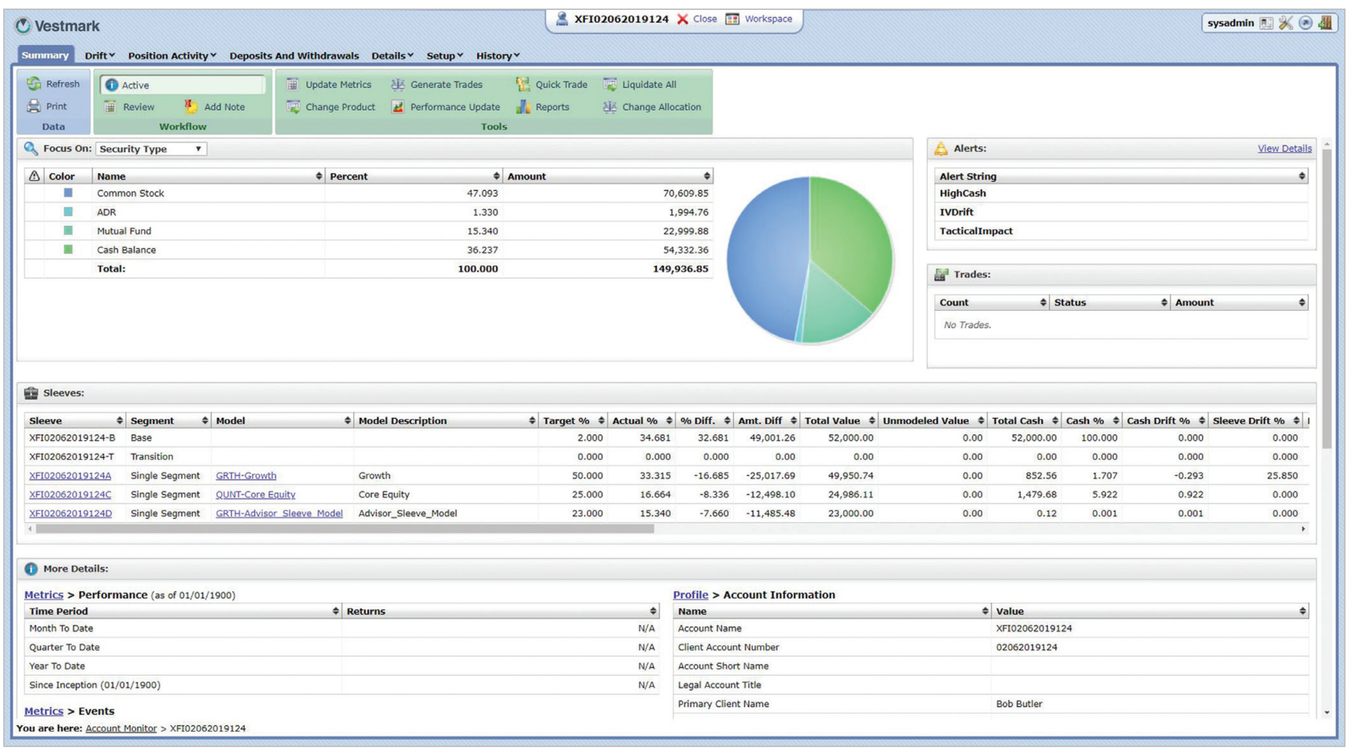
Vestmark

VestmarkONE®

# UMAs & Sleeve-level Accounting

## Tap the Unfulfilled Promise of Unified Managed Accounts (UMAs)

Sleeve-level accounting is fundamental to supporting robust multi-discretionary, multi-manager, and multi-product advisory programs. As the only platform that supports true sleeve-level trading discretion, VestmarkONE allows different managers and/or advisors to trade the same custodial account at both the sleeve and account levels.




A single custodial account with third-party manager, home office model, and advisor-directed sleeves.

# Key Features

VestmarkONE lets you easily implement multiple highly sought-after strategies into a single account without security, model, or discretionary constraints.

### Allow Multiple Managers to Trade in a Single Account

Easily isolate the trading discretion of each sleeve within a single custodial account.

### GIPS-compliant Performance at the Sleeve, Account, & Household Levels

Leverage the many benefits of a UMA without sacrificing the ability to calculate GIPS-compliance performance.

### True Sleeve-level IBOR

Maintain a sleeve-level IBOR by tracking tax lots and transactions at the sleeve level.

### Reconcile Positions at the Sleeve Tax Lot & Transaction Levels

Manage each sleeve as a sub-account with its own cash and reconcile custodial positions at the sleeve tax lot and transaction level.

### None of the Shortcomings of Blending & Tagging

Avoid excessive trades, time lag in executing outside manager model changes, the inability to effectively trade fixed income securities, and the inability to maintain sleeve-level cash positions.

### UMA duct tape: the dangers of blending & tagging as a sleeve-accounting workaround

While VestmarkONE was built from the ground-up to support UMAs and true sleeve-level accounting, other providers have retrofitted their portfolio management engines with “blending” or “tagging” shortcuts.

- **Blending models** into a single security model is often viewed as the genesis for the UMA. In this scenario, the advisor might have multiple models provided by different managers. S/he can simply take those models and blend them together. The good news? This is fairly easy to do. The bad news? The advisor loses the ability to track manager performance, separate trading discretion by manager, and cleanly track positions by manager. Not being able to know (or tell clients) which manager models contributed to their overall risk/return is a serious shortcoming.

- **Tagging models** is arguably better than blending because advisors can distinguish which positions belong to a particular model. That said, tagging doesn’t solve for the other primary challenge of UMAs and sleeves: cash management. A system that tags doesn’t separate cash by model and maintains one account-level cash position. So… how much cash belongs to model A and how much belongs to model B? How much belongs to the overall account? Tagging makes it virtually impossible for multiple managers to trade within a single account.

# Questions?

To learn more about VestmarkONE’s UMAs & sleeve-level accounting tools, visit **www.vestmark.com**

To schedule a demo, send an e-mail to **inquiry@vestmark.com** or call **781-224-3640**



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