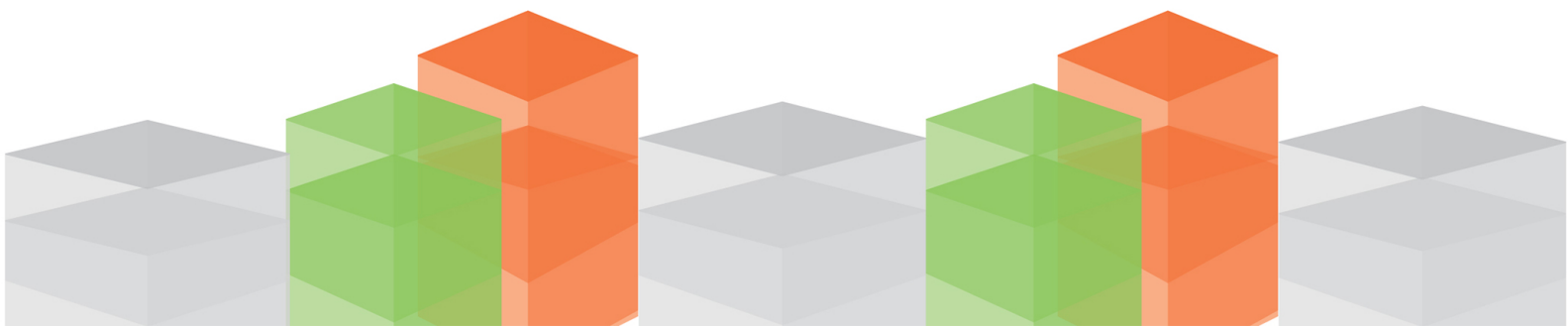


CATALYST

Compliance Solution

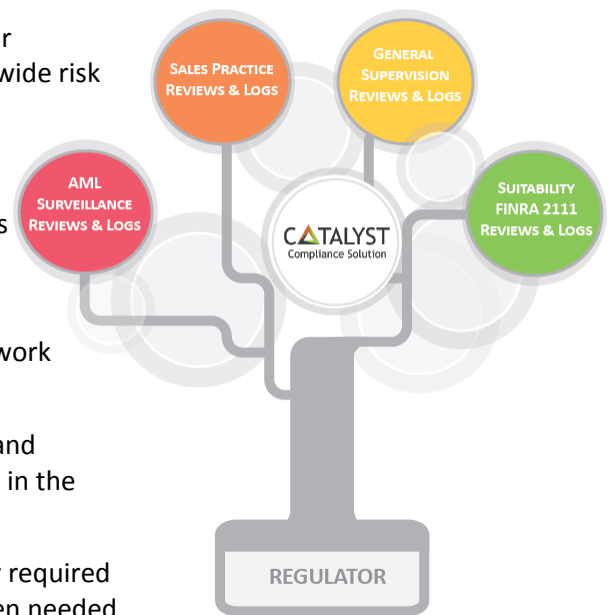


CATALYST | AUTOMATED COMPLIANCE SOLUTION

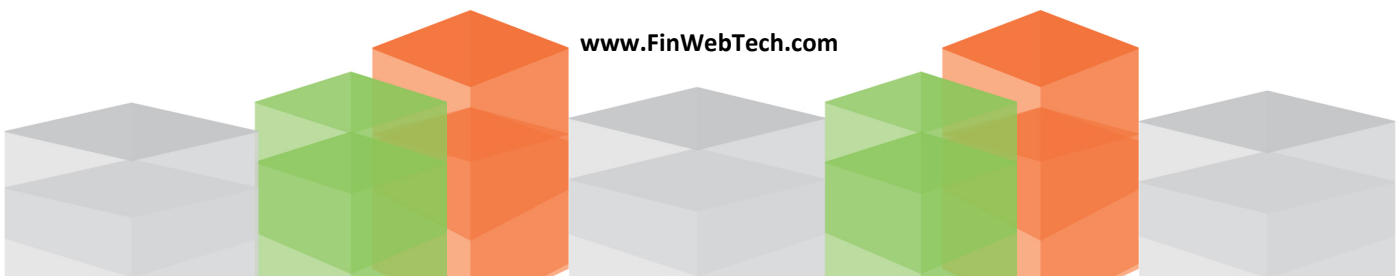
Catalyst is an Automated Compliance Solution designed to give compliance officers and firms a 360 degree view of their firm's compliance program while being able to identify and manage risk. Catalyst was designed by a seasoned Chief Compliance Officer who saw a need for a cost effective compliance solution that took away the 'Silo' approach to data and created a system with cross communicating modules working in sync to provide maximum data analysis.

