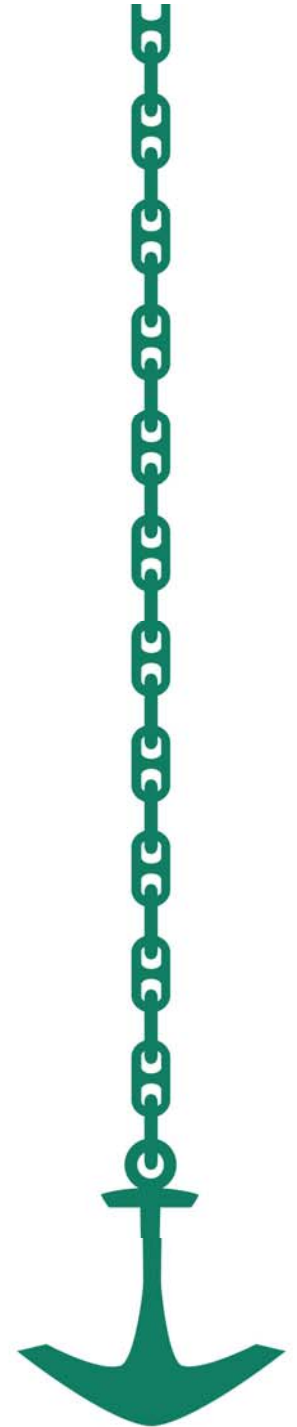


# *Five Keys to Developing Essential Partnerships*

**Old Mutual Investment Partners  
focus firm strategy**



*Directory of exhibits*

*Executive summary*

## **I. Expand our National Accounts capability**

- From last year’s focus firm strategy meeting
- Supporting our essential partnerships
- One strategy: three dedicated teams
- Our new horizontal structure builds the synergies to support our strategy
- Our focus firm advantages
- Actionable focus firm intelligence at work
- Expanding participation in focus firms campaigns and events
- Sales within focus firms increased 31%, year over year
- Divisional sales trends
- Combining our RIA efforts with retail sales will benefit both
- A new strategy for a new day

## **II. Build a value-added, consultative wholesaling model**

- SMAs opened the door to greater investor sophistication
- Investor demands have changed
- The rise of the “buy-and-hold” investor
- Fewer “do-it-yourself” investors translate into greater demand for advice
- The transition to consultative wholesaling
- Soaring number of advisors will require value-added practice management support
- Elements of consultative selling
- Migrating training costs from distributors to money managers
- Pressure increases at wirehouses to focus on high net worth clients
- Value-added program plays a major role in client sorting
- Regional Vice Presidents feel value-added program supports their efforts
- Expand measurement of our value-added program
- How the value-added program has contributed to sales



### III. Heighten brand awareness

- An established parent with global reach
- Support Regional Vice Presidents with award-winning marketing initiatives
- National brand recognition in magazines and web sites
- How value-added program and national campaign contribute to increased awareness

### IV. Develop in-depth relationships with research teams

- Rise of the *New Gatekeepers*
- Meeting focus firm's evolving due diligence requirements
- Uncovering fresh mandates
- Research updates open way for OMIP activity
- Staying abreast of research manager trends
- Provide more reporting about our alpha generators

### V. Transition to a client-centric business model

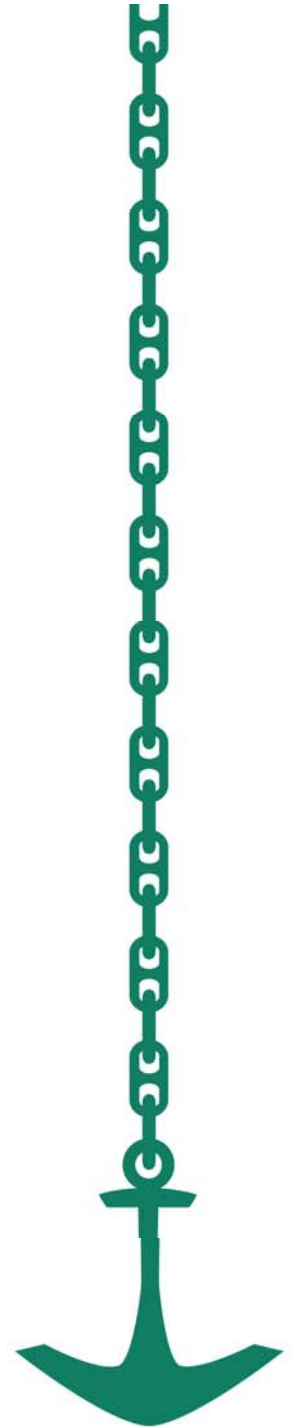
- Product acceptance increasing for OMIP investment solutions
- Products as solutions; toward a client-centric model
- Let broad affiliates attract new mandates
- A high level IODC opportunity plays right to OMIP's core strengths
- Product solutions: A look ahead
- Liberating the efficient frontier



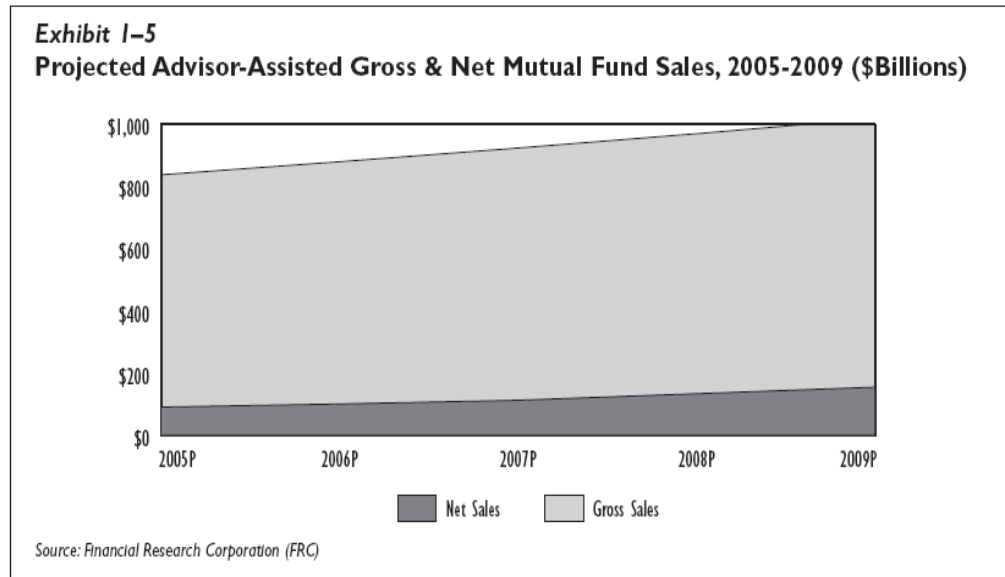
- A. FRC 'Success Factors in Distribution'
- B. Investor Questionnaire
- C. Key Account Calendar
- D. Key Account Grid
- E. BD Sales Report
- F. UBS WMR investment report
- G. RIC Report details
- H. Darst Report details
- I. Focus Firm Summary from J.C. Waller
- J. Fidelity 'Full Attribution Analysis' Report



## Executive summary



- **A \$7 trillion opportunity is in motion**, representing “the nearly \$7 trillion in assets”<sup>1</sup> baby boomers are likely to invest as they prepare for retirement.
- **\$1 trillion-plus through advisors for 2008** As the chart illustrates, just over \$1 trillion seems likely to come from advisor-assisted sales by the end of 2008<sup>2</sup>.
- **Largest wirehouses** Our essential partners account for a large share of the gross sales number – in the estimated vicinity of \$400 billion likely in 2008.<sup>3</sup>
- **40% of advisor-assisted sales** are completed through the firms in our partnership program.



**The *Developing Essential Partnerships* strategy is designed to take advantage of industry demographics and growth trends.**

<sup>1</sup>Cerulli Associates, *Survey of Financial Services Wholesalers*, Page 1

<sup>2</sup>*Success factors in advisor-assisted distribution of mutual funds*, Page 17

<sup>3</sup>Based on a projection from data in *Success factors...* Page 24. See Exhibit A

- **Mission statement**

- With its compact size, independent affiliates and focus, Old Mutual Investment Partners aims to become a preferred strategic partner to a select group of the most successful distributors.
- We intend to reach that goal through a combination of intense attention to their changing needs and the vigorous delivery of consultative services and quality product solutions.

- **Developing essential partnerships**

- OMIP enjoys broad acceptance 40% of advisor-assisted sales are completed through the firms in our partnership program. With this kind of exposure and acceptance, OMIP is certain to succeed.
- The time has arrived for Old Mutual Investment Partners (OMIP) to attract and retain a much greater share of assets in the marketplace
- The blueprint to make sure this happens is contained in this document.
- Making our numbers will require the expertise, coordination and tenacity of everyone in OMIP to rally behind our Developing Essential Partnerships strategy to make sure our goals are achieved.



## The five keys to developing essential partnerships

- 1. Establish National Accounts capability** Advisors benefit directly when wholesalers can reinforce the objectives and mission of their home office. In effect, the wholesaler is then “sitting on the same side of the table” as the advisor. Through our expanded National Account function, we will concentrate on building in-depth, sustainable relationships with the home office executives of our focus firms
- 2. Build a value-added consultative wholesaling model** This is supported by OMIP’s practice management efforts. Through the expansion of the practice management program, we help advisors grow their relationship-based consultative capabilities in support of their firm’s business objectives.
- 3. Heighten brand awareness** The marketing group’s award-winning array of practice management tools and the launch in 2007 of a major, national branding initiative provide strong support to Regional Vice Presidents.
- 4. Develop in-depth relationships with research teams** The establishment of a research relationship manager capability allows us to coordinate more directly with due diligence manager research teams at home offices.
- 5. Transition to a client-centric business model** In keeping with the advisor’s expanding effort to provide more product solutions to investors, OMIP is undertaking an intense product review and realignment initiative which will directly address the primary product mandates of the focus firms. This includes efforts to initiate more solution-oriented holistic programs to satisfy the increasingly complex investment planning needs of baby boomers.



## Supporting our essential partnerships

- **Narrow and deep** Our size and resources are best suited to cultivating a few, deep, exclusive relationships. In this category, the major wirehouses have been our primary supporters. Through our expanded National Account function, we concentrated on building in-depth, sustainable relationships with the home office executives of the eight focus firms below.
- **18 wild cards too** In addition to supporting these focus firms, each regional vice president may elect one “wild card” firm to pursue:

### ***Focus Firms***

- Merrill Lynch
- Morgan Stanley
- Smith Barney
- UBS
- Wachovia/A.G. Edwards
- Raymond James Financial Services
- Linsco Private Ledger

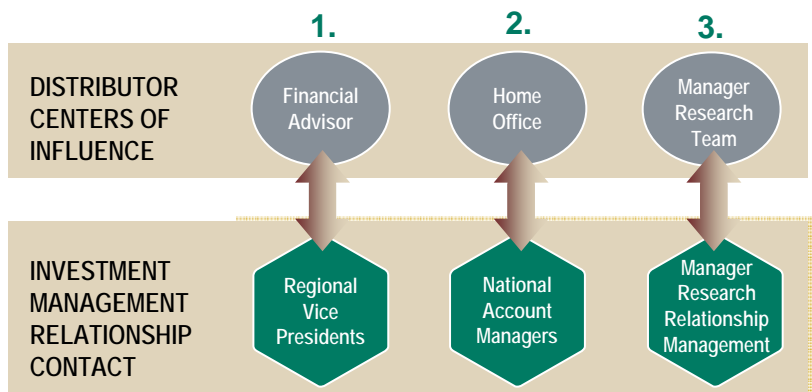
### ***Focus RIA Firms***

- Schwab
- Fidelity



## One strategy: three dedicated teams

- The core of our focus firm strategy centers on three teams – backed by the marketing group’s award-winning efforts:
  - **Regional Vice Presidents** Our Regional Vice Presidents’ activities will be shifting toward wealth management solutions and practice management approaches
  - **National Account managers** The heart of our business development efforts, this role is the catalyst in developing essential partnerships with each home office.
  - **Investment Research Relationship managers** We’ve staffed this all-important function with experts in the due diligence/investment research relationship field, who will help migrate more of our investment products into mandate-specific investment niches and preferred product categories.
- **Old Mutual’s marketing group supports** the Regional Vice Presidents’ business development efforts through:
  - **A new, award-winning array** of practice management tools
  - **Heightened brand awareness** through a vigorous new national advertising strategy



Source: Financial Research Corporation

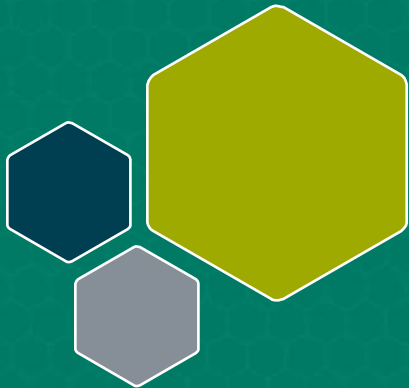
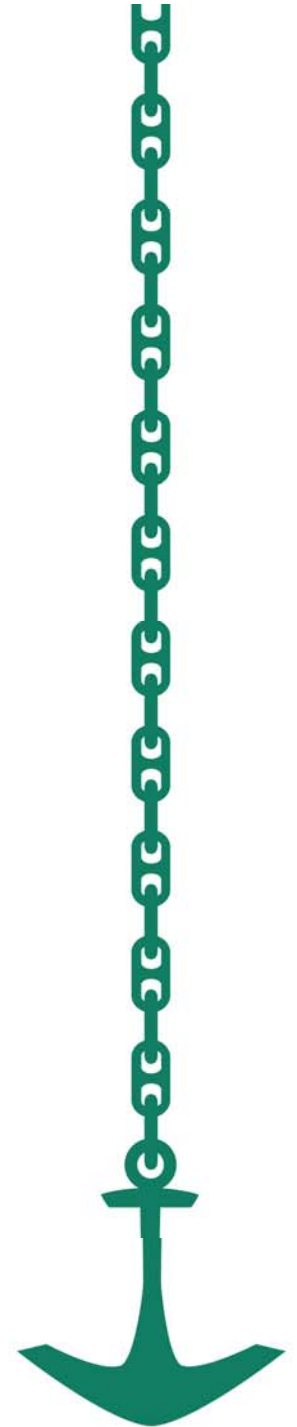
### Horizontal organization

While there are distinct tiers of focus firm relationship management, the success of each unit depends on the success of the others. Compensation is awarded accordingly to how successful each relationship is managed in aggregate.





