Relationship Rollout Timeline

Phases	Key Activities
Develop Strategy and Create Materials	▪ Develop institutional deck ▪ Create quarterly snapshot ▪ Select databases to populate ▪ Write RFP response library ▪ Build initial website ▪ Create attribution analysis ▪ Evaluate peer group ▪ Select targets
Generate Awareness	▪ Populate & manage industry databases ▪ Contact target prospects ▪ Schedule initial calls/meetings ▪ Distribute quarterly updates ▪ Promote thought leadership content
Manage Prospect Pipeline	▪ Schedule followup calls/meetings ▪ Expand distribution & calls ▪ Conduct manager site visits ▪ Get short-listed, recommended ▪ Complete RFP Questionnaire ▪ Participate in formal searches
Secure Funding	▪ Prepare for finals presentation ▪ Oversee operational due diligence ▪ Negotiate fees ▪ Provide references ▪ Finalize contracts ▪ Assist with client servicing



For illustrative purposes only. Timeframe subject to change.

Success Stories

ESSEX

SMD, Small
& Micro Cap Growth

MAYTECH GLOBAL INVESTMENTS

Global Growth

Neumeier Poma

Small Cap Value

Matrix Asset Advisors, Inc.

Large Cap Value

WASHINGTON CAPITAL

Small Cap Growth

LISANTI CAPITAL GROWTH

Small Cap Growth

WINDHAM CAPITAL MANAGEMENT

Large Cap Growth

SCHNEIDER CAPITAL MANAGEMENT

Mid Cap Value

BEDLAM ASSET MANAGEMENT

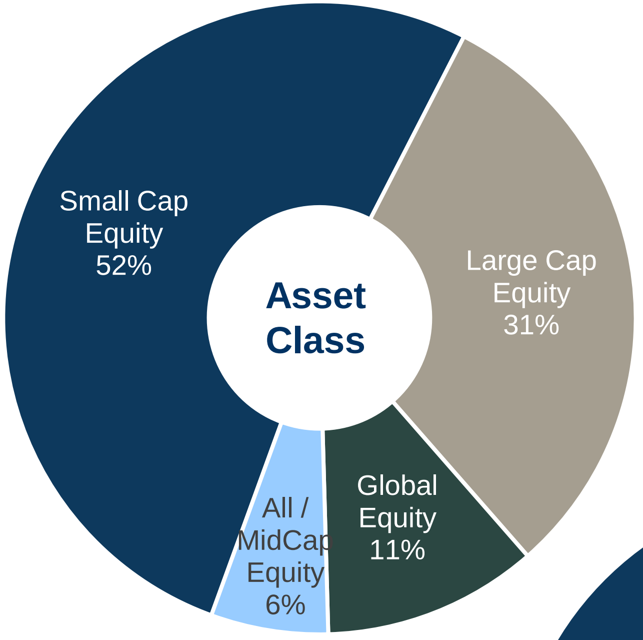
Global Equity

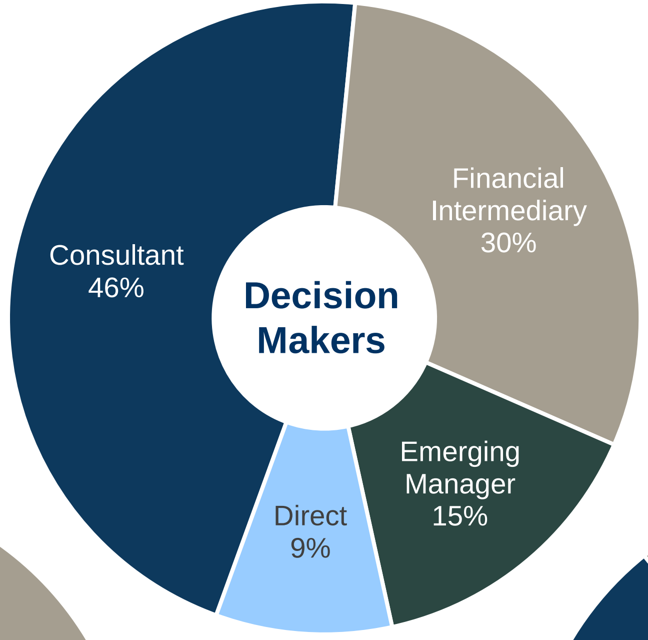
APEX CAPITAL MANAGEMENT

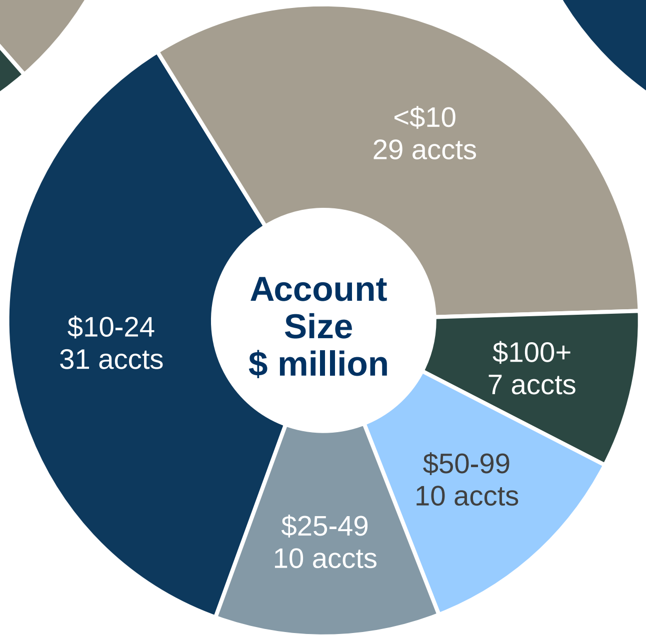
SMID Cap Growth

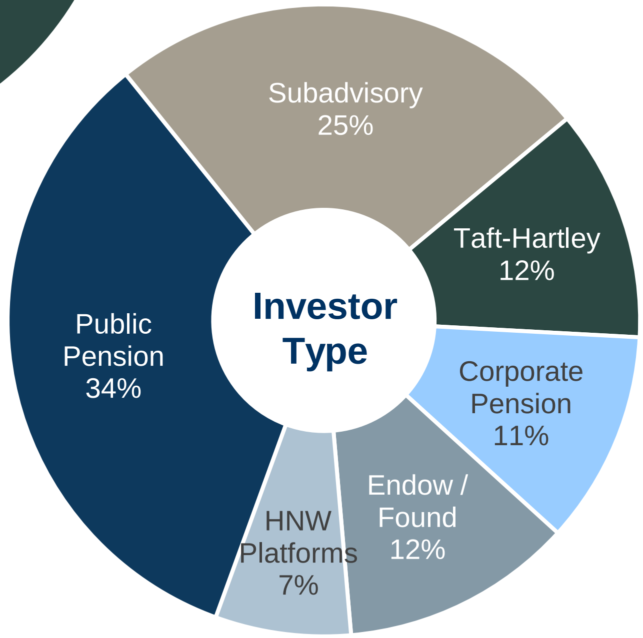
It is not known whether the clients indicated approve or disapprove of the services we provide.

