

FinAnalytica

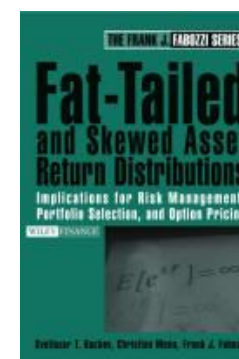
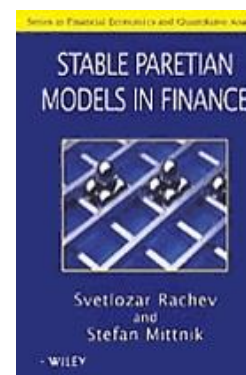
■ 2001: Genesis

➤ *Vision:*

- ❖ Improve Investment Manager performance by overcoming the severe limitations present in first generation approaches to asset modeling
- ❖ More accurate quantitative risk management & portfolio construction analytics by going beyond normal distributions and modern portfolio theory
- *Ground breaking next generation approach using fat-tailed models*
- *Chief Scientist, Zari Rachev, renowned in non-normal distributions*

■ 2010: Client validated and commercial evolution

- *Offices in New York, London & Sofia*
- *45 + clients, Trillions in Assets*
- *Supported by staff of over 50 professionals*
- *Over 250 man-years development invested*



Recognition of Unique approach - Awards



United States Patent and Trademark Office

An Agency of the Department of Commerce

4 US Patents Approved & Additional Pending



Winner Waters Technology

“Best Market Risk Solution Provider 2010”



Ranked by Dow Jones eFinancial News

“Top Innovative Company to Watch in 2010”



Chartis RiskTech 100

“Top 50 Company for 2010”

2010 Winner – Innovation



**Fat-Tailed Methods Highlighted by
Funds Europe**

“Survey of Top 15 Risk Vendors in 2010”

A Team with - Balance, Experience and Depth

- **Research - Zari Rachev, Chief Scientist** - the thought leader in Fat Tailed methodologies Zari is the originator of the Cognito methodology, holds the Chair-Professorship in both Frey Family Foundation at Stony Brook University in New York and in Statistics, Econometrics and Mathematical Finance at Karlsruhe University, is a Professor in the Department of Applied Mathematics at Stony Brook and the author of 12 books and over 300 published articles.
 - **Ivan Mitov - Head of Quant Research**, Ph.D. Leads a team of 10 quantitative analysts.
 - **Stoyan Stoyanov – ex-Head of Quant Research**, Ph.D. Spent 9 years at FinAnalytica. Currently Professor of Finance at EDHEC Business School and Programme Director of the Executive MSc in Risk and Investment Management for Asia.
- **R&D & Business Development- Boryana Racheva –Iotova**, PhD - originator of the Cognito product suite.
- **Client Implementation and Management - led by Boryana:**
 - **Dobrin Penchev** has more than six years of successful experience in growing key client relationships,
 - **Svetlio (Svetloslav) Delev and Joel Nadelman**
- **Development – Stanislav Lazarov and Stefan Minchev** lead the Technology Operations and Software Product Development and bring solid experience in managing technology and software development projects by driving innovation and excellence
- **Sales - Dave Merrill (CEO)** along with a seasoned team of 4 bring experiences and successful track records from; Algorithmics, Riskdata, Moody's KMV, Calypso, SunGard and Pertrac
- **Board** - chairman **Andrew Huddart** brings experience from both MSCI Barra and Moody's KMV. The board now includes **Andrew Huddart, Jamie Ridyard** (ex-CEO, APT), **Merrill and Boryana, Ray Zemon, Pavel Ezekiev and Jamie Lewis.**

USPTO Track Record 2002-2011

PPA Filed	Utility Application Filed	Patent Issued	Title
Jan-2002	Jan-2003	Aug-2010	Risk management system and method for determining risk characteristics explaining heavy tails of risk factors
July-2003	July-2004	May-2010	System and method for providing optimization of a financial portfolio using a parametric leptokurtic distribution
March-2005	March-2006	Dec-2009	System and method for the valuation of derivatives
	May-2010	Jan-2011	System And Method For Providing Reallocation And Reverse Optimization Of A Financial Portfolio Using A Parametric Leptokurtic Distribution

Lessons from the Application Process

- Apply as early as possible.
- Think in terms of process steps.
- Search the Prior Art and present all your findings to the examiner;
- Get into the examiner's shoes; study the MPEP/Guidelines;
- Envision your *system* from at least three different views:
 - End-user...but don't stop there!
 - System/Architecture view – **tangibility**
 - From the viewpoint of the computer (very case-specific)
- Increasing amount of detail:
 - To sustain both broad and narrow claims and ensure a variety of claims scope
 - To satisfy the “skilled-in-the-art” understand-use-replicate criteria

Lessons from the Application Process

- Specification – detailed understanding of exactly how the implementation of the software innovation is to be carried.
- Drawings – support tangibility; visualize the process steps.
- Dealing with OAs:
 - Rejection – prior art anticipation, non-novelty / obviousness for someone “skilled-in-the-art”, non-statutory subject matter;
 - Objection – improper form of the claims;
 - Reply and request reconsideration or further examination, with or without amendment.