## **I. Expand our National Accounts capability**



# I. Expand our National Accounts capability

## From last year's focus firm strategy meeting

- **Update from the 2007 strategy session**, current through 1/31/08.
  - We set out to identify long- and short-term goals
- **At that time**, we agreed to encourage focus firms:
  - **To view us as an essential partner** with a stake in the success of their organization
  - **To use our investments** in packaged solutions

	Action item	Result/Status
<b>Managing and promoting affiliate relationships</b>	<i>Short-term</i>	
	– Develop road show capability for major affiliates; create forum for CRM summit; centralize scheduling	Completed
	– Establish main contact person for each focus firm to arrange meetings with affiliates	Completed
	– Create subadvisor handbook that includes timelines, templates and processes involved with supporting and promoting Funds	Completed
	– Prioritize resource commitments to each affiliate; make recommendations by 1Q '08	In review
	<i>Long-term</i>	
– Create an affiliate advisory board to monitor and guide working relationships with Denver	Completed	
– Coordinate with Skandia to determine European distribution possibilities	In review	
<b>Profitability and revenue generation</b>	<i>Short-term</i>	
	– Develop an integrated launch team that includes a greater degree of operational expertise	Completed
	– Contract an FRC survey on OMIP's strengths, challenges and opportunities for success in the marketplace	Completed
	– Vet findings from FRC survey with management and incorporate into OMIP's distribution strategy	In review
	<i>Long-term</i>	
	– Increase number of \$1 billion-plus funds	On target
– Increase fund profitability; reduce funds that are in reimbursement	On target	
– Increase OMIP's share of wallet at focus firms	On target	
– Develop awareness program to encourage employees to embrace and advance <i>The Developing Essential Partnerships</i> program	In discussion	

# I. Expand our National Accounts capability

## From last year's focus firm strategy meeting

	Action item	Result/Status
<b>Developing Essential Partnerships program</b>	<i>Short-term</i>	
	– Implement focus firm/essential partner strategy; develop comprehensive program of information to present to executive meetings at key firms	75% complete
	– Create written business plans with key partners with agreed upon targets	75% complete
	– Introduce value-add program, <i>The Essentials of Growth</i> , to essential partners	100% complete
	<i>Long-term</i>	
	– Have meetings with focus firms at least once a year	On target
	– Reach \$25 billion AUM by 2012	On target
	– Earn reputation as top-performing wholesaling team as measured by DALBAR	On target
<b>Product Development</b>	<i>Short-term</i>	
	– Pursue off-shore market opportunities	Underway
	– Launch closed-end fund	Complete
	– Prepare to launch target-plus portfolios in I share class 1Q '08; A and C share class launch estimated 2Q-3Q '08	On target
	– Complete product rationalization exercise by January 2008, that will include plans for merging, re-classifying and re-aligning products by the end of the first quarter 2008	On target
	<i>Long-term</i>	
	– Adjust asset mix to 70%/80% mutual funds to 20%/30% SMAs	On target
	– Develop and implement a fund success/failure plan that will trigger actions to merge or close a fund if not meeting benchmarks	On target
	– Develop product strategy designed to capture OMIP's share of baby boomer assets, utilizing rollovers, annuities and reverse mortgages in combination	In process
	– Complement the product strategy with the development of wealth management solutions to address baby boomer needs; including retirement income vehicles, etc.	In review
<b>Marketing</b>	<i>Short-term</i>	
	– Develop new template for fund launches	Complete
	– Instituted the marketing advisory council, a collaborative relationships among marketing, sales, investment services, product management and National Accounts	Established, in process
	– Every quarter engage affiliates to develop sales story campaigns for sales force to include in their buy/hold/sell conversations	In process
	– Branding efforts	In process
	<i>Long-term</i>	
	– Become recognized as a provider of high alpha "innovative" solutions in each of our target market spaces	On target
– Consolidate web sites	On target	
– Branding efforts	In process	

# I. Expand our National Accounts capability

## Supporting our essential partnerships

- **Narrow and deep** We realize our size and resources are best suited to cultivating a few, deep, exclusive relationships. In this category, the major wirehouses have been our primary supporters.
- **Wirehouses and RIAs** Through our expanded National Account function, we concentrated in 2007 on building in-depth, sustainable relationships with the home office executives of the nine focus firms below.

### ***Focus Firms***

- Merrill Lynch
- Morgan Stanley
- Smith Barney
- UBS
- Wachovia/A.G. Edwards
- Raymond James Financial Services
- Linsco Private Ledger

### ***Focus RIA Firms***

- Schwab
  - Fidelity
- **18 wild cards too** In addition to supporting these focus firms, each Regional Vice President may elect one “wild card” firm to pursue:



# I. Expand our National Accounts capability

## Supporting our essential partnerships

- **OMIP: *Best in class*** To succeed requires that we attain a “best-of-class” or “center of excellence” identity at the home office level, as well as with a firm’s manager research teams and advisors.
- **Our strategy has been validated by Financial Research Corporation (FRC)** According to FRC, investment managers need to be particularly responsive to these focus firm requirements:
  - **A consultative wholesaling model** To gain access to a firm, home office executives are requiring Regional Vice Presidents to bring planning ideas and investment solutions, not just product, to their discussions with firm advisors. Wirehouses are increasingly seeking business-building and practice management workshops or life-event value-added seminars<sup>1</sup> that will enable their advisors to develop their consultative skills.
  - **Web tools** Advanced research via the Internet, such as portfolio manager commentaries and online planning tools, such as retirement calculators, have become a requirement, as well.
  - **A dedicated National Accounts group** Focus firm sales require dedicated National Account relationships with OMIP professionals who must possess both investment experience and business development skills.

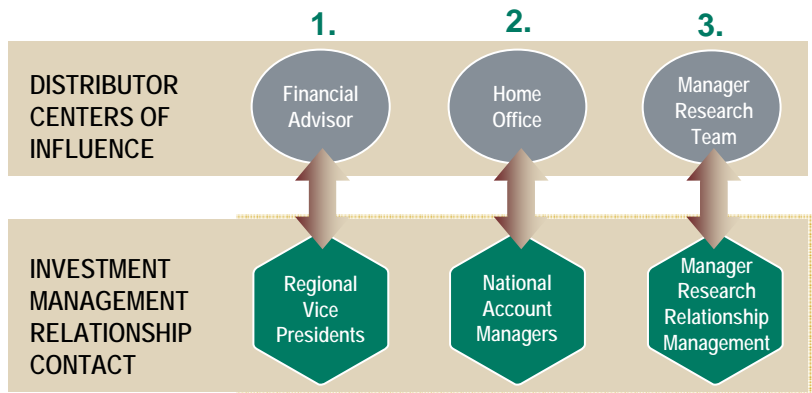
<sup>1</sup>P. 9, *Success factors in advisor-assisted distribution of mutual funds*



# I. Expand our National Accounts capability

## One strategy: three dedicated teams

- The core of our focus firm strategy centers on three teams – backed by the marketing group’s award-winning efforts:
  - **Regional Vice Presidents** Our Regional Vice Presidents’ activities will be shifting toward wealth management solutions and practice management approaches
  - **National Account managers** The heart of our business development efforts, this role is the catalyst in developing essential partnerships with each home office.
  - **Investment Research Relationship managers** We’ve staffed this all-important function with experts in the due diligence/investment research relationship field, who will help migrate more of our investment products into mandate-specific investment niches and preferred product categories.
- **Old Mutual’s marketing group supports** the Regional Vice Presidents’ business development efforts through:
  - **A new, award-winning array** of practice management tools
  - **Heightened brand awareness** through a vigorous new national advertising strategy



Source: Financial Research Corporation

### Horizontal organization

While there are distinct tiers of focus firm relationship management, the success of each unit depends on the success of the others. Compensation is awarded accordingly to how successful each relationship is managed in aggregate.



# I. Expand our National Accounts capability

## Our new horizontal structure builds the synergies to support our strategy

- **Strategy requirement** To support the five keys to our *Developing Essential Partnerships* program, we required:
  - **National branding campaign** Through marketing and advertising initiatives in 2007 that led to the creation of a new visual identity, we sharply raised our profile to advisors who began to ask: “Who is Old Mutual?”
  - **Staff additions** The addition of a number of highly experienced sales and National Account professionals.
  - **Value-added programs** The development of an expanded practice management program, *The Essentials of Growth*, in addition to Ed Easterling’s contribution.
  - **Investment in research relationship management** The construction of a new, dedicated staff capability committed to building relationships with the *New Gatekeepers* at our focus firms.
  - **Staff adjustments** The migration of key staff people to one of three business development functions: sales, key account management and due diligence research relationship management.



# I. Expand our National Accounts capability

## Our focus firm advantages

- **Wirehouses are increasingly segmenting their clientele** and focusing their attention on higher-net-worth investors, which in turn is accelerating their transition to fee-based accounts and alternative products. In terms of number of advisors, Merrill Lynch is the largest of the wirehouses, while Wachovia (formerly Prudential advisors) is the smallest.
- **High level production** FRC anticipates that the number of advisors in the wirehouse channel should remain relatively flat, as these firms continue pursuing high-level producers, while also raising minimum production standards. OMIP offers many distinct advantages that fit today’s wirehouse business model.

Primary keys to doing business in the wirehouses		Advantage OMIP
<b>Fund Styles</b>	Wirehouses utilize both core and niche asset classes to diversify risk and to utilize in conjunction with other product structures, including MDPs and SMAs.	<ul style="list-style-type: none"> <li>– Core products dominate fund sales and play to OMIP affiliate strengths. For advisors who prefer SMAs to funds, OMIP has those to offer as well – unlike many peers.</li> <li>– Old Mutual’s sophisticated institutional expertise is very visible with its 120/20 Funds</li> <li>– Because of negative attention to preferred lists and the wirehouse tendency toward sales concentrations, home office executives are more open to ideas from OMIP.</li> <li>– <i>Opportunity alert:</i> Niche products with low correlations to the major asset classes are growing in importance in wirehouses, as advisors seek to diversify and lower risk. Reviewing OMIP affiliate product specifications may uncover complementary fits to these niche requirements.</li> </ul>
<b>Relative Performance</b>	Performance is the #1 selection criterion.	Many OMIP products qualify re: high alpha, low beta. Three-year-track records have proven attractive, as well; an important minimum performance threshold for access to many firms.
<b>National Accounts</b>	Sales potential through the wirehouses requires dedicated, National Account relationships.	OMIP talent and resources are dedicated to National Accounts, including research relationship managers to serve the informational needs of National Account manager research team members.
<b>Value-added wholesalers</b>	Advisors want to know wholesalers who can help grow their business, not just pitch products.	The OMIP practice management program, <i>The Essentials of Growth</i> , provides an ideal alternative to “product-centric” meetings.
<b>Internal sales support</b>	Needed: Accessible and knowledgeable home-office support	OMIP’s dedicated support is second to none.
<b>Brand identity</b>	The strong brand identities of the wirehouses make product provider brand recognition less critical than in other distribution channels.	Old Mutual is a fresh face. Partnering with reputable product providers like Old Mutual may become an advantage to focus firms, who will likely appreciate the dedicated array of talent dedicated to advisors, National Accounts and manager research teams.

# I. Expand our National Accounts capability

## Actionable focus firm intelligence at work

- **Communicating opportunities** We have established an ongoing process for monitoring the activities of our focus firms and uncovering fresh opportunities to expand our relationships:
  - **Intelligence monitoring** The intelligence we gather through our three-part, dedicated business development model is quickly reviewed and disseminated among team members in order to keep the team up-to-date on activities and opportunities.
  - **Rapid communications** We know almost immediately when platform or product strategies are changing at a firm – and we act accordingly.
  - **Aligning product solutions** In many cases a firm’s investment outlook piece, like Merrill’s *RIC* report, will provide examples of investment thinking very similar to our own affiliates – permitting us to issue a communication to a focus firm to consider one of our products for inclusion in a mandate.
  - **Marketing collaborates** New national advertising strategy and an award-winning array of value-added practice management tools heighten advisor awareness of Old Mutual and help set stage for Regional Vice Presidents. Plus, the marketing group drives a cross-disciplinary task force to surface “best ideas” and apply them.



# I. Expand our National Accounts capability

## Actionable focus firm intelligence at work

- **Active partnerships** The National Account function has been transforming OMIP's relationships with home offices into active business partnerships with defined responsibilities and shared goals. Each National Account person also coordinates with the divisional vice presidents in creating written, specific business goals.
  - **Constant contact** To support the product focus efforts of their National Account counterparts, our National Account professionals request in-depth product information that is then reviewed by our research group relationship managers.
  - **Research relationship communications** The research relationship managers then issue their own bulletins based on this content to National Account managers, wholesalers, marketing teams and product specialists.
  - **Week's activity** In their turn, National Account managers and Regional Vice Presidents, incorporate these insights into their sales activities for the week.



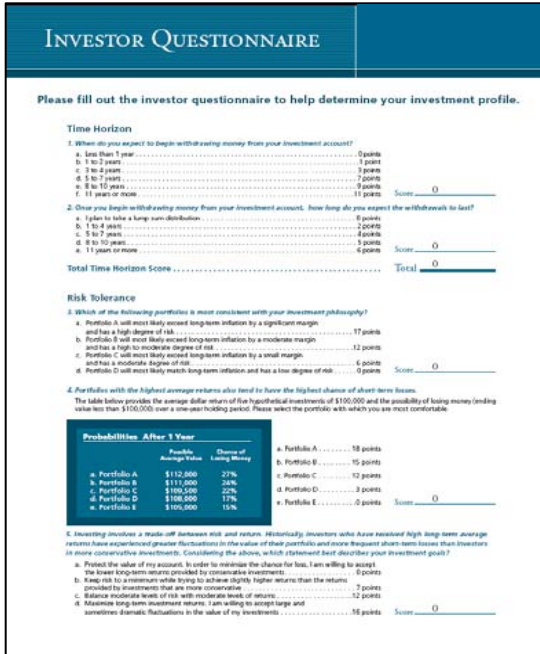
# I. Expand our National Accounts capability

## Actionable focus firm intelligence at work

- Communicating opportunity – step by step**  
 Here’s a recent real world example that illustrates how actionable intelligence from a National Account is incorporated into OMIP’s tactical initiatives
- STEP 1**  
 A National Account representative participates in a UBS conference call. She generates a call report to her immediate colleagues, sales and the *New Gatekeeper* team.
- STEP 2**  
 An excerpt from the call report shows UBS is promoting a best practices initiative. A National Account representative alerts the team that they should national into the UBS theme: **“Client experience ultimately drives net new money.”**

There are four client steps:

1. Understanding what the client wants
2. Providing Solutions
3. Agreeing
4. Reviewing



**INVESTOR QUESTIONNAIRE**

Please fill out the investor questionnaire to help determine your investment profile.