Assets Raised Analysis – $3+ Billion









Key Agreement Terms

1

Multi-year exclusive agreement

2

Percentage of management fees for length of manager-investor relationship

3

Quarterly fixed expense budget/retainer

4

Minimum asset capacity

5

Option for future vehicles & strategies

6

Protection on prospect pipeline

Case Studies

	Neumeier Poma Investment Counsel	Essex Investment Management	MayTech Global Investments
Asset Class	▪ Small Cap Value	▪ SMID Cap Growth Equity ▪ Small Cap Growth ▪ Micro Cap Growth	▪ Global Equity
Dates	▪ 2010 – 2015	▪ 2015 – Present	▪ 2017 – Present
Firm Profile (pre Arrow)	▪ 24 year track record ▪ $200+ million firm assets ▪ 4 institutional separate accounts ▪ Team in place for growth ▪ Lack of market visibility, "closed" for 10 years	▪ 20+ year track record ▪ $650+ million firm assets ▪ $100+ million strategy assets ▪ 4 woman investment team ▪ Recent change in ownership	▪ Firm launched January 2017 ▪ ~$100 million firm assets ▪ 8+ year track record (predecessor firm) ▪ HNW client base ▪ No historic distribution effort - invisible, unknown
Assets Raised	▪ $400+ million	▪ $150+ million	
Arrow Contribution	▪ Targeting institutional and wealth management relationships ▪ Developed full suite of marketing & sales materials ▪ Designed and launched new website ▪ Updated and populated institutional databases ▪ Initiated GIPS verification	▪ Reintroduced firm to U.S. institutional marketplace ▪ Redesigned marketing & sales materials ▪ Updated & populated institutional databases ▪ Hired/approved at multiple emerging manager programs	▪ Created full set of marketing & sales materials ▪ Populate and maintain databases ▪ Initial introductions to institutional marketplace ▪ 150+ meetings in first 24 months with consultants and institutional investors

Case Studies (continued)

	AH Lisanti Capital Growth	Bedlam Asset Management	Washington Capital Management
Asset Class	▪ Small Cap Growth	▪ Global Equity	▪ Small Cap Growth
Dates	▪ 2006 – 2013	▪ 2007 – 2013	▪ 2003 – 2005
Firm Profile (pre Arrow)	▪ 18 month track record ▪ $20+ million ▪ 3 full-time employees ▪ High profile portfolio manager ▪ “Undiscovered” manager	▪ 4 year record ▪ $300+ million firm assets ▪ Not GIPS verified ▪ Investors in pooled vehicles ▪ No US clients or distribution	▪ 25 year history; $1.5 billion firm ▪ 10 year record; $80 million in small growth strategy ▪ Northwest, Taft-Hartley focus ▪ No national recognition ▪ Not AIMR verified
Assets Raised	▪ $250+ million	▪ $300+ million	▪ $800+ million
Arrow Contribution	▪ 15 new institutional clients ▪ Hired in 6 emerging manager programs ▪ Approved at 5+ consulting firms	▪ Selected for mutual fund sub-advisory mandate ▪ Added several institutional clients ▪ Added to ‘Top 10’ wealth management platform ▪ ‘Short-listed’ at several leading institutional consulting firm	▪ Populated institutional databases ▪ 25+ new institutional clients ▪ Product closed to new investors

Case Studies (continued)

	Schneider Capital Management	Matrix Asset Advisors	Windham Capital Management
Asset Class	▪ All Cap Value ▪ Mid Cap Value	▪ Large Cap Value	▪ Large Cap Growth ▪ Concentrated Growth
Dates	▪ 1999 – 2000 ▪ 2004 – 2005	▪ 1996 – 1998 ▪ 2001 – 2003	▪ 1998 – 2001
Firm Profile (pre Arrow)	▪ 2 year old lift out ▪ 6 investment professionals ▪ $600 million ▪ 1 large public fund client ▪ Regional marketing focus	▪ 10 year record ▪ 5 investment professionals ▪ $400 million ▪ HNW focus ▪ Limited institutional coverage	▪ 10 year record ▪ 2 investment professionals ▪ $300 million ▪ Small institutional clients ▪ Limited sales effort
Assets Raised	▪ $500+ million	▪ $425+ million	▪ $150+ million
Arrow Contribution	▪ Three large institutional clients ▪ Sub-advisory mandate ▪ Products closed to new investors	▪ Two sub-advisory accounts	▪ Top 10 managed account platform ▪ 150+ financial planners ▪ 800+ accounts