Catalyst helps firms manage their risk by providing important tools to analyze and inspect their clients and transactions. Catalyst provides:

- A risk rating tool that rates both clients and their transactions, and provides an overview of firm-wide risk
- Real-time monitoring that analyzes activity and automatically alerts users of problems
- A task and case management system that allows users to delegate actions to be taken and document their completion
- Investigation tools to establish an audit trail of work done to maintain compliance
- A reporting system that can provide on-screen and printed summaries and detail reports of activity in the system
- A document manager to prompt firms to gather required documents and then make them accessible when needed

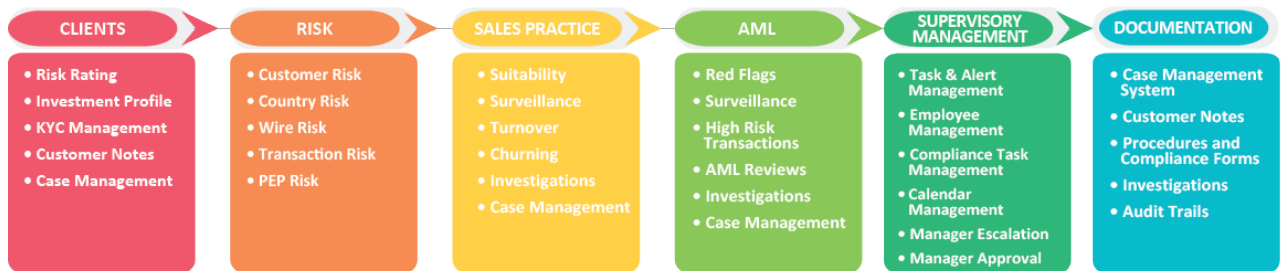


Catalyst is broken down into several modules that work together. These modules are tied to a database and server software that provide real-time tracking of data and risk, alerting users when risks have been identified, and prompting users to take actions to manage it. All data, alerts and resulting actions are maintained for auditing and reporting purposes.



Client Center

Catalyst starts with a Know Your Customer (KYC) and Customer Identification Program (CIP) module which stores records of the firms' customer information. It allows users to enter customer details including clearing firm accounts, investment profiles, overall risk ratings, ownership structures, and required documents. The module uses a proprietary risk rating system that ranks all customers. The risk ranking is dynamic and will change based on changes on the customers' patterns. This information is used to define and show current risk both in terms of the customer and in terms of the firm. This also maintains an electronic file of KYC and CIP customer compliance.



Risk Center

The Risk Center allows firms to easily view their high, medium and low risk customers and easily identify areas of risk allowing firms to demonstrate their Risk Based approach. It also displays the history of change to customers' risk scores. This allows firms to view their overall risk and to focus on higher risk customers with enhanced due diligence, account reviews or periodic risk reviews. Alerts are provided when customers risk increases or make risky trades and transactions, giving firms early warning.

Suitability

The Suitability module is designed to let firms mark and review trades that may be unsuitable for a customer based on their Client Center data as required by FINRA's rule 2111. This provides documentation and an audit trail of the firms' effort to make sure they are in compliance of that rule. Alerts are provided of trades outside of the systems' rules for suitability and the customer's investment profile.

Anti-Money Laundering (AML)

The AML module monitors clearing firm transactions that might indicate money laundering, and allows users to take action when those transactions occur. Large fines have been levied on major firms such as HSBC, COR Clearing and other institutions for not maintaining a robust AML program. Alerts are provided when transactions occur that match the for red flags rules.