**Time Horizon**

1. When do you expect to begin withdrawing money from your investment account?

a. Less than 1 year	0 points
b. 1 to 2 years	1 point
c. 3 to 4 years	2 points
d. 5 to 7 years	3 points
e. 8 to 10 years	4 points
f. 11 years or more	5 points

Score: 0

2. Once you begin withdrawing money from your investment account, how long do you expect the withdrawal to last?

a. 1 to 4 years	0 points
b. 5 to 7 years	1 point
c. 8 to 10 years	2 points
d. 11 years or more	3 points

Score: 0

**Total Time Horizon Score** ..... **Total** 0

**Risk Tolerance**

3. Which of the following portfolios is most consistent with your investment philosophy?

a. Portfolio A will most likely exceed long-term inflation by a significant margin and has a high degree of risk	17 points
b. Portfolio B will most likely exceed long-term inflation by a moderate margin and has a high to moderate degree of risk	12 points
c. Portfolio C will most likely exceed long-term inflation by a small margin and has a moderate degree of risk	6 points
d. Portfolio D will most likely exceed long-term inflation and has a low degree of risk	0 points

Score: 0

4. Portfolio with the highest average returns also tend to have the highest chance of short-term losses. The table below provides the average dollar returns of five hypothetical investments of \$100,000 and the probability of losing money (ending value less than \$100,000) over a one-year holding period. Please select the portfolio with which you are most comfortable.

Portfolio	Average Value	Chance of Losing Money
a. Portfolio A	\$112,000	27%
b. Portfolio B	\$111,000	30%
c. Portfolio C	\$109,500	25%
d. Portfolio D	\$108,000	17%
e. Portfolio E	\$105,000	15%

a. Portfolio A	18 points
b. Portfolio B	15 points
c. Portfolio C	12 points
d. Portfolio D	3 points
e. Portfolio E	0 points

Score: 0

5. Investing involves a trade-off between risk and return. Historically, investors who have selected high long-term average returns have experienced greater fluctuations in the value of their portfolios and more frequent short-term losses than investors in more conservative investments. Considering the above, which statement best describes your investment goals?

a. Protect the value of my account, by order to minimize the chance of loss, I am willing to accept the lower long-term returns provided by conservative investments	6 points
b. Keep risk to a minimum while trying to achieve slightly higher returns than the returns provided by investments that are more conservative	7 points
c. Balance moderate levels of risk with moderate levels of returns	12 points
d. Maximize long-term investment returns. I am willing to accept large and sometimes dramatic fluctuations in the value of my investments	18 points

Score: 0

Regional Vice Presidents can now tie discussions with the branch managers and FAs into these four steps... [perhaps promoting the idea of using the Pure Portfolios investor profiling questionnaire as an efficient way to qualify “what the client wants.” Please see Exhibit B.]

# I. Expand our National Accounts capability

## Expanding participation in focus firm campaigns and events

- **Preparing for branch office discussions** Event participation, meetings and calls are important for successful National Account efforts. With OMIP participation, we have been able to shape our branch office discussions to tie in directly with branch office campaigns and product promotions.

Focus Firm	Do we have a current firm contact roster?	Do we actively participate in strategy calls and conferences?	Do we receive regular <i>focus firm</i> updates, other investment reports?
Merrill Lynch	Yes.	Yes.	Yes. Regular receipt of <i>RIC Report</i> .
Morgan Stanley	Yes.	Yes.	Yes. Regular receipt of <i>Darst</i> report. J.C. prepares a bulleted highlights version
Smith Barney	Not yet.	Not yet.	Not yet.
UBS Financial	Yes.	Yes.	Yes. Regular receipt of 8-pager <i>UBS Strategist</i> . J.C. prepares a bulleted highlights version. <i>Also: Forster's Mutual Fund Sales Report.</i>
Wachovia Securities/ A.G. Edwards	Yes.	Yes.	Custom OMIP sales sales/redemption report. Merger highlights report.
Raymond James Financial Services	Yes.	Yes.	Not yet.
Linsco Private Ledger	Not yet.	Not yet.	Not yet.

# I. Expand our National Accounts capability

## Expanding participation in focus firm campaigns and events

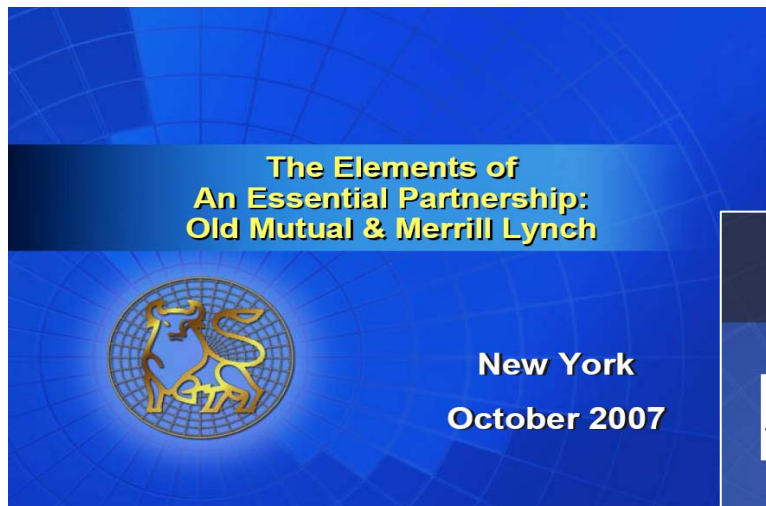
- **Facilitating participation** A detailed, monthly calendar of National Account activity is disseminated throughout OMIP to facilitate portfolio manager and other appearances. Please see Exhibit C.

<b>October 2007</b>	
October 2	ML Sales Desk Meeting w/Scott McKain in Hopewell, NJ
October 7-8	OMCAP Sales Meeting - Denver
October 17	LPL Sales Planning Meeting with Mark Schlafly, George Endres, Bruce Johnston
October 24	2 <sup>nd</sup> Annual Coates Distribution Management Conference in Philadelphia (Delaware Investments Auditorium)
October 25-26	ML Due Diligence Meeting in NYC
October 29 – 30	Raymond James 2007 Key Accounts Education and Marketing meeting in St. Petersburg, FL
<b>November 2007</b>	
November 1-2	Morgan Stanley Due Diligence Meeting in CA
November 11-14	ML MSG Meeting in Orlando, FL
November 16	ML insurance product meeting with John Carroll, Al Harrington, Denis Kaplan in Hopewell, NJ
November 28-29	FRC Market Trends Meeting in Boston
<b>December 2007</b>	
December 7-8	UBS Due Diligence – CA
<b>January 2008</b>	
TBD	ML Specialist Meeting in Laguna Niguel, CA



## Expanding participation in focus firm campaigns and events

- **Strong acceptance from Merrill Lynch as an “essential partner”** From conference attendance to due diligence meetings, it is exciting to see the co-branding taking place at Merrill. At a recent meeting, Merrill’s Charlie Sickles took the initiative to spell out the reasons for supporting OMIP to his colleagues and ours.



These representative slides from the presentation made a powerful case for doing business with OMIP.



# I. Expand our National Accounts capability

## Expanding participation in focus firm campaigns and events

- Measuring progress** The development of a new, high degree of professionalism in our National Account function and the addition of our National Accounts and research relationship manager teams has been instrumental in accelerating the number of OMIP meetings with focus firms. Debra Landsman-Yaros, the head of National Accounts, and Keith McRedmond, a national due diligence relationship manager, frequently team up in presenting OMIP's capabilities to National Account executives and manager research groups. Debra has instituted a metric (see below) that tracks due diligence meetings, conferences, National Account meetings, conference calls and more.

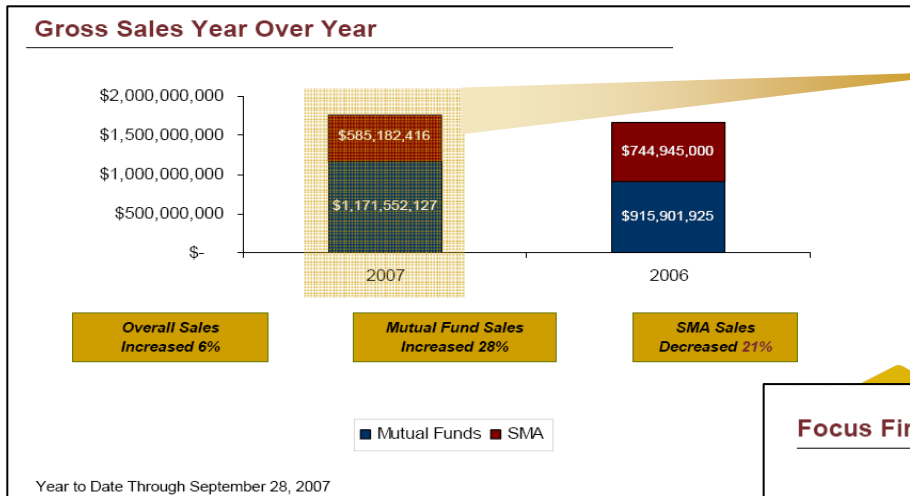
National Account meetings are up 54% year-to-date, a key barometer for gauging the likeliness of new business. Please see Exhibit D.

1b. Key Account Grid

	2006 Due Diligence Meetings	YTD 2007 Due Diligence Meetings	2006 Conferences	YTD 2007 Conferences	2006 Key Acct. Meetings	YTD Key Acct. Meetings	2006 Conference Calls/Other	YTD Conference Calls/Other	2006 Research Meetings/Calls	YTD 2007 Research Meetings/Calls
ML	6	3 ↓	3	5 ↑	2	5 ↑	2	1 ↓	0	13 ↑
UBS	0	1 ↑	0	0 →	2	2 →	0	1 ↑	3	10 ↑
MS	0	3 ↑	1	5 ↑	3	3 →	2	0 ↓	2	14 ↑
SB	0	0 →	0	0 →	1	1 →	0	0 →	0	4 ↑
LPL	0	0 →	0	0 →	2	2 →	0	0 →	1	4 ↑
RJ	0	0 →	0	0 →	2	1 ↓	0	0 →	2	7 ↑
AGE	0	0 →	0	1 ↑	1	3 ↑	0	2 ↑	1	6 ↑
Wachovia	0	0 →	0	0 →	0	3 ↑	0	0 →	0	9 ↑
<b>TOTAL</b>	<b>6</b>	<b>7 (17%)</b>	<b>4</b>	<b>11 (175%)</b>	<b>13</b>	<b>20 (54%)</b>	<b>4</b>	<b>4 (0%)</b>	<b>9</b>	<b>67 (644%)</b>

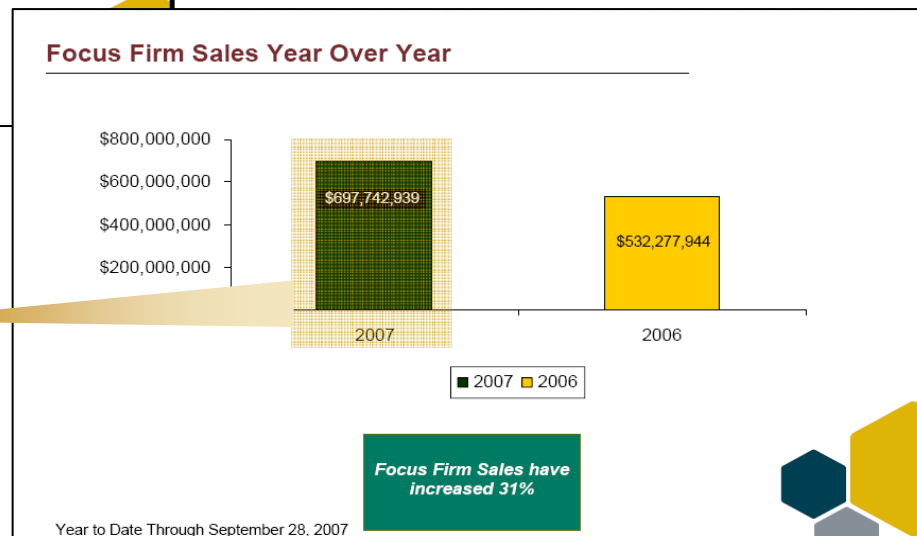
# I. Expand our National Accounts capability

## Sales within focus firms increased 31%, year over year



On a year-to-year basis, through 9/30, gross mutual fund sales increased by 6% over the same time period last year.

However, when the eight focus firms are examined, mutual fund sales increased 31%. While SMA sales decreased 21% and 26% respectively, those trend lines have recently been improving



# I. Expand our National Accounts capability

## Divisional sales trends

- Regional vice president activity** One of the most powerful tools being employed by the sales team are the color coded charts that track individual regional vice president activity. This tool provides a ready gauge of progress and areas for improvement. View the entire report as Exhibit E.

Mutual Fund Sales Trends by Division

Division	Monthly Goal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Central	\$44,000,000	\$21,766,022	\$31,328,771	\$29,229,377	\$33,574,407	\$48,250,989	\$40,227,912	\$51,203,052	\$29,336,970	\$18,372,415	\$303,299,915
West	\$36,250,000	\$20,439,256	\$46,023,581	\$22,610,198	\$27,908,782	\$31,784,954	\$26,771,694	\$24,264,201	\$17,421,173	\$12,217,358	\$229,441,198
East	\$19,166,667	\$8,105,821	\$21,691,743	\$24,407,363	\$24,960,714	\$23,358,274	\$20,720,348	\$25,375,399	\$15,591,884	\$11,995,798	\$176,207,339



SMA Sales Trends by Division

Division	Monthly Goal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Central	\$28,916,667	\$22,508,823	\$23,814,214	\$24,319,736	\$20,972,387	\$32,053,549	\$15,588,147	\$20,751,921	\$17,202,630	\$26,847,962	\$204,059,367
East	\$17,500,000	\$7,592,509	\$21,500,833	\$21,803,812	\$25,905,342	\$22,737,539	\$28,659,772	\$13,959,138	\$9,489,027	\$23,498,130	\$175,146,102
West	\$26,666,667	\$17,884,295	\$16,930,477	\$21,838,760	\$13,475,743	\$15,120,240	\$13,477,546	\$16,113,199	\$14,248,935	\$19,595,001	\$148,684,197

Combined Sales Trends by Division

Division	Monthly Goal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Central	\$72,916,667	\$44,274,845	\$55,142,985	\$53,549,113	\$54,546,794	\$80,314,534	\$55,816,059	\$71,954,973	\$46,539,600	\$45,220,377	\$507,359,281
West	\$62,916,667	\$38,323,555	\$62,954,058	\$44,448,958	\$41,384,525	\$46,905,194	\$40,249,240	\$40,377,406	\$31,670,109	\$31,812,359	\$378,125,395
East	\$36,666,667	\$15,698,330	\$43,192,576	\$46,211,174	\$50,866,055	\$46,095,813	\$49,380,121	\$39,334,533	\$25,080,911	\$35,493,928	\$351,353,441



# I. Expand our National Accounts capability

## Looking ahead to focus firm activity in 2008

- **Opportunities identified** An example of how National Accounts views strong potential for these three focus firms.

