



# Alternative Investments Custody

Institutional Alternative Asset Custodian and Administrator  
for Broker-Dealers and RIAs



# Why to Diversify?



- Demand for alternative investments across the wealth and asset allocation industry is rapidly increasing
- Global alternative investments totaled \$14 trillion in assets in 2021. The forecast is to reach \$23 trillion by 2027\*
- The primary contributor to the alternatives' growth is private capital that outpaced the growth of public equity and fixed-income market assets by 2.5 times over past decade\*\*

\* - <https://www.preqin.com/insights/research/reports/future-of-alts-2027-private-equity?chapter=sample>

\*\* - <https://pitchbook.com/news/reports/q2-2024-pitchbook-analyst-note-private-capitals-path-to-20-trillion>



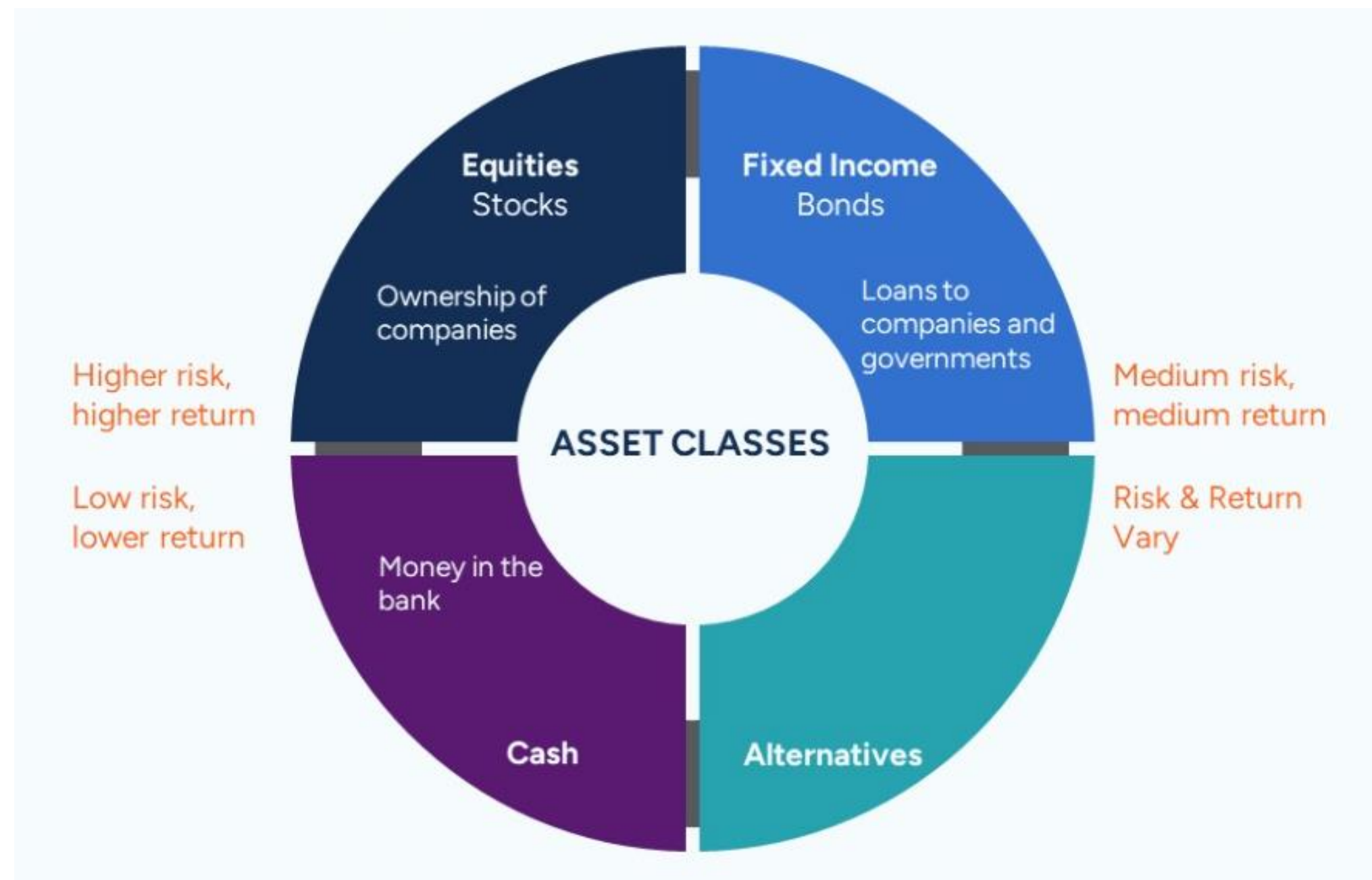
# Where Alts Custody Falls Short

- ❑ High embedded cost of the alternative investment custody
- ❑ Low level of transactional automation
- ❑ Lack of reconciliation and reporting capabilities
- ❑ Not accommodating to financial advisors

There is significant friction in the asset management industry preventing the seamless distribution of alternative investments