Rules Engine

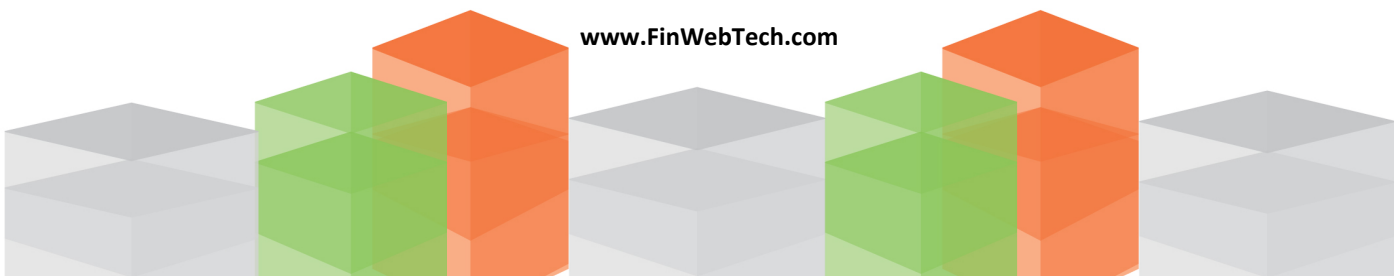
The Rules Engine automatically reviews customer data at a specific frequency and generates online system, popup and email notifications when it discovers data that triggers one or more of the rules in the system. Catalyst provides an initial set of suggested rules, but firms can modify those rules or add their own to tailor the system for their needs. Other transaction monitoring applications in the market only allows users to select from a pre-defined set of rules. Competitive applications limit their users to a pre-defined set of rules.

Alerting

Each Rules Engine notification creates an alert in the system which is added to the list of alerts for one or more users. These alerts prompt users to either take action or dismiss them as reviewed, and create an audit trail of the actions taken. New alerts appear as popups on the user's screen while they are online, and can also be re-displayed from the lists. Alerts are active until dismissed or processed. Inactive alerts are archived as part of the audit trail.

Task/ Case Management

The task management system allows users to create tasks for themselves and for others. The ability to add a task is provided throughout the application. Tasks may be added as a result of receiving an alert, or when viewing something that a user thinks needs action. Tasks have a due date and must be completed by then, or escalated to another user for further action. Tasks provide documentation of the action the firm has taken when it has been alerted to risk, suitability or AML problems. Tasks can also be set up in a calendar reminding compliance officers of regulatory filing deadlines.



Notes

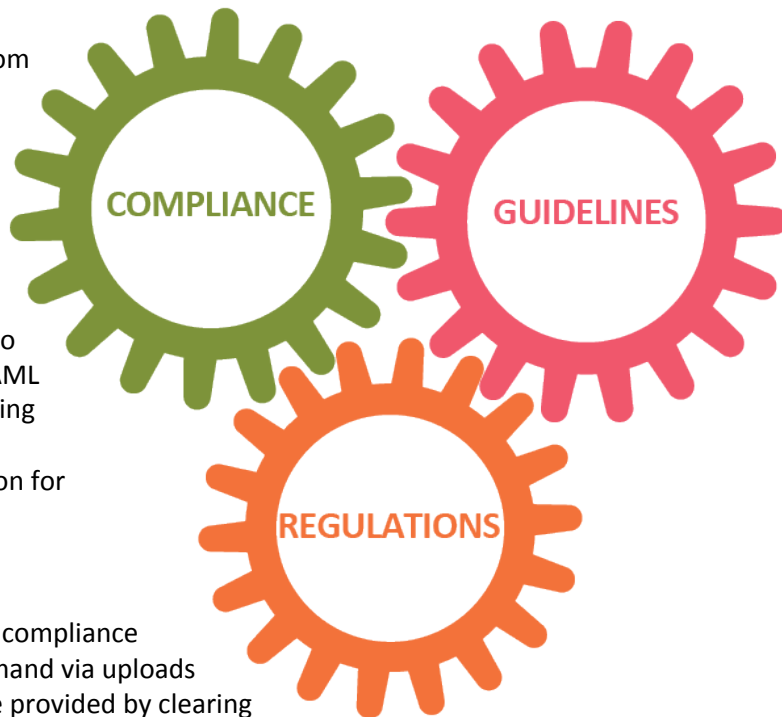
Notes allow users to put important thoughts, ideas and review documents into Catalyst when they are working with it. The ability to add a note is provided through the application. Other users can view the notes, allowing the information to be used across the firm. This allows the firm to build an additional collection of information on their compliance needs and efforts.