### Merrill Lynch: 2008 opportunities

MFA	• As funds grow in size and MFA reconsiders adding AI models, this could lead to future opportunities in 2008
UMA	• Adding a balanced model and REIT model and will create opportunities for the TSW Balanced and Heitman Real Estate Strategies • Mutual Fund opportunities ( currently looking at adding the Analytic Long/Short Fund and they will continue to look at adding mutual fund counterparts to the SMA strategies already in Consults.)
Alternative Investments	• Absolute Return and Emerging Managers Hedge Funds will be revisited
Retail	• Addition of TSW Small Cap Value Fund A &C shares when Fund re-opens in January

### Morgan Stanley: 2008 opportunities

Fund Solution/PPA	• Fund Solution Agreement completed for following funds which will allow them to be presented to Investment Committee on future date if/when needed: <ul style="list-style-type: none"> <li>– Old Mutual Analytic Global Defensive Equity Fund</li> <li>– Old Mutual Barrow Hanley Value Fund</li> <li>– Old Mutual Large Cap Growth Concentrated Fund</li> <li>– Old Mutual Small Cap Fund</li> </ul>
Retail	• Re-launch of TSW Small Cap Value A & C shares January 1, 2008

### UBS: 2008 opportunities

PACE Multi	• Pace will become an open architect platform thus all funds that are in Strategic Advisor will be automatically placed in PACE Multi
Managed Fund Portfolio (MFP)	• Should bring new opportunities for our products
Access	• Discussions regarding the addition of Analytic 120/20 , however, operational issues need to be ironed out
Retail	• Re-launch of TSW Small Cap Value A&C shares January 1, 2008

# I. Expand our National Accounts capability

## Combining our RIA efforts with retail sales will benefit both

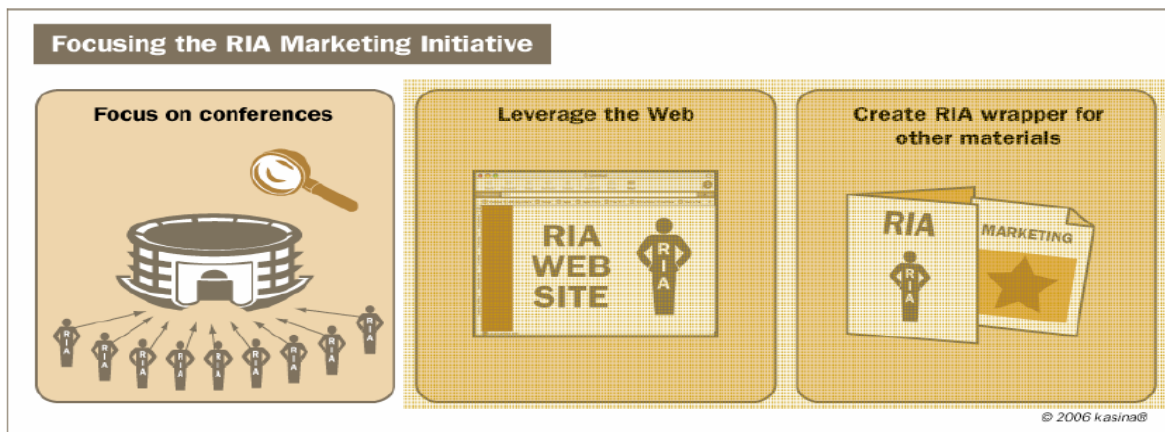
- **The institutionalization of retail** With the RIA team joining the retail sales group, we have many new opportunities for synergies and idea-sharing across the two businesses. Through a trend FRC has termed the *institutionalization of retail*, product selling will increasingly depend on a comprehensive view of an investor's entire portfolio – something Jim's team knows much about.
- **Leveraged distribution** is facilitated through National Accounts and Regional Vice Presidents
- **Best practices** The consultative approach is second nature to our institutional business and will provide many best practices examples to our retail colleagues.
- **Dominant platforms** Our RIA efforts will focus on the dominant custodial platforms, most notably, Charles Schwab, Fidelity and TD Ameritrade, which service 10,000 RIAs, representing 90% of RIA assets.
- **Outreach** RIA channel strategy includes these outreach efforts:
  - Business development at the home offices.
  - Regional event opportunities.
  - value-added educational opportunities.
  - Establishment of SMA distribution within the channel.



# I. Expand our National Accounts capability

## Combining our RIA efforts with retail sales will benefit both

- **Combining initiatives** This effort also allows us to maximize our firm resources. According to the Kasina report, *Independent Thinking: Winning in the RIA Market*, there are at least two ways we can leverage the sales and marketing resources between the two businesses.
  - Leverage the Internet by creating an RIA-specific section to our web site
  - Create an RIA wrapper for other marketing resources



Two of the three major RIA marketing initiatives can be combined with our retail sales efforts

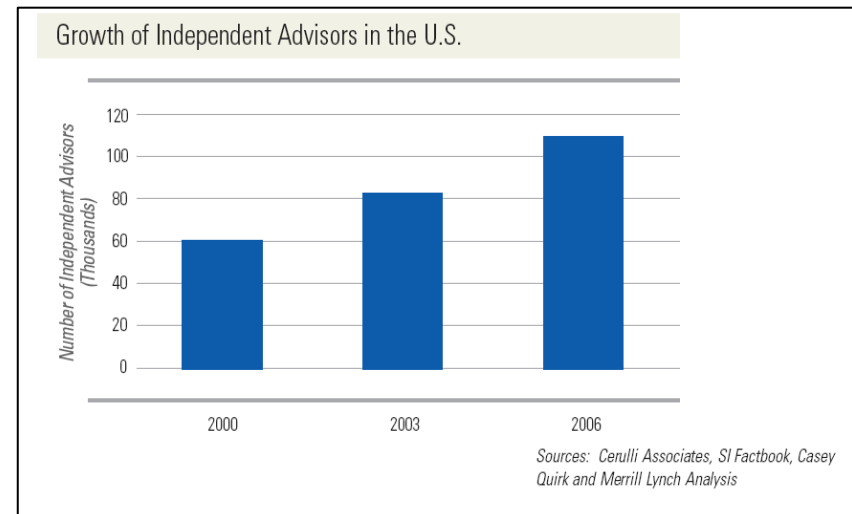


# I. Expand our National Accounts capability

## Old Mutual's conference presence will play a key role in building relationships with RIAs

- **Mass market evolution** The mass market for managing the assets of individuals has evolved dramatically since 2000.<sup>1</sup>
  - **Increased sophistication** What used to be the domain of brokers offering stocks, bonds and mutual funds has evolved into a sophisticated advisory business environment.
  - **Investor segmenting** From family offices focused on serving the ultra high net worth investor through retail outlets serving the smaller investor, planning tools and product access have changed. Sophisticated gate-keeping functions have been developed, and product offerings have been both rationalized and broadened among intermediaries like large brokerage firms, independent financial advisors, multi-family offices, and trust banks.

With the number of advisors on a sharp increase, the traditional role of conference participation is likely to grow as well.



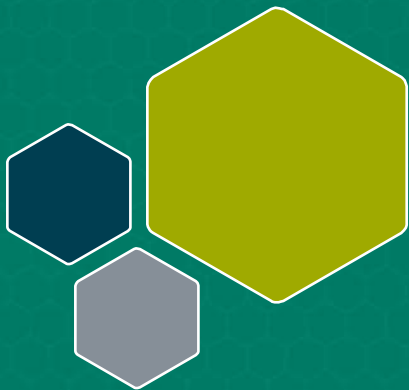
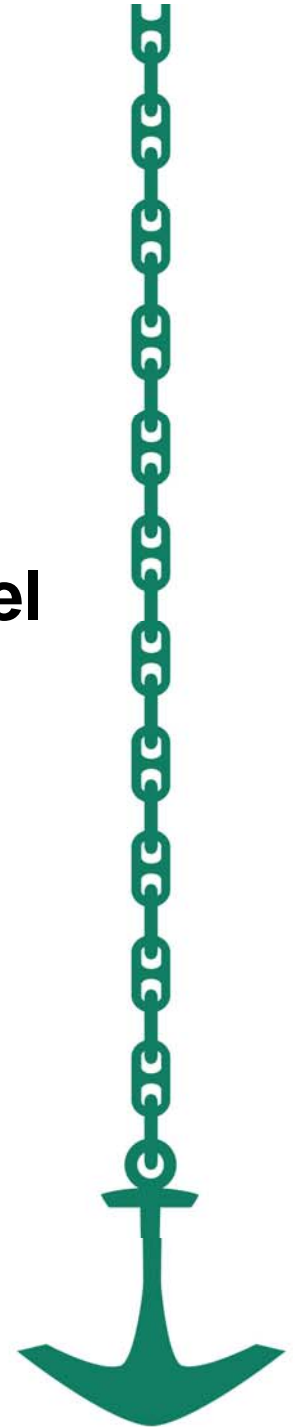
<sup>1</sup>Cerulli Associates, 2006

# I. Expand our National Accounts capability

## A new strategy for a new day

- **Opportunities for Growth** Reinforcing our strategic effort is the 300-page *Opportunities for Growth* report we commissioned from Financial Research Corporation (FRC).
  - **FRC's Success Factors in Advisor-Assisted Distribution** and *The New Gatekeepers* validated our thinking. The research firms, Cerulli & Associates, Kasina, CaseyQuirk and Strategic Insight also provided insights into the challenges and opportunities we confront.
  - **Commitment to change** This research concludes that the forces at work will provide substantial opportunity for OMIP, encouraging us toward further product and solution innovation in coming years as the marketplace evolves.

## **II. Build a value-added, consultative wholesaling model**



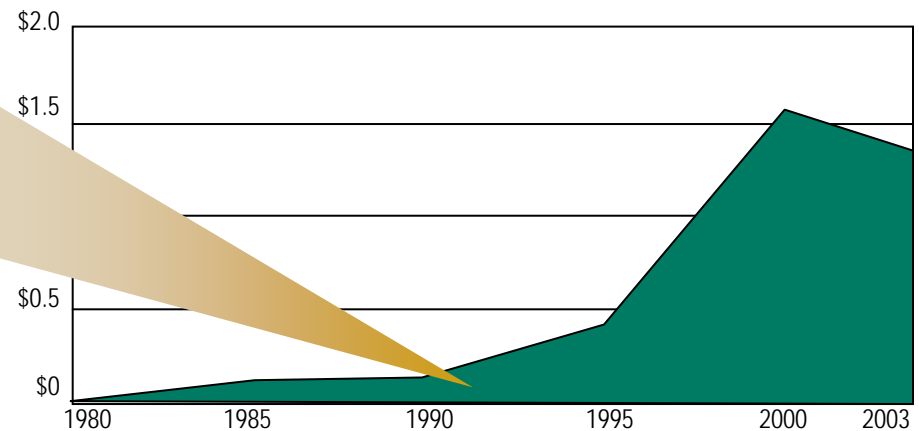
## II. Build a value-added, consultative wholesaling model

### SMA's opened the door to greater investor sophistication

- **Beyond funds** In the 90s, investor demand for mutual funds led to demands for prestigious, new separately managed accounts (SMAs).
- **New due diligence requirements** SEC Rule 3a-4 made it mandatory for brokerage firms to include advisory services as part of the SMA product delivery. Those advisory services led to increased appetite for manager screening, analysis, and reporting, which became the foundation for the manager research function today.

SMAs begin to gain acceptance in the '90s – setting off a wave of product development aimed at the rising affluence of baby boomers that continues to this day.

This is also the point that firm-specific manager research teams started making their due diligence presence felt.



Sources: 2004 Fact Book, Investment Company Institute and Financial Research Corporation (FRC)

## II. Build a value-added, consultative wholesaling model

### Investor demands have changed

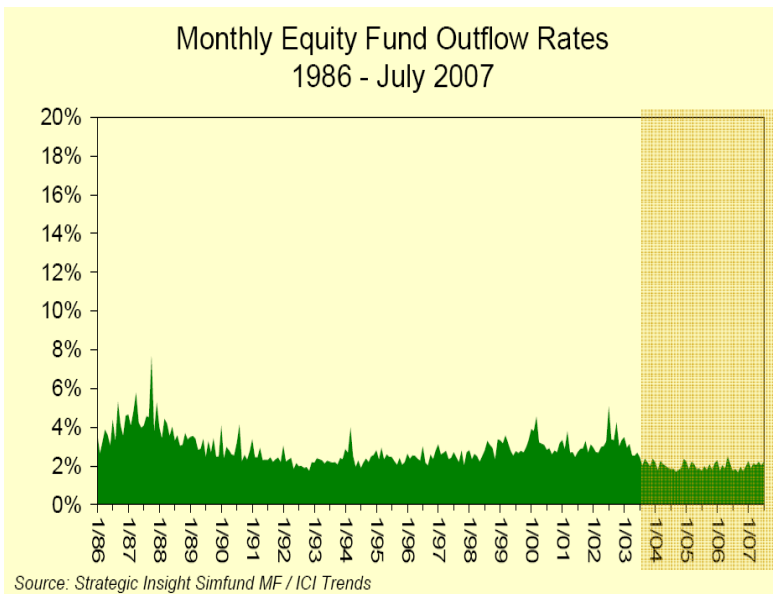
- Our **Developing Essential Partnerships** focus firm strategy addresses four marketplace challenges:
  1. **Growing emphasis on consulting – not just selling** Increasingly, advisors find themselves faced with more sophisticated service demands from their clients. Both advisors and their firms are looking to build essential partnerships with firms like Old Mutual Investment Partners, which can help them bridge this knowledge gap with high-quality practice management tools and techniques.
  2. **Passing training costs to money managers** Distributors are seeking to outsource their advisors' training requirements to investment managers, who will provide value-added programs for the opportunity to "tell their story."
  3. **Rise of the *New Gatekeepers*** The shift in due diligence responsibility for investment selection from the individual advisor to what Financial Research Corporation (FRC) terms the *New Gatekeepers*, the home office investment research teams.
  4. **Transition to a client-centric business model** The evolution of the sales model from product-centric selling to a more holistic client-centric approach centered around solutions that address specific investor needs.



