

## What is the Performance Advisory Service?

Phocion's Performance Advisory Service has been designed specifically for institutional firms with Performance departments in place. The high demands of performance departments to service managers and clients, produce daily returns, run quality checks, and deal with an ever increasing number of ad hoc requests from various departments leave very little time and resources to deal with planning and continual long-term issues. Moreover, the access to expert level advice is a significant limitation even in performance departments of 5 to 10 people. Phocion provides your firm access to this knowledge to be able to make informed decisions, steer it in the right direction, meet deliverables on a timely basis and more. Phocion's continual assistance will turn performance from an operational centric focus to an analytical one.

## Driving Demand for Expert Advice

Investment performance expertise is difficult to find due to the fact performance is a niche area, many who enter performance view it as a stepping stone and do not make it a career choice, others are content to focus solely on operational aspects of running returns and producing reports, and the industry itself has not placed significant enough importance on the field. Phocion has developed its Advisory Service to assist institutional firms dealing with the industry wide performance resource and expertise limitation. Firms can avoid delays due to resource issues, cost overruns due insufficient planning and knowledge gaps due to lack of training with the guidance and assistance Phocion's team can provide.

## How does it Work?

The firm has unlimited access to our feedback on any question, issue or idea they are looking at. Our advice will provide guidance to the firm who then has the choice of assigning the work internally, outsourcing it to Phocion at a pre-agreed discounted rate, or a combination of both. In the end, the objective is to provide sound counsel that the firm can implement in the most cost and time effective manner.

- ✓ Annual performance reconciliation on all portfolios, composites, and benchmarks
- ✓ Unlimited counsel on any operational/analytical questions, project planning, new product management, policy design, etc.
- ✓ 25 % decrease in hourly rate for any tasks/projects the firm would like to outsource to Phocion
- ✓ Monthly training customized for the firm and its employees over the course of the annual contract (no limit on number of employees)
- ✓ Beneficial discounted pricing rate for Phocion's comprehensive proprietary "*Performance Gap Analysis*"
- ✓ Champion performance initiatives to Senior Management as an Independent Third Party Expert provider
- ✓ Annual Contract

## Phocion Performance Advisory Services

### Breakdown of Services

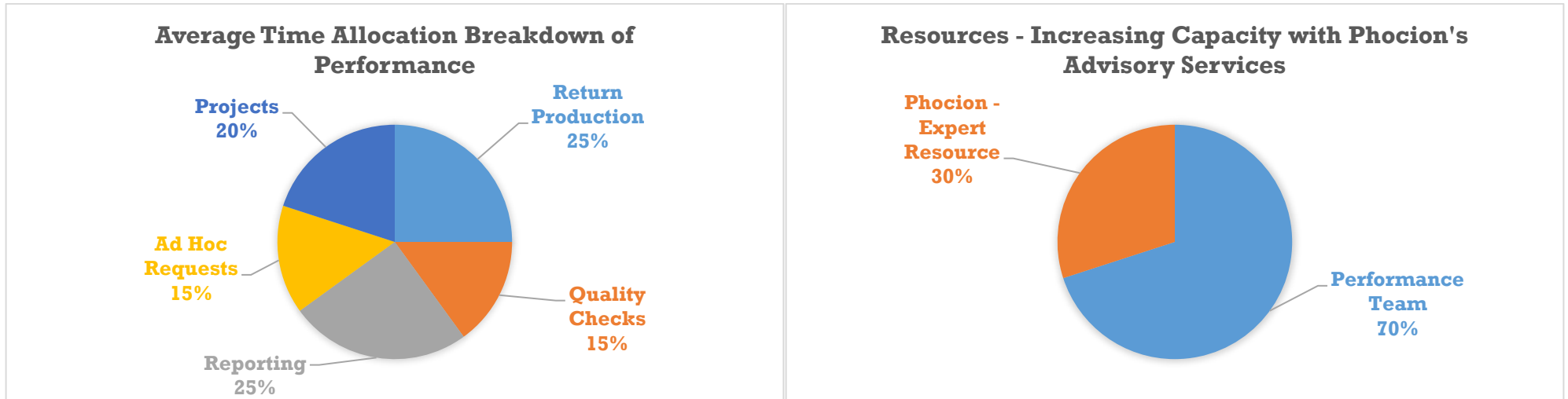
To obtain the services below, a firm would have to overstretch its performance department and hire numerous outside consultants at high hourly rates. Phocion is a unique performance service provider in the investment industry who can provide the comprehensive suite of performance services below at an affordable cost and in an efficient manner.