# Major Custodians **Dominance**



STATE STREET®



BNY MELLON | PERSHING

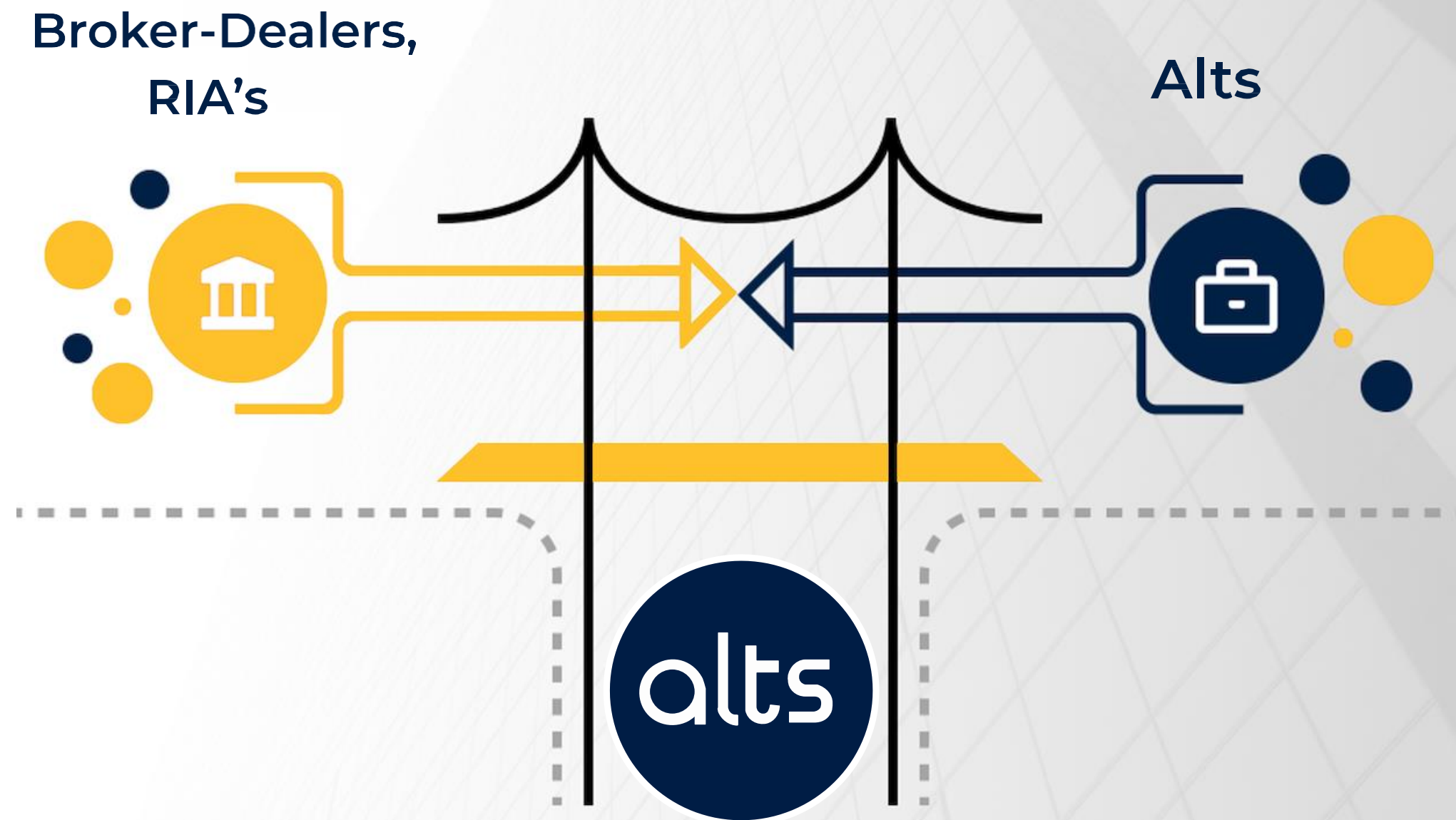
LPL Financial

- ☒ A limited and highly curated list of alternative investment offerings
- ☒ Manual review and slow processing
- ☒ High investment limits
- ☒ High costs



# Our Value Proposition

- ✓ Advisors' experience first
- ✓ Full automation
- ✓ Seamless integration with wealth management tools and solutions
- ✓ Reduced clients' fees







# Build Your Own Portfolio



- Unlimited selection of private and alternative investment opportunities
- Seamless and fully automated investment process
- No investment limits
- Low costs

Moonfare®



MASTERWORKS



FARMTOGETHER



MAINVEST



Yieldstreet

EquityNet 



# Asset Classes



Real Estate



Small Businesses &  
Startups



Hedge Funds



Commodities



Private Debt



Private Equity



# Tax Advantaged Accounts



Traditional IRA



Roth IRA



SEP IRA



Simple IRA



HSA



Solo 401k



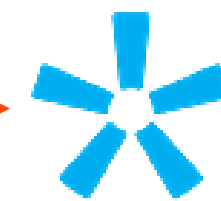


# Alts Custodian: Aggregation



ENVESTNET

eMoney



ORION



Black Diamond  
WEALTH PLATFORM

MORNINGSTAR

Our platform is closely integrated with Invent  
a mid-market wealth tech leader with over \$500B AUA



# Alts Custodian Service Portfolio

## Recordkeeping

- Proprietary Trust recordkeeping system
- Alternative assets tax lot accounting
- Contributions limits