## II. Build a value-added, consultative wholesaling model

### The rise of the “buy-and-hold” investor

- **Shrugging off volatility** This chart from *Strategic Insight* shows that investors have consistently been shrugging off market volatility to the point where the pace of equity fund redemptions are the lowest they have been in 20 years.
- **Less defensive** As investors become more comfortable with volatility, advisors have fewer occasions for justifying downward price pressure to them. In this less defensive atmosphere, the investor is more willing to explore other areas of interest with the advisor.
- **More opportunity** In turn, because the investor isn't as likely to threaten to redeem during a market correction, our Regional Vice Presidents have more opportunity to explore the marketing support and practice management needs of advisors.



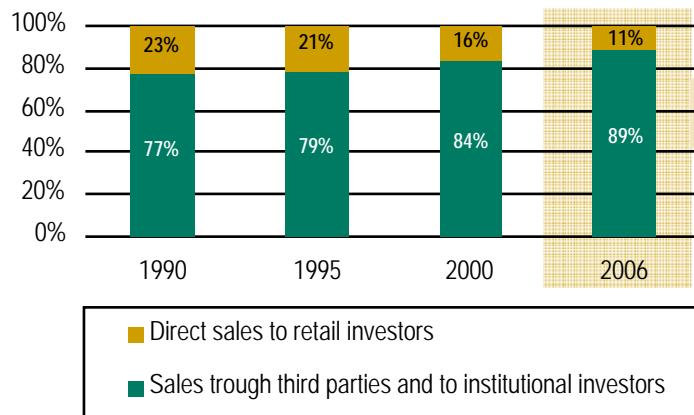
Patient investors kept their cool during last summer's market tumult

## II. Build a value-added, consultative wholesaling model

### Fewer “do-it-yourself” investors translates into greater demand for advice

- **Investors want advice** While no-load fund sales have dropped more than 50% over the past 16 years, as the chart illustrates, advisor-assisted sales have increased by almost the same amount.
- **...And different kinds of advice** Investors seem perfectly willing to push that “assistance” to uncover other ways the advisor can help. According to FRC, “Outsourcing in investment management, back office functions, and miscellaneous administrative duties enables time-starved advisors to concentrate on holistic planning and respond to increasing client demand for sophisticated non-investment-related advice and services.

Growth in Long-Term Mutual Fund Sales through Third Parties  
(Percentage of New Long-Term Fund Sales by Distribution Channel)



The trend toward advisor-assisted sales has been consistently up.

As investors turn to advisors in greater numbers, they will likely seek out more holistic solutions to their situations.

In turn, advisors will look to asset managers like Old Mutual to provide them with consultative assistance, ranging from value-added ideas to estate and tax planning, business transitions -- perhaps even the long-term care of a loved one.

Source: ICI

## II. Build a value-added, consultative wholesaling model

### Fewer “do-it-yourself” investors translates into greater demand for advice

- **Result: a changing role for money managers** Advisors are seeking asset managers to provide education and support around key practice-management and business-building initiatives.
- **Successful asset managers** like Old Mutual have developed strategies and programs to assist advisors in probing for ways to be of service to the wealthy.
- **Old Mutual’s *Essentials of Growth* program**, for example, features Scott McKain who has written a best-selling book on creating the “ultimate client experience.”

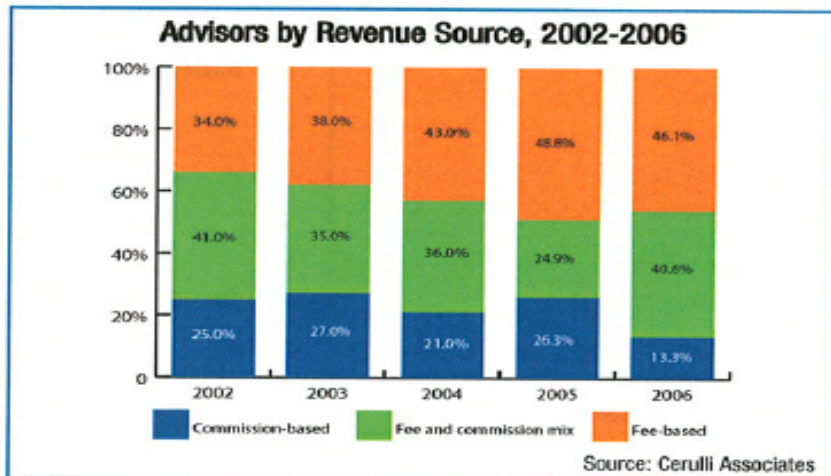
Merrill Lynch presents its high net worth offering as a Total Merrill package of products and services that can encompass everything from asset allocation to tax preparation and estate planning.



## II. Build a value-added, consultative wholesaling model

### The transition to consultative selling

- **Fees trump commissions** The advisor community's commission-based transactions have been cut almost in half over the past four years – while fee-based revenue has increased by almost 50%. Many of today's advisors share, according to a recent study from Cerulli Associates, a number of key characteristics:
  - **Fewer “stock jockeys”** Advisors have increased their use of separate accounts, alternatives and ETFs while decreasing allocations to individual securities
  - **More advisors work in teams** The proportion of advisors working in a team grew 14% from 2005 to 2006
  - **Advisors want more sophisticated investment knowledge** More than 76% of advisors find portfolio construction more complex now than in past years



The shift from commission-based to fee-based business intensifies the move toward a more consultative approach, where the advisor “sits on the same side of the table as the client.”

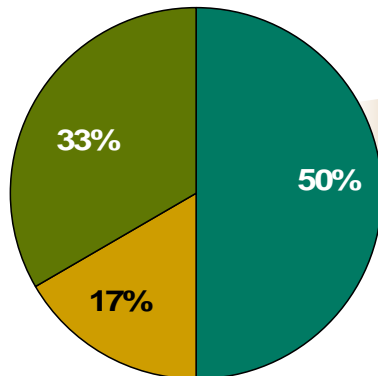


## II. Build a value-added, consultative wholesaling model

### Soaring number of advisors will require value-added practice management support

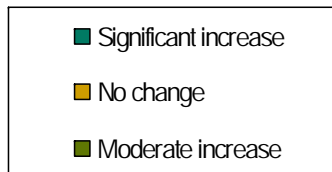
- **Looking for help** As this survey by Cerulli shows, advisors will require greater near-term practice management support – and will turn to their own research or managed account group for product recommendations

**Change In the percentage of advisors who leverage the services offered by their broker/dealer over the past two years**



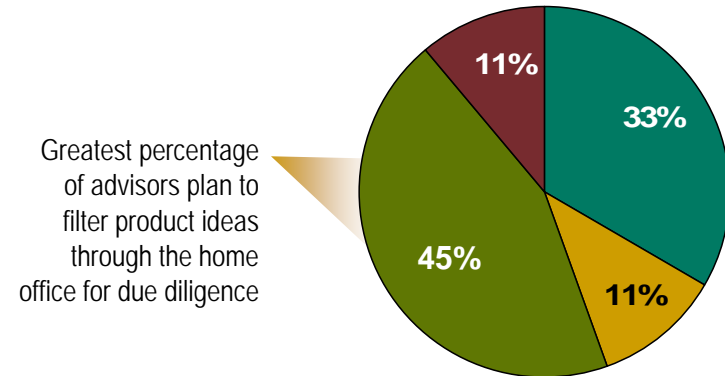
While advisors are looking to their research and managed account group for due diligence product recommendations, they are increasing their demands for broker/dealer sales support.

In turn, BDs will look to firms like OMIP to provide more training and practice management resources<sup>1</sup>

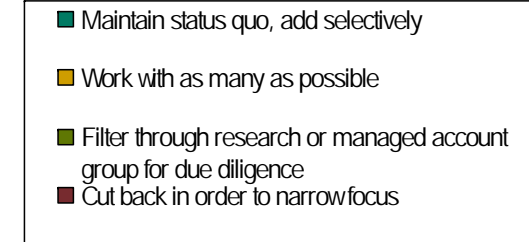


<sup>1</sup>Cerulli Associates, 2006

**Advisors need Regional Vice Presidents' product ideas less and less – as they turn to home office for product recommendations**



Greatest percentage of advisors plan to filter product ideas through the home office for due diligence



## II. Build a value-added, consultative wholesaling model

### Elements of consultative selling

- **Importance of general wholesaler training** While across the industry, wholesalers understand that their role is shifting toward a more consultative approach with advisors, many are not yet fully equipped to serve as business consultants to the advisor community. Old Mutual has made aggressive strides in preparing our Regional Vice Presidents for their evolving consultative role.
- **Industry-wide, many wholesalers are younger than the advisors they serve** In contrast, Old Mutual’s recruitment preferences have resulted in a sales force that includes more seasoned professionals than the industry average. Additionally, many of our Regional Vice Presidents hold more professional designations and advanced degrees than the industry at large. The result: our demographic is well-matched to the advisors they serve. When an advisor speaks to an Old Mutual RVP, they find they are speaking to a peer.

### Keys to doing business with focus firms

	Rated as “very important” in developing consultative selling <sup>1</sup>
<b>Field wholesalers</b>	<ul style="list-style-type: none"> <li>• Wholesalers must evolve beyond product pitching to help advisors implement their holistic client approach</li> </ul>
<b>Value-added programs</b>	<ul style="list-style-type: none"> <li>• Business-building workshops have become one of the most utilized types of value-added programs</li> <li>• Increased demographic segmentation and a diminishing focus on product have made life-event seminars more popular, too</li> </ul>
<b>Web tools</b>	<ul style="list-style-type: none"> <li>• Web sites need to offer additional research and support</li> <li>• Tools should include prospecting software, online portfolio analytic programs and more</li> </ul>

<sup>1</sup> Success factors in advisor-assisted distribution of mutual funds, Pages 28,29

OMIP Regional Vice Presidents sit on “the same side of the table” as the advisor, who requires best practices approaches to building a successful advisory business.



## II. Build a value-added, consultative wholesaling model

### Migrating training costs from distributors to money managers

- **Most investors want one advisor** According to the Retirement Income Association, 78.4% of all retiree households would prefer to use a single advisor. This places additional pressures on advisors to expand their menu of offerings – and their own expertise.
- **Advisor as “concierge”** Pre-retirees, too, require a far more sophisticated level of advice; involving any number of activities outside of traditional product selling, such as:
  - Needs assessment
  - Estate planning
  - Education planning
  - Portfolio reviews
  - Risk profiling
  - Structuring an income distribution plan
  - Debt management
  - Business transfer
- **New skills require new funding sources** To prepare for their new consultative roles, advisors are rushing to learn new skills. In turn, distributors are reaching out to essential partners like OMIP to provide the funding and delivery of practice management programs for use with their advisors.
- **Sharpening the edge** Home office executives want to provide their advisors with a consultative edge, while not having to assume the cost and responsibility of maintaining their own practice management programs.
  - **Lays groundwork for acceptance of OMIP** For firms like OMIP, meeting this need provides a high level of access to branch offices.
  - **Our programs are designed to support their business objectives** Our unique, high-quality, focused practice management programs are designed to help advisors grow their relationship-based consultative capabilities in support of their firm’s business objectives.

## II. Build a value-added, consultative wholesaling model

### Pressure increases at wirehouses to focus on high net worth clients

- **Keeping the focus on high net worth clients** *The Essentials of Growth* helps advisors avoid the consequences of penalties like these.

#### Wirehouse Compensation Policies Focus on HNW Investors

##### Merrill Lynch

Advisors are penalized for servicing accounts with less than \$100,000 and are rewarded for doing more fee-based business; however, the firm recently instituted a new policy which prohibits C-share sales above \$1 million

##### Morgan Stanley

Advisors with accounts of less than \$50,000 receive a reduced pay-out (30% of asset-based revenues, 20% of transaction-based revenues and 50% of residual fees). Advisors in the Private Wealth Management unit are no longer compensated for accounts with less than \$1 million.

##### Smith Barney

Advisors producing \$300,000 or less in revenue receive lower compensation beginning in 2004, while advisors generating \$1 million or more receive higher payouts. Advisors exceeding \$5 million can earn up to a 50.25% payout (including deferred bonuses). The firm's compensation is also more product neutral, including reduced payouts for annuity business.

##### UBS

Lower-producing advisors began leaving the firm a few years ago due to more stringent production levels. The firm encourages fee-based accounts through bonus plans.

##### Wachovia

Beginning in 2005, Wachovia has stream-lined its compensation plan with the former Prudential representatives. Advisors will receive 20% of the first \$9,000 they produce each month, and 50% on any amount above that. In an effort to promote fee-based accounts, the firm will institute a \$15 charge for any stock or option trade outside of a fee-based program.

Sources: Financial Research Corporation (FRC)



## II. Build a value-added, consultative wholesaling model

### Value-added program *The Essentials of Growth* plays a major role in client sorting

- **HNW rewards** All major wirehouses have steered their compensation structures in the direction of penalizing financial advisors for doing business with small clients and rewarding them for doing more fee-based business with wealthier clients.<sup>1</sup>
- **Affluent retirees** This distinctive change in distribution strategy will only grow over the next several years as wirehouses try to capture the largest share of affluent retirees.
- **Migrating “C” level clients** To succeed in this new environment, advisors will be compelled to migrate “C” level clients out of their books – or be penalized accordingly. Our value-added program, *The Essentials of Growth*, offers a scientific approach to migration of “C” level clients. As this issue continues to grow as a pocket book issue for advisors, *The Essentials of Growth* is certain to grow in popularity.



