

MARKUS HILL

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MH SERVICES

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Markus Hill has nearly 15 years of experience in asset management Sales, Marketing, PR, Product Development and Product Due Diligence, primarily for the German market. He is a recognized expert on fund distribution in Germany. His contributions to influential, pioneering studies of German investment consultants, institutions' use of mutual funds and the impact of UCITS III were instrumental in establishing his reputation.

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MH Services

MH Services creates individualized roadmaps to asset management distribution success in Germany and supports their implementation.

Markus Hill founded MH Services in 2005. It grew out of Markus' entrepreneurial spirit and his observation that:

- 1) Few asset managers had an accurate understanding of the potential of the German market in general but, more importantly, for *their own products* and
- 2) Even fewer managers had a cost-effective, optimal approach to capturing their sales potential in Germany.

As a result, MH has helped local and non-German asset managers address the full range of issues arising in distribution activities:

- Assessing the sales potential of asset management products with Banks, IFAs, Insurers and Funds-of-Funds in Germany
- Formulating strategies to fully capture sales potential in Germany, including prioritizing prospects, sales/services team size, deciding whether or not to have an office in Germany, advertising/sales support budgets, incentive design, sales/servicing document design, finding a legal/regulatory advisor
- Advising sales strategy execution including how to approach prospects, road show design and coordination, whether and how to sponsor roundtables or conferences, establishing contacts with consultants, acting as a guide in meetings with fund buyers' gatekeepers
- Developing PR programs to support sales efforts and guide their implementation

- Evaluating the effectiveness of on-going sales/servicing efforts
- Identifying candidates for German sales/marketing teams and
- Limiting client losses in the event of disappointing investment or servicing performance

Markus Hill's experience, good business judgment and large network of contacts in key decision-making roles with fund buyers as well as influential financial journalists are at the heart of MH's unique work. Markus' network, built and maintained by in-depth, one-on-one exchanges of ideas, constitutes a Proprietary Database. Input from MH's proprietary network typically proves much more valuable than conventional databanks of sales statistics or standardized surveys in crafting effective sales/marketing solutions for market entrants.

An unbiased evaluation of a product is a critical first step in helping clients assess and realize their distribution potential. The over-estimation of product quality has often been at the root of sales disappointment in Germany (and elsewhere). To guard against such an outcome, MH independently assesses product quality and the extent to which a product has distinguishing characteristics (relative to the competition) which will attract buyers. The excellence of MH's work is demonstrated by the fact that MH has been hired to identify potential managers and conduct initial screening of candidates by fund-of-fund managers.

Markus stays at the cutting edge of what constitutes excellence in portfolio management and its supporting sales and services activities by regularly attending asset manager road shows and meeting portfolio managers and product specialists.

Given the strength of MH's proprietary "database" and product knowledge, MH does not provide standardized, "cookie cutter" solutions based on industry averages. Its services are highly customized to meet the needs of individual clients. Clients can choose to use MH in a variety of ways:

- Act as a coach or "sparing partner" to senior or line managers
- Conduct independent analysis and report results and recommendations
- Execute projects
- Lead a project team or serve as a member of or advisor to a project team

MH's clients include domestic and foreign asset and wealth managers. The breadth and effectiveness of MH's services, have led several firms to rely upon MH to help them in a variety of ways as their businesses evolve over time. Universal Investment, Germany's leading supplier of private label funds and Master KAGs, is one such client.

In addition to helping asset & wealth managers and fund platform providers, MH also has partnered with well-known fund rating companies and institutional consultants on several projects.

Markus' newsletter and topical articles are widely followed both domestically inside Germany and internationally as highly reliable sources of insights about trends and important developments in Germany. He is frequently invited to speak at industry conferences in Europe and to contribute articles to industry publications.

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Before MH Services

During the 9 years of his professional career which preceded the founding of MH Services, Markus gained valuable, formative experience in Institutional Sales, Fund Wholesaling, Marketing and Product Management and Public Relations in different types of firms of different sizes. In the process, he built a core set of contacts in the relevant functional areas as well as in the financial press.