Service	Fee	Frequency	Sub-Services	
<b>Guidance</b>	Included	On-going	<ul style="list-style-type: none"> <li>✓ Controls</li> <li>✓ Policies &amp; Procedures</li> <li>✓ Product Management</li> <li>✓ Operations</li> <li>✓ Benchmark Management</li> </ul>	<ul style="list-style-type: none"> <li>✓ GIPS</li> <li>✓ Reporting</li> <li>✓ Data Management</li> <li>✓ Project Planning</li> <li>✓ Fees</li> <li>✓ Return Management</li> <li>✓ Ad hoc Requests</li> </ul>
<b>Performance Reconciliation</b>	Included	Annual	<ul style="list-style-type: none"> <li>✓ Verification of return mechanics</li> <li>✓ Transaction mapping check</li> <li>✓ Corporate Action verification</li> </ul>	<ul style="list-style-type: none"> <li>✓ Portfolios, Composites and Benchmarks</li> <li>✓ Daily, Monthly, Quarterly and Annual return verification</li> <li>✓ Total, Asset Class, Sector, and Security levels</li> </ul>
<b>Outsourced Performance Consulting</b>	Discounted Hourly Rate	On-going	<ul style="list-style-type: none"> <li>✓ Strategy Review &amp; Analysis</li> <li>✓ GIPS Implementation</li> <li>✓ Reconciliation</li> <li>✓ Vendor Search</li> <li>✓ System Implementation</li> <li>✓ System Migration</li> </ul>	<ul style="list-style-type: none"> <li>✓ External Manager review</li> <li>✓ Vendor Due Diligence</li> <li>✓ Reporting</li> <li>✓ Composite Construction</li> <li>✓ Performance Gap Analysis</li> <li>✓ Controls, Policy &amp; Procedure Development</li> </ul>
<b>Training</b>	Included (Unlimited number of employees)	Monthly Basis	<ul style="list-style-type: none"> <li>✓ Return Mechanics</li> <li>✓ Attribution</li> <li>✓ Equity, Fixed Income, Derivatives, Real Estate &amp; Private Equity</li> <li>✓ Risk-Adjusted Performance</li> <li>✓ Valuation</li> <li>✓ Transactional Based Performance</li> </ul>	<ul style="list-style-type: none"> <li>✓ Risk</li> <li>✓ Reporting</li> <li>✓ GIPS</li> <li>✓ Multi-Period Performance</li> <li>✓ Corporate Action Management</li> <li>✓ Transaction Mapping</li> <li>✓ Fees</li> <li>✓ Manager Evaluation</li> <li>✓ Custom Requests</li> </ul>

Quantified Benefits with Phocion

The following are just a few examples of how Phocion can assist your firm.

- Resource Capacity: Phocion can significantly increase your resource capacity

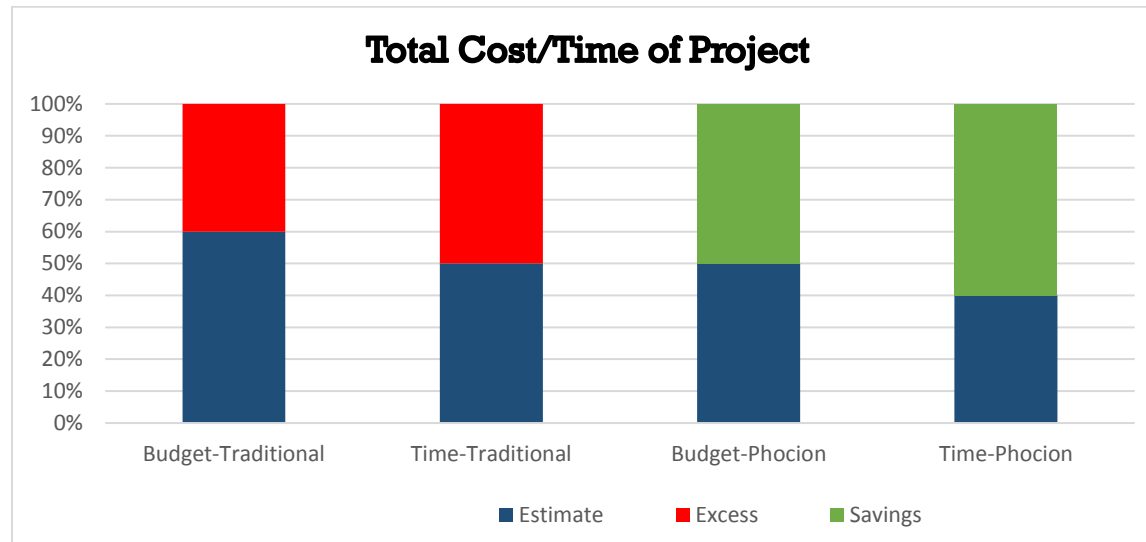


- Training: Cost Savings and Increase in firm wide understanding of Performance included in the Annual Fee.

	Industry Practice	Phocion
<b>No. of Employees</b>	5	Unlimited
<b>Fee per Employee</b>	\$250-\$800	Unlimited
<b>Sessions</b>	1	Monthly Basis
<b>Material</b>	Standard	Customized
<b>Total Cost</b>	\$1,250 - \$4,000	Included

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- **Time & Cost of System Implementation:** The always daunting task of a system implementation or system migration can be completed in a timely and cost effective manner with Phocion's guidance while alleviating stress on the performance team and minimizing reliance on the vendor.