The centerpiece of our practice management efforts, *The Essentials of Growth*, directly addresses the penalty advisors experience when they hold ‘C’ level clients” – an issue that is now prevalent in all wirehouses

<sup>1</sup> FRC's *Success factors in advisor-assisted distribution of mutual funds*, P. 21,

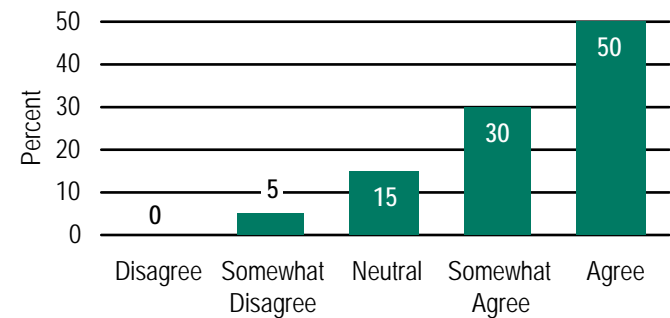


## II. Build a value-added, consultative wholesaling model

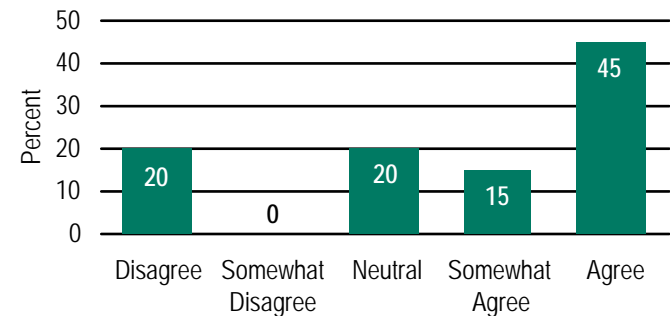
### Regional Vice Presidents feel value-added program supports their efforts

- Sales team survey** A recent survey was completed by the sales team that showed that the Regional Vice Presidents at OMIP, on the whole, feel supported by management in their efforts to evolve their selling methodology toward a relationship-based, consultative approach.<sup>1</sup> (Please see two representative sets of questions and answers at right.)
  - High quality** The Regional Vice Presidents note the high quality and effectiveness of OMIP's value-added programs, adding that the programs are a door opener.
  - Follow-up** They also added that the follow-up process could be improved, perhaps with more supplemental workbooks to the program.

***"My DVP provides me with the coaching, training, tools and resources needed to be successful."***<sup>1</sup>



***"Old Mutual's value-adds are better than our competitors'."***



<sup>1</sup>RVP Survey Results presented by George Endres

## II. Build a value-added, consultative wholesaling model

### Expand measurement of our value-added program

- **Integrating *Essential of Growth* into daily activity** We are looking for ways to replicate some of the success internals and externals are having with the program across the board. We are also identifying a number of other ways to measure to success of the program so it can be come a more established feature of daily activity:
  - Number of new relationships established
  - Number of current relationships that have been expanded
  - Number of dormant relationships that have been restarted
- **The top 10** One metric we're pursuing is to become recognized as one of the top-performing regional vice president teams as measured by DALBAR within the next five years. While we wish to qualify in the top 50 for gross sales; we intend to reach the top 10 in terms of value-added support and product offering for the distribution centers of influence we have identified.

<sup>1</sup>RVP Survey Results presented by George Endres

## II. Build a value-added, consultative wholesaling model

### 2007 Meetings

Scott McKain

26 Meetings

Ed Easterling

32 Meetings

Rick Jensen

45 Meetings

Total Meetings

103

### How the value-added program has contributed to sales

#### 2006 Sales a/o September 30th

City	Mutual Funds	SMA	Total
DALLAS	\$3,750,656.38	\$11,371,029.28	\$15,121,685.66
HOUSTON	\$27,495,252.11	\$13,113,651.28	\$40,608,903.39

#### 2007 Sales a/o September 30th

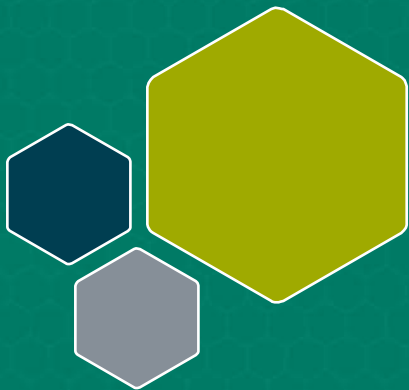
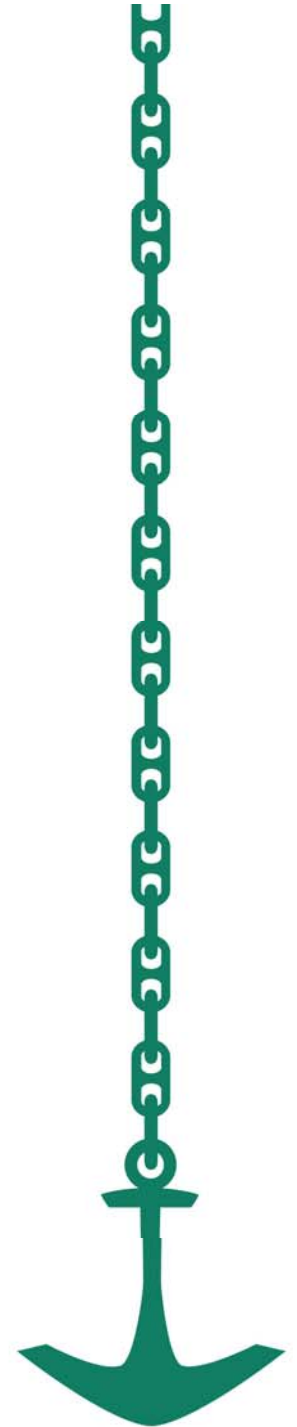
City	Mutual Funds	SMA	Total
DALLAS	<b>\$7,532,914.01</b>	\$10,115,004.42	<b>\$17,647,918.43</b>
HOUSTON	<b>\$35,844,879.54</b>	\$10,305,519.58	<b>\$46,150,399.12</b>

#### % Increase/Decrease in 2007

City	Mutual Funds	SMA	Total
DALLAS	50%	-12%	14%
HOUSTON	23%	-27%	12%



### III. Heighten brand awareness



## III. Heighten brand awareness

### An established parent with global reach

- **An anchor amid turbulence** Since its 1845 beginning, Old Mutual plc has been an anchor in the sometimes calm, sometimes turbulent sea of investment management. Established in S. Africa as "Mutual Life Assurance Society of the Cape of Good Hope." Old Mutual's strategic efforts rest on a solid, well-capitalized foundation.
  - **Offices on every major continent** Across the globe and with more than \$450 billion in managed assets, Old Mutual offers both the individual investor and professional financial advisor alike pre-eminent financial services in mutual funds, managed accounts, institutional accounts, and insurance.
  - **The power of the Old Mutual brand** The firm's global presence reinforces our size, stability and strength to domestic audiences.
  - **Everyone plays a part** At OMIP, our professional team welcomes the challenges that change represents. Every single staff member plays a vital role in applying *The Developing Essential Partnerships* program in his or her own area of expertise. All jobs are important.



**OLD MUTUAL**

■ \$528b AUM<sup>1</sup>
■ Ranked Global Fortune 230<sup>2</sup>
■ FTSE 100 Listed: OML

 <p><b>United Kingdom</b></p> <ul style="list-style-type: none"> <li>■ Old Mutual headquarters</li> <li>■ Listed 1999</li> <li>■ Traditional and alternative investment management</li> <li>■ #46: P&amp;I/Watson Wyatt World 500<sup>3</sup></li> <li>■ Dow Jones U.K. Titans 50 Index</li> <li>■ Acquired Skandia in 2006               <ul style="list-style-type: none"> <li>• Extensive global distribution network</li> </ul> </li> </ul>	 <p><b>North America</b></p> <ul style="list-style-type: none"> <li>■ Acquired UAM in 2000</li> <li>■ \$315.1b AUM (6/30/07)               <ul style="list-style-type: none"> <li>• 19 firms today</li> <li>• 100 distinct strategies</li> </ul> </li> <li>■ Insurance via Old Mutual Financial Network</li> <li>■ #30: <i>Institutional Investor</i> 300<sup>4</sup></li> </ul>	 <p><b>South Africa</b></p> <ul style="list-style-type: none"> <li>■ Established 1845</li> <li>■ Strong base for internationalization strategy</li> <li>■ Leading market positions in investment management, insurance and banking</li> </ul>
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<sup>1</sup>As of June 30, 2007. Skandia assets included in AUM of OM plc.

<sup>2</sup>#230 in the 2006 Fortune Global 500, the magazine's annual compilation of the "world's largest corporations," ranked by revenues for the fiscal year ended on or before March 31, 2006.

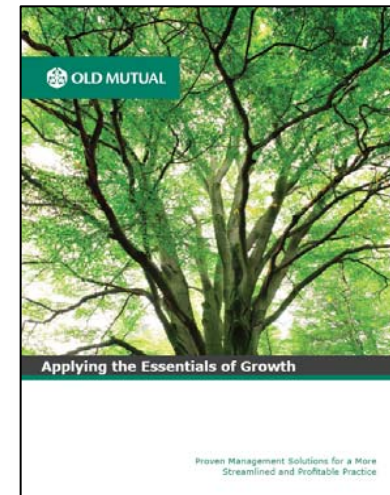
<sup>3</sup>Pensions & Investments' "P&I/Watson Wyatt World 500," the magazine's ranking, compiled with consultant Watson Wyatt Worldwide of the 500 largest asset managers in the world by assets under management as of year-end 2006.

<sup>4</sup>Dow Jones Indices, a leading global index provider, reports the results of the regular annual review of the Dow Jones Country Titans Indexes.

<sup>5</sup>*Institutional Investor* magazine's "I 300," the magazine's ranking of the 300 largest asset managers in the U.S. by assets under management as of year-end 2006. "The I 300: America's Top Money Managers," by Andrew Capon.

### Support Regional Vice Presidents with award-winning marketing initiatives

- **Old Mutual's marketing group supports** the Regional Vice Presidents' business development efforts through:
  - **A new, award-winning array** of practice management tools
  - **Heightened brand awareness** through a vigorous new national advertising strategy
- **OMIP Regional Vice Presidents welcome** To be welcomed into the branches is critical. According to FRC, the four most important factors in determining whether or not a wholesaler is permitted into a branch office are:
  1. The quality of value-added practice management programs
  2. The quality of the wholesaler
  3. Reputation of the asset management firm
  4. Product recommendation
- **Practice management = value-added programs** The requirement of value-added programs in gaining access is well-documented. Advisor participation is strong and home offices like them because they shift part of the training burden over to the investment manufacturer.



OMIP's *Essentials of Growth* program directly addresses the needs of branch managers who permit only those Regional Vice Presidents who have quality value-added programs to visit their office.



## III. Heighten brand awareness

Support Regional Vice Presidents with award-winning marketing initiatives



**Congratulations!** The Mutual Fund Education Alliance is pleased to announce that **Old Mutual Investment Partners** will receive a STAR Award\* for Excellence in Investor Education and Shareholder Communications. Winners will be announced at the STAR Awards Celebration October 24 in Chicago. Award specifics will remain confidential until that time.

The STAR Awards Celebration is held in conjunction with the **MFEA Executive Council Forums**. These extraordinary sessions bring together top executives and industry experts in mutual fund marketing, distribution, product management, e-commerce and shareholder communications to discuss the latest trends and explore strategies for success.



# III. Heighten brand awareness

National brand recognition in magazines and on web sites



National Financial Services Magazines: July-December



## How value-added program and national brand campaign contribute to increased awareness of Old Mutual

- **Increasing presence** Among the factors Regional Vice Presidents *can* control, the lack of a value-add program is the #1 reason they cannot gain access to an office.<sup>1</sup> *The Essentials of Growth* value-added program has provided a catalyst for increasing our regional vice president presence in branch offices.
- **New attention** We have experienced success in attracting new attention to OMIP through our extensive program.

Scott McKain's ultimate client experience idea matches up perfectly with a client-centric theme promoted through Merrill Lynch.

From Merrill's Eileen J. Kennedy's presentation, "*Grow... Retain... Win*"

*"What is the ideal client relationship? When asked, you and your clients said the same thing: It is a relationship in which you provide your clients with a lifetime of solutions based on their total financial picture. Solutions that go beyond investments."*

<sup>1</sup>FRC's *Success factors in advisor-assisted distribution of mutual funds*, P. 9.



**OLD MUTUAL**

**Applying the Essentials of Growth**

Looking for the tools to create a more streamlined and profitable practice? Old Mutual brings you Scott McKain: a renowned business consultant specializing in management strategies and solutions.

Your Old Mutual Wholesaler offers the following keynote presentations from Scott McKain on active retention – a proven driver of net new assets.

**Start examining your practice:**

**What Customers Really Want – Scott McKain**  
Based on his bestselling book of the same name, Scott McKain outlines the six disconnections between financial advisors and clients, revealing how to bridge the gap between what clients REALLY want and financial advisors often provide.

**Learn the steps to enhance your business growth:**

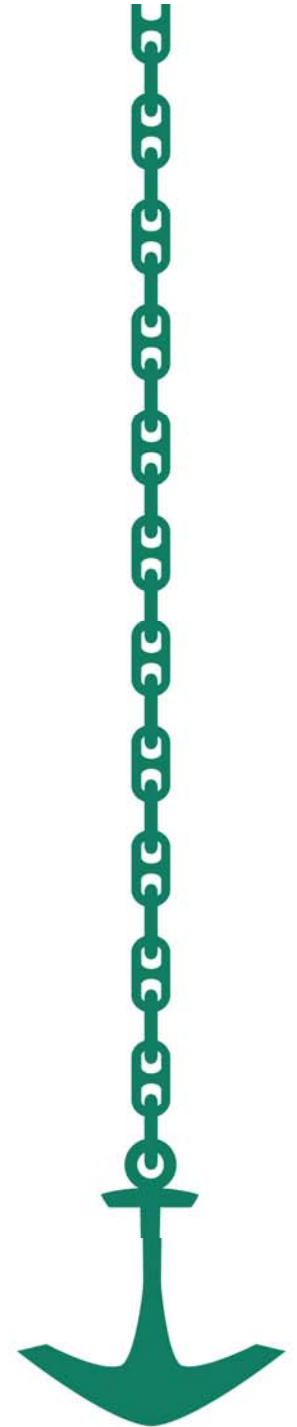
**Turning Clients Into Advocates: The Art of Active Retention – Scott McKain**  
What's the secret for turning your clients into advocates and directing more of their business and referrals to your practice? By refusing to settle for "passive" retention and instead focusing on developing "active" retention strategies that dramatically grow business with existing clients.

**For more information on Scott McKain and how you can apply the essentials of growth, contact your Old Mutual Wholesaler at 888-772-2888.**

For Financial Intermediary Use Only. Not For Public Distribution.



