

Allocare AMS in Asset Management

European Capital Partners (Luxembourg) S.A. relies on the portfolio management system of the Swiss company Allocare AG

Since the end of 2018, the funds management specialist ECP (Luxembourg) S.A. deploys the Swiss portfolio management software Allocare AMS to support its activities. All ECP business processes can be supported efficiently and audit-compliant by AMS, the tool proven in banking, wealth management and asset management.

Status quo and requirements

At the beginning of 2018, ECP was looking for a new, flexible portfolio management system to meet the increased regulatory requirements, in particular the review of investment restrictions in asset management and the company's needs for process automation and reporting. In addition, there were needs from the service requirements, for ManCo services for third-party customers. The new tool should at least cover the following key criteria:

- Multi-client and white labelling capability
- Mapping of all asset categories, including illiquid and non-bankable assets
- Automatic data interface for investment master and market data
- Multi custody ability
- Flexible aggregation options across fund classes, portfolios and clients
- Individual ad hoc analysis options on complete and up-to-date data
- Pre- and post-trade checks of UCITS rules and individual investment restrictions
- Order workflow with individually definable authorizations and predefined documented procedure
- Automatic order submission to Bloomberg EMSX
- Comprehensive, integrated customer and regulatory reporting

Why Allocare AMS?

The ECP selection process showed that Allocare AMS meets best the defined requirements and this with a reasonable cost/benefit ratio. In addition, comparable market participants have already used Allocare AMS successfully. The following points of the Allocare offer were particularly appealing:

- One system for the entire range of functions
- Additional modules and interfaces available as and when needed
- Features for parameterization and customization

- Scalability / Availability / Data Security
- IT infrastructure requires only Microsoft standard components (SQL)

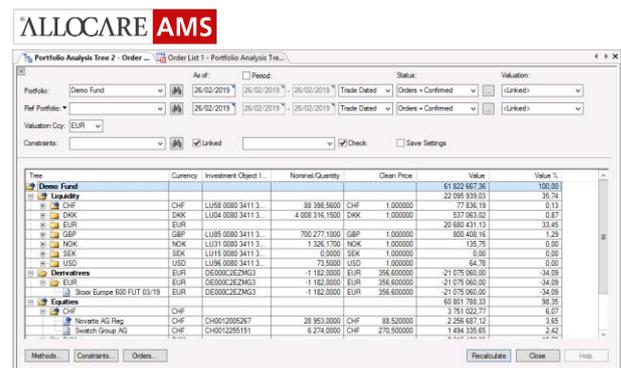


Figure 1: Analysis Tree

The implementation phase

Parallel to the operation of the existing system the implementation of Allocare AMS was started. The combined project team of specialists from ECP and Allocare executed the implementation concept with a time and resource plan. At the customer's request, the introduction was spread over several stages and over a period of six months.

The following main steps were crucial for the system introduction:

- Installation of the software in a data center with remote access for Allocare
- Parameterization of the software and its additional modules, et al. an order workflow with 4-eyes principle
- Set-up of the UCITS V ruleset for Luxembourg funds
- Implementation of the user access and authorization concept
- Setting up the interfaces to SIX for master and market data and to Bloomberg EMSX for order routing
- Customized user training including testing activities
- Staggered, cutoff date related migration of the various funds.

Testimonial

Léon Kirch, CEO ECP

„In my career I have been involved in the selection and implementation of several PMS systems. Based on that I can state that I was very impressed with both the capabilities of the System Allocare AMS and the professionalism of the team at Allocare AG. I think the new PMS will be a great help to ECP in meeting the needs of a growing company in trading, middle office, regulatory and reporting sectors, while also optimizing our processes“



Benefits in daily operation

Allocare AMS is the leading system at ECP and is used for all daily tasks in portfolio and risk management, for fund analysis, order management and compliance monitoring (pre- and post-trade) as well as reporting. The screenshots (Figure 1/2/3) give an impression of the look and feel of the application.

The efficiency gains expected by ECP and the reduction of process risks have been fully achieved. There are clearly defined access rights for different users to minimize operational risks.

All relevant information whether up-to-date or historical is stored in a central database and the entire history is accessible at any time. This allows an efficient, investment compliance monitoring for any defined time and business day.

The order process starts by default with pre-trade checks. Comments and status change are historicised (who, when, what) completely and can be evaluated at any time. In addition, the link to Bloomberg EMSX optimizes the accuracy and timeliness of the fund's data.

Fully integrated standard reporting functionality for compliance, risk and performance completes the picture.

In a next step, the ManCo services offered by ECP will be mapped with Allocare AMS and a dedicated reporting will be set up for the private equity investments. Allocare AMS has integrated private equity-specific reports that show performance figures according to the IRR method (Internal Rate of Return) as well as the various cash flows.

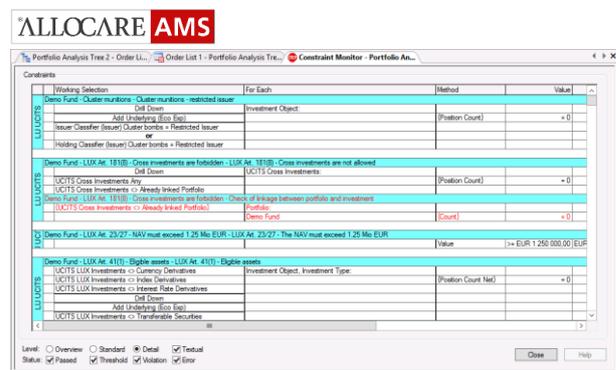


Figure 2: Compliance Monitor

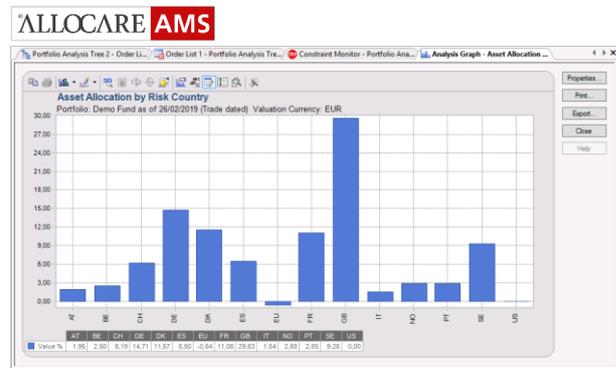


Figure 3: Graphic Monitor

About ECP Luxembourg S.A.

www.ecp.lu

ECP (Luxembourg) S.A. is an asset management boutique regulated by the CSSF (Commission de Surveillance du Secteur Financier), which manages assets of over EUR 500 million in various asset classes. Luxembourg-based value investor Léon Kirch joined the company in 2010 as a further partner to the company founded in 2010 by the two Luxembourg entrepreneurs Patrick Hansen and Knut Reinertz. The team today consists of ten employees. In addition to asset management, ECP also offers Independent Management Company Services (ManCo Services) for both UCITS and alternative investment funds. The 12 funds currently under management have an investment volume of between EUR 40 and 260 million and are invested in listed instruments such as equities, fixed income or derivatives but also in unlisted assets such as private equity, private debt and OTC derivatives.