- Transfers / Rollovers
- Income accounting
- Distribution types and limits
- Asset expenses and fees

## Administration

- Beneficiary, IPD, Fiduciary designation
- Cash management
- Escrow
- Paperless execution
- Electronic and physical document vaulting
- ROTH conversion
- Required minimum distribution (RMD)
- Street name asset protection

## Reporting

- Mandatory 1099 and 5498 tax reporting
- Unrelated business income tax (UBIT)
- Account statements



# Alts Custodian: Workflow

## Advisor

Open Recordkeeping Account for  
Alternative Investments

Initiate funding: Rollover / Transfer

Accept PPM / Subscription Agreement

Submit Buy Direction

Submit FMV

Sale of Asset

Distribution / Transfer out

Portfolio performance reporting and analytics

## Advisor Interface

## Backoffice APIs

Creating account in the Trust  
recordkeeping system

ACATS

Sub doc verification and titling

Bank transfer (ACH, Wire, Check)

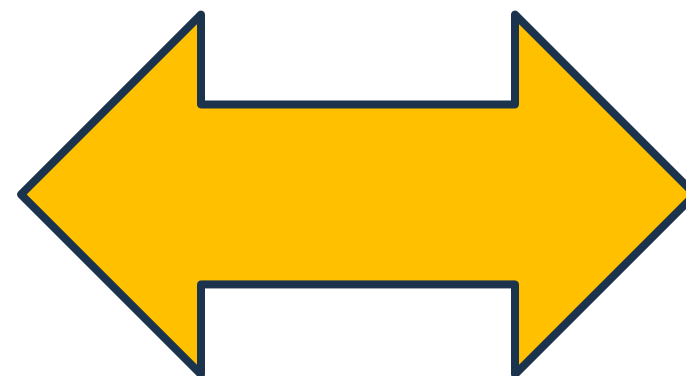
FMV validation and recording

Incoming cash validation

Distribution / ATACTS / Bank transfer

Data aggregation and reporting

## Alts Custodian Backend





# Custodial Fees Comparison



\$250

per position



BNY MELLON  
PERSHING

\$300

per position



\$180

per account

We offer a fully integrated custody solution at a significantly reduced fee



# Contact Us

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