## **IV. Develop in-depth relationships with research teams**

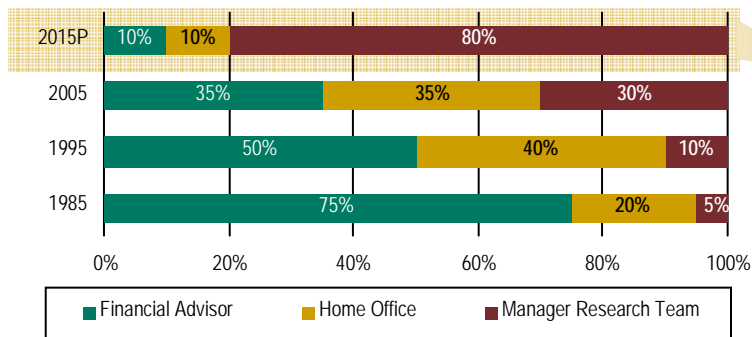


# IV. Develop in-depth relationships with research teams

## Rise of *The New Gatekeepers*

- **Selection responsibility** The importance of the manager research team in product selection has grown in importance just as the role of the financial advisor in the selection process has declined.
  - **Investment selection moves to home office** The investment functions of asset allocation, manager and fund selection, portfolio construction and reallocation/balancing have all been steadily migrating to home offices.
  - **Trend favors institutional managers like Old Mutual** Fortunately, this trend favors an investment management model like ours that is represented by independent-minded institutional affiliates, who understand how to make the case for participation in an investment mandate.
  - **Many of our retail-minded peers have to play “catch up”** Unlike the vast majority of our peers, it is relatively easy for us to add a management competency or replace it, according to need or research requirement.
  - **One successful mandate can lead to greater exposure to other OMIP disciplines** There is no greater motivation for a manager research team to award another mandate to a manufacturer like OMIP than the experience of a prior mandate that remained consistent to its risk/reward profile – and delivered on its objectives.

Reallocation of Influence at Distributors



The rising influence and power of due diligence, manager research teams is likely to transform our business for years to come.

Source: Financial Research Corporation

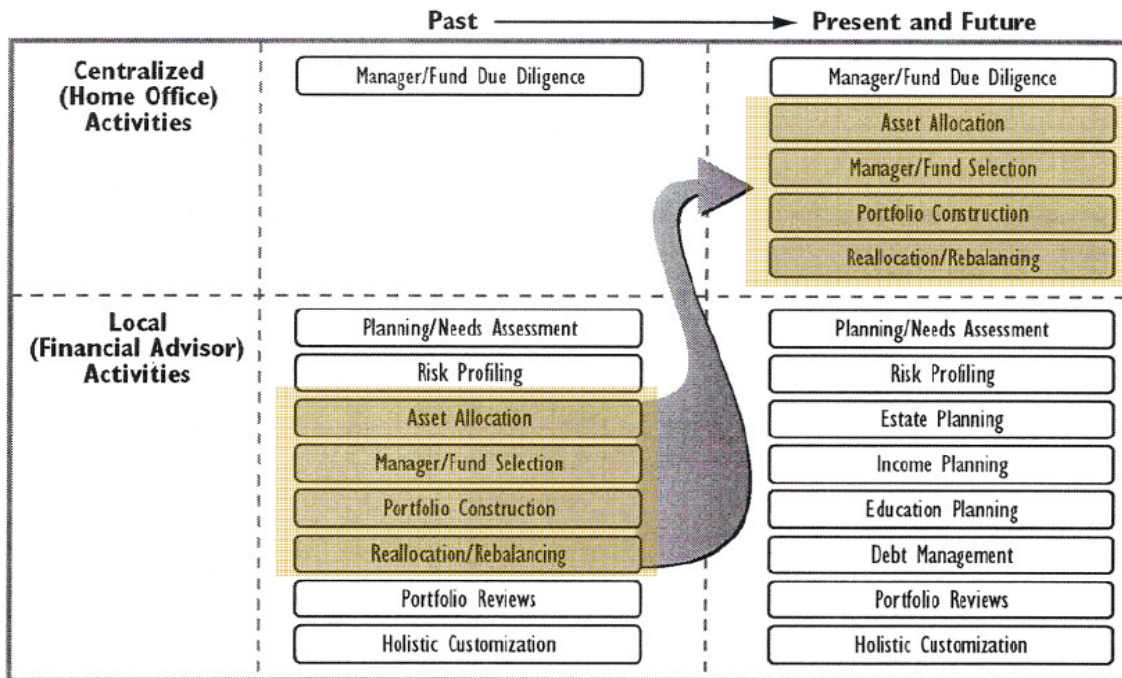


# IV. Develop in-depth relationships with research teams

## Rise of *The New Gatekeepers*

- **Over the next decade**, the roles associated with investment selection are moving from the advisor's branch to the home office

### Migration of Advisor and Home-Office Functions at Broker/Dealer Firms



Source: Financial Research Corporation



# IV. Develop in-depth relationships with research teams

## Meeting focus firm's evolving due diligence requirements

A successful, hypothetical hourly meeting between a manufacturer and a distributor.<sup>1</sup>

- Investment process is of primary interest
- Buy/sell discipline more important than performance or management team bios

### Long-term expectations: Provide more targeted reporting to National Accounts about our alpha generators

According to *Strategic Insights*, manager research teams are always ready to open the doors to smaller, alpha-generating investment firms, called "centers of excellence". On that basis, Copper Rock Emerging Growth Fund should be a prime candidate according to its portfolio characteristics.

### Portfolio Characteristics

	FUND	INDEX
Alpha	3.95	0.00
Beta	0.98	1.00
R-Squared	89.75	100.00
Sharpe Ratio	0.89	0.61
Standard Deviation	13.37	12.92
Avg. Weighted Market Cap	\$1.41B	\$1.33B
3-Yr Historical Earnings Growth Rate	77.41%	35.26%
Number of Holdings	88	1255
Portfolio Turnover	176.02%	N/A
Price/Book Ratio (P/B)	4.16	3.78
Price/Earnings Ratio (P/E)	26.55	25.16

Information above represents the Fund's oldest share class which, if less than 3 years, will be based on a shorter period and is not indicative of longer-term fund characteristics.

<sup>1</sup> FRC. Navigating *the Investment Manager Selection Process at Distributors*. P.23,

### What's important in a one-hour due diligence meeting

Investment process	13.5 minutes
Investment philosophy	7.5
Buy/sell discipline	6.6
Security selection/sale examples	6.1
Risk management	5.3
Manager compensation structure	5.0
Performance attribution	4.8
Performance review	2.8
Background history of firm	2.5
Capacity constraints	1.9
Management team bios/background	1.6
Operational/trading issues	1.4
Regulatory update	1.0

From 9/30/07 Quarterly Fact Sheet, Copper Rock Emerging Growth Fund's robust alpha is accompanied by a slightly reduced volatility versus its benchmark.



## IV. Develop in-depth relationships with research teams

### Uncovering fresh mandates

- **Timely responsiveness** We are moving toward a fully integrated, highly leveraged working model that will combine marketing, Regional Vice Presidents, National Account managers and Investment Research Relationship managers into a functional whole. The key to success here is timely, responsive communications among OMIP home office team members, the field and the affiliates
- **The goal: rapid response** Example: If a firm due diligence specialist is looking to fill a fresh REIT mandate, we want to ensure the Heitman team, for example, is “on deck.”



# IV. Develop in-depth relationships with investment research teams

## Research updates open way for OMIP activity

- **Major increase of communications from home offices to OMIP** The caliber, quality and volume of information we are receiving has increased substantially from last year.
- **Strategic partners and OMIP “on the same page”** The result: Meetings between the individual business units and their respective counterparts are better informed and more coordinated.
- **Enables OMIP to be pro-active** Knowing more about National Account plans lets us be more pro-active about knowing which products to emphasize at the branch level.

For example, UBS Wealth Management Research has been publicizing the advantages of large caps to their advisors. Knowing this allows us to better position our large cap funds, like those sub-advised by Liberty Ridge. For more information, please see Exhibit F.

UBS Wealth Management Research / 24 September 2007

**US equity size and style:  
Favor large caps and growth**

**Equity Size Allocation**  
Large-caps have outperformed smaller companies this year following a protracted phase of underperformance. We believe that large-caps offer better value and should therefore generate higher returns over the next 12 months.

Beyond valuation, we believe large-caps, given their inherently higher earnings stability, will benefit in relative terms from the slowdown in earnings growth that we expect to see this year.

US equity size & style allocation			
In percent	Benchmark allocation <sup>1</sup>	Tactical deviation <sup>2</sup>	Implied current allocation
<b>Total US Equity</b>	<b>100.0</b>	<b>0.0</b>	<b>100.0</b>
Large Cap Value	43.5	-1.0	40.0
Large Cap Growth	43.5	+2.5	43.5
Small Cap Value	6.5	-2.0	7.0
Small Cap Growth	6.5	+0.5	9.5

# IV. Develop in-depth relationships with investment research teams

## Research updates open way for OMIP activity

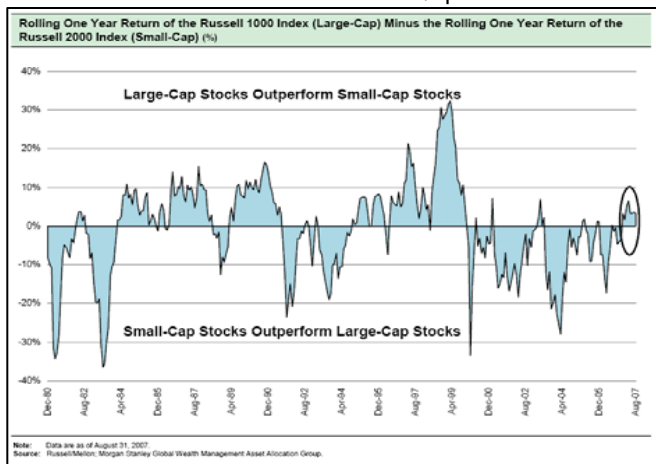
Merrill's RIC Report also offers many ways to introduce an OMIP idea, too

A RIC Report column, *Investment Ideas*, provides numerous ways for a regional vice president to begin a conversation by saying, "As I read in your RIC report recently..."

For example, the section on *ABCs of Digital Media Convergence* describes a broadband opportunity similar to one identified by Copper Rock and Columbus Circle.

For more information, please see Exhibit G.

Long-Term/Strategic	
<b>Global Defense</b>	<ul style="list-style-type: none"> <li>A global arms race appears to be underway.</li> <li>U.S., European, and Asian defense and defense-related stocks.</li> <li>Defense spending is increasing in the U.S., Asia, and Latin America.</li> </ul>
<b>Global Agriculture</b>	<ul style="list-style-type: none"> <li>Technology, climate changes, tight supply/demand conditions, and increased financial-market speculation could boost consumer food prices.</li> <li>Shares of food companies that benefit from changes in demand.</li> <li>Rising demand from the energy sector for agricultural products such as ethanol and bio-fuels.</li> <li>Ag/bio-tech and chemical/fertilizer stocks.</li> </ul>
<b>The ABCs of Digital Media Convergence</b>	<ul style="list-style-type: none"> <li>Consumers are changing how and where they use digital media. Investors should think in terms of Access to media, Broadband providers, and various kinds of Content and who creates it.</li> <li>Share of companies that make access devices; telecom and cable companies; content providers.</li> <li>Watch for further consolidation across industries.</li> </ul>



### Tapping into the advisor's interest.

Charts like this one from Morgan Stanley's *Darst* report make a powerful case for large cap stocks.

This type of content is easily repurposed and refined into compelling one-page investment insight pieces for our large cap funds – and distributed back to Morgan Stanley or other focus firms – to support their investment campaign.

For more information, please see Exhibit H.



## IV. Develop in-depth relationships with research teams

### Research updates open way for OMIP activity

- **Source material** National Account product updates, vetted by New Gatekeepers, becomes the source material for OMIP's Investment Research Relationship team to provide timely bullet points.

#### *From an OMIP Investment Research Relationship memo*

The key points are distilled from National Account product communications into an actionable summary which is distributed to the team.

In this excerpt, a product case is made that is parallel to UBS – that the time is right for Large Cap, Growth, International and China.

For more information, please see Exhibit I. Focus Firm Summary.

#### **“What does this mean for OM Funds?”**

“As we have continually stated in previous investment research reports, Large Cap, Growth, and International Funds continue to be considered strong investment opportunities heading into the second half of the year. With domestic markets becoming more defensive in nature and an increasingly stronger global economy, we believe the **OM Large Cap, Growth, International and China Funds** are well positioned to perform solidly in this market environment.”



# IV. Develop in-depth relationships with research teams

## Staying abreast of research manager trends

- **Expand number of mandates:** Once one product is accepted at a home office, it becomes easier to solicit other mandates.
- **Rapid response** We need to establish a rapid response, crisis communications function targeted to this audience.
- **More communications about alpha generators** We also need to present the powerful, alpha-generating qualities of select affiliates.
- **Increase transparency** The trend in communicating product information to the New Gatekeepers is greater transparency.
  - **Full attribution option** A recent audit of competitive material showed that Fidelity Funds has been earning high marks from manager research teams for the thoroughness of their full attribution reports (shown right), issued quarterly.
  - **Greater transparency puts a burden on our team, too** Fuller disclosure can sometimes catch Regional Vice Presidents off guard, however. There is no substitute for all members of the sales and marketing teams to be on their toes when it comes to knowing OMIP’s affiliates and their processes.

**Full attribution reports like this one from Fidelity Funds receive high marks from research teams. See Exhibit J.**

Research > Mutual Funds > Fidelity Blue Chip Growth Fund >

**Fund Characteristics and Attribution** [About Portfolio Characteristics](#) | [Glossary](#)

[View Fund Performance](#)

**Fidelity Blue Chip Growth Fund**

Use the following information to gain a better understanding of the fund's holdings and its performance relative to its benchmark. To learn more about this information, see [Fund Characteristics and Attribution Frequently Asked Questions](#).