	<b>Traditional Experience</b>	<b>Phocion Advantage</b>
<b>Budget/Cost</b>	<b>Over-Budget</b>	<b>Under-Budget</b>
<b>Causes</b>	<ul style="list-style-type: none"> <li>- High vendor Consulting Fees</li> <li>- Limited vendor support</li> <li>- Poor firm planning &amp; Preparedness</li> <li>- Resource constraints</li> </ul>	<ul style="list-style-type: none"> <li>- Low comparable fees</li> <li>- Comprehensive planning</li> <li>- Customized Support</li> <li>- High level of preparedness</li> <li>- Experienced resource</li> <li>- Clear/Expert guidance</li> </ul>
<b>Time/Duration</b>	<b>Behind Schedule</b>	<b>Ahead of Schedule</b>
<b>Causes</b>	<ul style="list-style-type: none"> <li>- Overly optimistic vendor estimate</li> <li>- Piecemeal approach</li> <li>- Internal resources limitations</li> <li>- Limited documentation on internal processes</li> </ul>	<ul style="list-style-type: none"> <li>- Realistic estimate of project</li> <li>- Comprehensive approach</li> <li>- Expert resource to guide team and take on tasks</li> <li>- Deep dive analysis of internal processes</li> </ul>

## Phocion's Accomplishments

Phocion brings a unique and effective approach in evaluating firm issues and implementing long-term solutions. Some of our accomplishments include:

- Reconciled over 3000 accounts (Portfolios, Benchmarks, Composites, etc.) for a \$100 Billion asset management firm in a timely and efficient manner
- Comprehensive and detailed Performance Gap Analysis of a \$100 Billion Canadian Pension fund
- Reconciled, reviewed and provided solutions to the performance system implementation for a \$110 Billion AUM bank
- Designed and implemented an automated advanced metrics performance system for an investment firm
- Reviewed a global system vendor's operations to identify issues and propose solutions to increase efficiency
- Publishing thought provoking articles with the goal of advancing performance and illuminating the investment industry on performance
- Trained performance teams for large institutional firms
- Conducted due diligence on index data provider identifying issues in controls and data quality

## Contact

For pricing, questions and information requests, please contact our head of performance consulting services Ioannis Segounis at:

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The Team



**Ioannis Segounis**  
MBA, CFA, CIPM, Managing Director

Ioannis' knowledge and experience spans the whole spectrum of the investment performance discipline. His dedication to bringing the best of this evolving field to the investment industry led him to the founding of Phocion Investment Services in 2010.

Ioannis previously held the position of Manager – Performance Measurement and Attribution at Intact Investment Management where he was responsible for building and growing the performance functions of the firm. He was also an integral part of structuring the performance operations at CN Investment Division.

Since 2015, Ioannis has been a member of NYSSA's Performance & Risk Analytics Group Committee. His work has been published in The Journal of Performance Measurement and The Finance Professionals' Post. He is also a member of the CFA Institute's Certificate in Performance Management Measurement (CIPM®) Advisory Committee.

Ioannis has earned the CFA® and CIPM® from the CFA Institute. In addition, he has earned an MBA degree with a specialization in Investment and Portfolio Management from HEC Montreal, and a Bachelor of Engineering degree from Concordia University.

## **Phocion Performance Advisory Services**



**Kosta Segounis**  
CPA, CA, CFA, Managing Director

Kosta's vast industry experience is most notable in the areas of compliance, due diligence and risk management. Prior to joining Phocion in 2015, he held the position of Senior Advisor at National Bank of Canada where he was responsible for performing compliance reviews of different lines of business and recommended areas for improvement. In addition he implemented a due diligence process for reviewing external managers – both traditional and alternative.

Prior to National Bank, Kosta held a senior management position in a consulting firm, where he performed due diligence on a variety of alternative managers, from emerging managers to large and sophisticated hedge fund managers following complex strategies. Further, he was an integral part of building the compliance department at PSP Investments.

Since 2015, Kosta has been active member of the AIMA Canada Operations and Compliance Committee. Also through AIMA, he participated in a global working group that drafted Guide to Sound Practices for Operational Risk Management for the hedge fund industry. His work has been published in The Finance Professionals' Post.

Kosta is a member of the Chartered Professional Accountants of Canada and is also a CFA® charter holder. He has earned a Bachelor in Commerce and obtained a Graduate Diploma in Accountancy from Concordia University.

## **Phocion Performance Advisory Services**



David Rowen  
CFA, FRM, Managing Director

David's industry experience is most notable in the areas of portfolio management and equity research. Previous to joining Phocion in 2015, David was responsible for managing the wealth of high net worth investors at HSBC Holdings plc.

Prior to that, David worked at CN Investment Division where he successfully launched and managed a small-capitalization equity energy portfolio. This achievement was followed by him assuming the role of United States Portfolio Manager whose assets represented 10% of the Division's assets under management of some \$16 billion.

Further, he was a Senior Equity Analyst for two institutional securities firms that were subsequently acquired by Cantor Fitzgerald and Canaccord Genuity, respectively.

David is a CFA® charter holder and has the FRM® designation. He has earned a Bachelor in Commerce from McGill University. His work has been published in The AIMA Journal and The Huffington Post. He is co-Director for The Hedge Fund Association's Canadian chapter.