Investigations

Firms can create, manage and close investigations on anything within the firm. Investigations can have notes and tasks can be started for them, allowing collaboration between the firms' users. The application also allows the user identify the date of suspicion and start a 30 day clock for Suspicious Activity Report filing requirements.

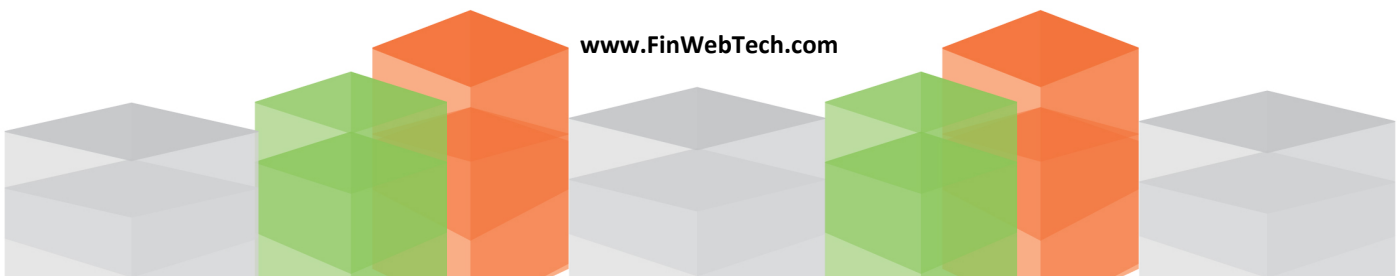
Document Repository

Firms must collect and maintain documents from their customers, store copies of reviews, and create a library of their own procedures and manuals. Catalyst's document repository allows users to upload and share documents between users. The ability to upload documents appears in many parts of the system including customers, investigations, and tasks. A general purpose upload area is also provided for written supervisory procedures, AML procedures, operational procedures and anything else the firm wants to store. This promotes collaboration and provides a centralized location for the firm's compliance documentation.



Data Loader

Data is key to Catalyst's ability to spot risk and compliance problems. Firms can provide data both on demand via uploads and emails as well as recurring feeds which are provided by clearing firms. Data Loader takes incoming data and adds it into Catalyst's system in a common format and is designed to work with all major firms as well as custom files from other providers.



CATALYST

Compliance Solution



About Catalyst

Compliance Risk Concepts and FinWebTech have collaborated to offer this premier automated compliance solution to the financial community. Designed for Broker Dealers, Registered Investment Advisors, Banks and other financial institutions, Catalyst automation will help increase efficiency, reduce risk and maintain a strong risk management culture throughout the organization.



About Compliance Risk Concepts (<http://compliance-risk.com/>)

Headquartered in New York City and locations in Parsippany, NJ, Chicago, IL, and Westport, CT.

The Compliance Risk Concepts team of senior compliance consultants and executives provide clients with the critical skills and expertise required to establish, maintain and enhance a balanced and effective compliance operational risk management program.

About FinWebTech (<http://finwebtech.com/>)

FinWebTech is a Service as a Solution (SAAS) software firm headquartered in Miami Florida. FinWebTech's products are geared towards financial services firms with Catalyst being its premier product. FinWebTech was formed out of a need for cost effective and efficient technology solutions for the financial industry.

For more information on FinWebTech and the Catalyst Compliance Solution, please contact Don Lee at don.lee@finwebtech.com or 305-409-1307

www.FinWebTech.com