**Portfolio Characteristics\* - March 31, 2007** (Benchmark: Russell 1000 Growth)

	Fund Asset Coverage	Securities Coverage	Fund Positions	Benchmark Positions
<b>Valuation</b>				
Dividend Yield	100%	135/137	1.3%	1.2%
Price/Book	99%	135/137	4	4
Price/Cashflow	99%	135/137	14.9	14
Price/Earnings (IBES 1 Year Forecast)	99%	132/137	17.0	17.4
Price/Earnings Trailing	99%	135/137	21.3	20.3
Price/Earnings Trailing, ex negative earnings	99%	135/137	20.9	20.2
Price/Sales	99%	135/137	2.1	1.9
Return on Equity 1 Year Trailing	99%	135/137	22%	22.5%
Return on Equity 5 Year Average	99%	133/137	18.3%	19.1%
Price Earnings/Growth (IBES Forecast)	98%	130/137	1.5	1.4
<b>Growth</b>				
1 Year EPS Growth (IBES Forecast)	99%	132/137	20.2%	18.6%
1 Year Sales/Share Growth (Forecast)	99%	135/137	14.3%	14.0%
Long Term EPS Growth (IBES Forecast)	99%	132/137	14.1%	14.1%
EPS Growth 1 Year Trailing	98%	129/137	16.8%	17.2%
EPS Growth 5 Year Trailing	74%	93/137	20%	20.2%
<b>Size</b>				
Mean Market Cap (\$ Billions)	100%	137/137	\$49.8	\$16.1
Median Market Cap (\$ Billions)	100%	137/137	\$21.9	\$5.8
Weighted Average Market Cap (\$ Billions)	100%	137/137	\$88.8	\$68.7
Weighted Median Market Cap (\$ Billions)	100%	137/137	\$56.9	\$35.9
<b>Market Cap Ranges (%)</b>				
>\$50 Billion			54.2%	41.7%
>\$20-\$50 Billion			22.4%	23.3%
>\$10-\$20 Billion			10.1%	15.2%
>\$2-\$10 Billion			11%	19.4%
>\$0.5-\$2 Billion			2.2%	.4%
\$0-\$0.5 Billion			.1%	0%
Not Available			0%	0%

\* Note: Includes U.S. and Foreign Equities, excludes Convertibles.

## IV. Develop in-depth relationships with research teams

### Provide more reporting about our alpha generators

- **Leading the way** These alpha-generators ( $\alpha$ ), identified by Financial Research Corporation as *Opportunities for Growth* at OMIP, are leading the way for acceptance and visibility on the platforms of our essential partners.

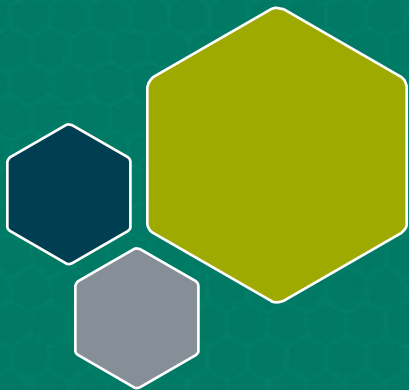
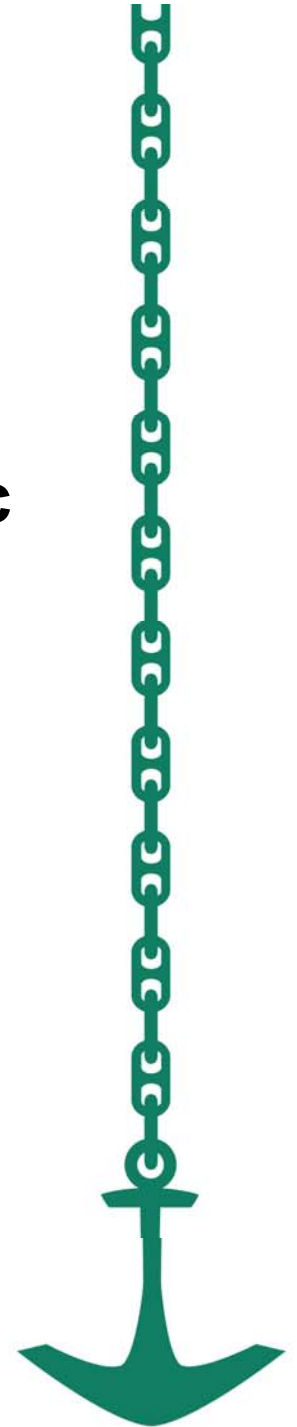
	Fund Name	Morningstar Category	Alpha Generation
	Old Mutual Large Cap Z	Large Blend	N
$\alpha$	Old Mutual Analytic Def Z	Large Blend	Y
$\alpha$	Old Mutual Focused Z	Large Blend	Y
$\alpha$	Old Mutual Analytic L/S Z	Large Blend	Y
	Old Mutual Lrg Cp Conc Z	Large Growth	N
	Old Mutual Large Cp Gr Z	Large Growth	N
	Old Mutual Select Grwth Z	Large Growth	N
	Old Mutual Barrow Val Z	Large Value	N
	Old Mutual Mid Cap Z	Mid-Cap Blend	N
	Old Mutual Growth Z	Mid-Cap Growth	N
$\alpha$	Old Mutual Small Cap Z	Small Blend	N
	Old Mutual TS&W SmCp Val	Small Blend	Y
	Old Mutual Emerging Gr Z	Small Growth	N
	Old Mutual Strat Sm Co Z	Small Growth	N
	Old Mutual Heitman REIT Z		N
	Old Mutual Col Cir TechZ		N

Source: FRC OMIP *Opportunities for Growth*





## V. Transition to a client-centric business model



## Product acceptance increasing for OMIP investment solutions

- **Staff expansion led to success** The new business development structure can be directly credited with accelerating the number of OMIP products included on focus firm platforms.
- **Monthly reports communicate home office progress** Between National Accounts and Investment Research Relationship Teams actions, home office product initiatives are rapidly integrated with OMIP's sales and relationship management activity.

1a. Product Placement Grid

	2006 UMA; SMA	YTD 2007 UMA; SMA	2006 MF Retail, WRAP	YTD 2007 MF Retail, WRAP
ML	4	5 ↑	27	28 ↑
UBS	2	4 ↑	26	27 ↑
MS	14	21 ↑	15	23 ↑
SB	0	0 →	10	11 ↑
LPL	0	2 ↑	27	28 ↑
RJ	0	2 ↑	26	27 ↑
AGE	2	6 ↑	27	28 ↑
Wachovia	0	0 →	27	28 ↑
<b>TOTAL</b>	<b>22</b>	<b>40 (81%)</b>	<b>185</b>	<b>200 (8%)</b>

### Monthly reports communicate home office progress

This document, updated monthly, tracks the addition of product placements on platforms. OMIP Product acceptance trends and platform placement are carefully tracked month to month, firm by firm. In this example, we see that the trend toward platform product additions is up across-the-board.

For more details, Please see Exhibit D.



# V. Transition to a client-centric model

## Products as solutions; toward a client-centric model

- **More mandates** OMIP is undertaking an intensive product review and realignment initiative which will directly address the primary product mandates of our focus firms.
  - This includes efforts toward comprehensive solution-oriented programs aimed at the increasingly complex needs of aging baby boomers.
- **Advantage: OMIP** As many of our peers address the implications of the transition from product-centric to client-centric solutions, OMIP benefits from the institutional prestige of its independent affiliates and sub-advisors, who are already a compelling fit for many research team mandates.
- **Institutional orientation** Old Mutual's style-pure, alpha-generating products have established track records for fitting specific mandates. In fact, as of June 30, 2007, more than 97% of assets were institutional.



Old Mutual Asset Management will grow organically, supporting our member firms and selectively adding capabilities where needed.




# V. Transition to a client-centric model

## Let broad affiliates attract new mandates

- **Advantage: OMIP** No matter how big some fund families are, most have a “house style” or a vested interest in a limited number of investment characteristics.
  - **Style neutral** Because the organization is style neutral, OMIP offers broad appeal to gatekeepers.
  - **Power of independence** OMIP’s affiliates operate independently of each other, bringing a valuable additional measure of non-correlation to a portfolio.
  - **More to offer** With its extraordinary combination of consistency and management independence, OMIP has more to offer manager research teams than many larger firms, which tilt toward one style over another.

### For example: Three small cap managers, three distinctive approaches

A look at OMIP’s small cap managers which sub-advise three distinct mandates for Old Mutual Strategic Small Company Fund show three different approaches.

			
<b>Style</b>	Pure growth manager	Core manager	Core manager
<b>Focus</b>	Favors entrepreneurial companies	Small- to mid-cap equities	<ul style="list-style-type: none"> <li>• Multi-factor model</li> <li>• Quality companies</li> </ul>
<b>value-added</b>	“No excuses” sell discipline	Seeks out companies with dominant, low-cost franchises	Looks for management teams with incentive to grow bottom line



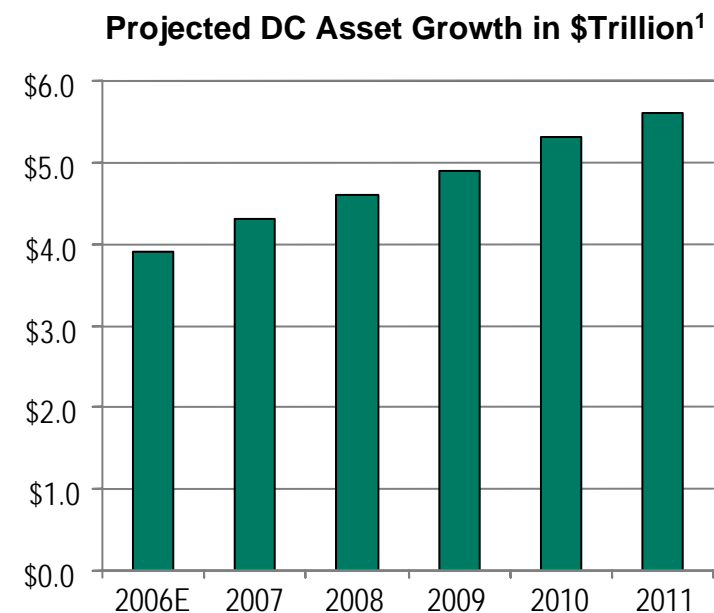
### A high level IODC opportunity plays right to OMIP's core strengths

- **IODC ahead** A solid product strategy always has room for a new idea. Such is the case with the Investment Only Defined Contribution (IODC) market.
- **Small team needed** We require only a small team to coordinate our resources to approach this market.
  - **IODC opportunity** OMIP is looking at a very attractive new opportunity in this area. The IODC team brings a vigorous institutional orientation to the process of communicating about investment analytics and track records to investment selection committees and boards.
  - **Focus** OMIP's IODC emphasis will concentrate on:
    - Large insurance companies
    - Regional and national bank trust companies
    - Large record keepers and TPAs
    - DC consultants



## A high level IODC opportunity plays right to OMIP's core strengths

- **Attractions** One of the attractions of the IODC market is the fact it requires little of the up-front expenses of a TPA or DC initiative. Here are some of the other key points about the IODC opportunity:
  - DC is the primary savings vehicle for workers
  - 2006 to 2011 projected 7.1% CAGR
  - Automatic enrollment and permanence of EGTRRA contribution limits will boost DC flows
  - Termination of DB plans resulting in growing company DC matches
  - Increasing emphasis on open architecture will continue



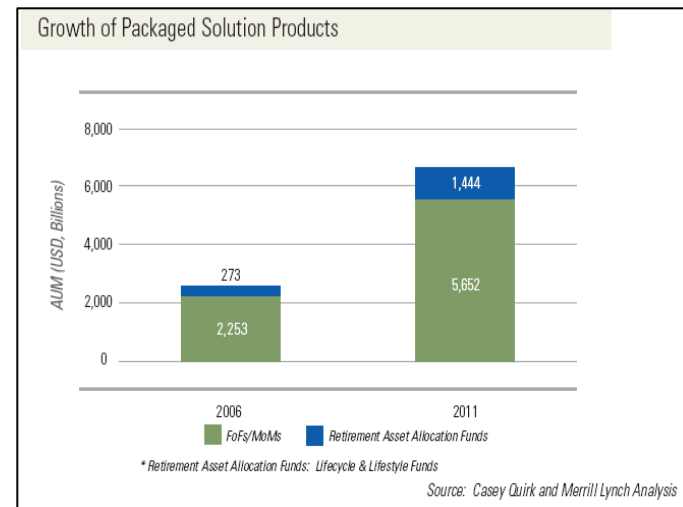
<sup>1</sup> Source: D. Bruce Johnston's presentation, *Positioning for the modern advisor*



# V. Transition to a client-centric model

## Product solutions: a look ahead

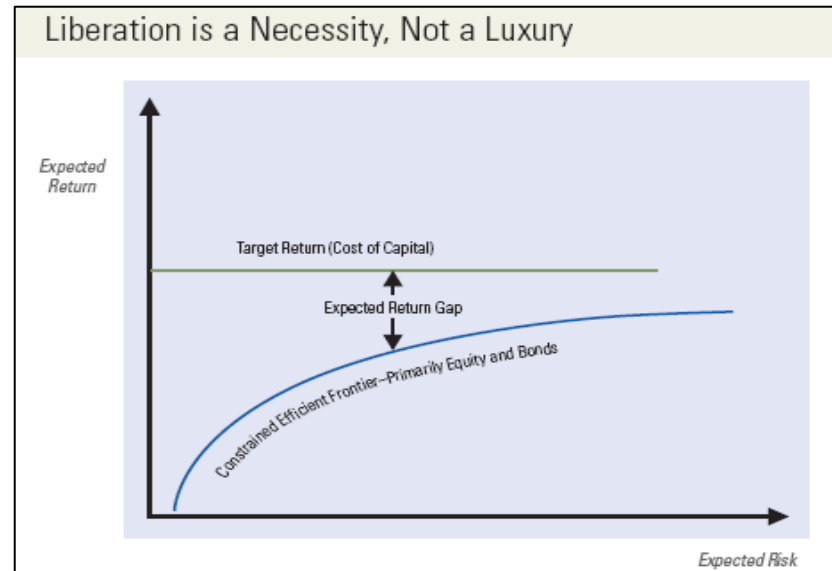
- Packaged solutions** Another winning strategy is the packaged solution. “Packaged solutions are about combining the strategy and execution components of the investment process under one roof,” the report notes. These products are especially well-suited to the pressure to save implied by the Pension Protection Act, in which companies may choose to automatically enroll employees in qualified retirement plan investments.



## V. Transition to a client-centric model

### Liberating the efficient frontier

- **Innovation ahead** As noted earlier, senior management is paying close attention to several of the ideas presented in the Merrill Lynch/Casey Quirk publication, *The Brave New World: Winning Product Strategies for a Changing Global Market*.
  - **Beyond stocks and bonds** The days when long-only securities were the only practical way of applying the efficient frontier are gone.
  - **Other technical strategies** Investing techniques that include hedging, currency plays and more will become fairly routine as the next few years approach.



Source: Merrill Lynch/Casey Quirk publication, *The Brave New World: Winning Product Strategies for a Changing Global Market*