Immediately before founding MH, Markus served as Head of Sales and Marketing as well as the Head of Public Relations with Johannes Führ, a boutique Swiss asset manager. In that role he expanded Führ's client base in 3rd-party and institutional distribution, in part by heightening its profile with the press.

From 1999 - 2003, he was Deputy Head of Mutual Fund Sales (insurance channel) for Credit Suisse in Germany. His territory covered half of the country and he worked particularly closely with IFAs and insurers.

Markus began his career in 1996 at SEB Bank's capital markets group in Frankfurt where he was part of a team promoting a wide range of financial instruments, including structured products. Markus supported product management, coordinated sales management, prepared sales materials and helped design incentive programs to drive sales.

Having entered the business working with institutional clients, Markus has always had an in-depth understanding of products. That understanding has provided a competitive edge in wholesaling funds, working with fund-of-fund managers and gaining the confidence of portfolio managers wishing to expand their distribution.

Markus graduated from the University of Köln with a Master of Science degree in economics with a concentration in finance.

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Brief Description of MH Services Selected Projects

- Project for Foreign Sales Company seeking to act as a sales/servicing organization for boutique fund managers, duration over 1.5 years: Identify boutique managers (worldwide), make initial contact with boutiques to determine their interest in working

with an independent sales company, organize meetings between the sales company client and fund manager prospects, some monitoring these meetings, provide independent support for contract negotiations, conduct follow-up communication with the selected candidates. Current Project: Organize a multi-manager funds roadshow in Germany featuring some of the selected managers. This undertaking involves planning, coordination, sales support, and to some degree, also generating sales leads,

- Project for a boutique “Dachfond”, duration about 2.5 years: This client’s once impressive portfolio performance had deteriorated, causing substantial outflows.¹ Retained as a free-lance senior sales executive to stabilize the client base and prepare the ground for future new client relationships. This “fire-fighting” assignment included re-shaping the client service message, giving presentations at events, initiating media contacts and sometimes assisting the portfolio manager navigate interviews with (dissatisfied) client fund-selection staff.
- Ongoing project for Family Offices: Screen fund industry products, often via participation in institutional investor events. This project has the side-benefit of providing an unobtrusive way to maintain contact with various types of other investors (as opposed to asset managers) who attend such events.
- Project with Family Office and a leading private bank in Germany: Support the creation and refinement of a questionnaire for the first German private-label fund database; provide advice regarding the marketing of the new database.
- Project for a leading Luxembourg Investment Company – This project, “Status Private Label Fund Market in Germany”, was prepared for the company’s top management team. It focused on evaluating and explaining demand for private label funds, specifying criteria to determine if entry into the business would be an attractive business investment and what would be needed to be a successful supplier.
- On-going Project for Private-label Fund Providers in Germany: Act as a “multiplier” supporting demand for private label funds and encouraging boutique asset managers to establish such funds principally via public relations activities. Retain independent status to insure good information flow from all major players. Provide input for PR issues, sponsorship ideas and competitive intelligence.
- Proposal under Review: A large non-European asset manager is considering using MH Services to test its internal assessment of the German market’s potential. MH would do “test” sales and marketing of 1 – 2 high-quality products to the most promising prospects in Germany for a 6 – 12 month period. The prospect believes this approach may offer quicker, cheaper and more reliable results than conducting such a test either by hiring new local staff or having new or existing sales staff based in the U.S., Asia or even the U.K. regularly make calls in Germany. If the prospect’s internal assessment is not confirmed by MH’s work, the project could be terminated in as little as 6 months. On the other hand, if the prospect’s assessment is confirmed over the course of a 12-month period, the prospect would hire full-time staff to build upon the cost-effective foundation built by MH.

(markus hill bio service description jun 10)

¹ A “Dachfond” is an open-ended mutual fund that invests primarily in other open-end mutual funds.