RISK GOPHER FACT SHEET

Want a sophisticated risk analysis system without the hassles of expensive and lengthy systems integration? There's a clear choice — RiskGopher, the powerful risk analysis engine from G2 Systems, LLC. RiskGopher quickly and easily works with both Geneva®, Advent's global investment management and accounting solution and VPM, SunGuard's hedge fund portfolio management system.

Seamless Integration

RiskGopher delivers robust reports that calculate Betas and VaRs — all without the headache of time-consuming and costly systems configurations. That's because RiskGopher "talks" to Geneva, VPM and your Relational Database Management System (RDBMS), right out of the box. With RiskGopher, you avoid costly and time-consuming integration projects to capture data from Geneva, VPM or a data warehouse. As a result, RiskGopher promptly helps you judge the likelihood and magnitude of potential losses on your investments.

Flexibility

G2's RiskGopher computes risk at any level of granularity supported by Geneva or VPM, such as account, fund, custodian and strategy. That means you have the flexibility to estimate potential losses on your portfolio investments on many different levels. The Beta module is configurable and can compute linear regressions to any index or similar time series that you specify. You can configure as many different time horizons on each beta as required.

Robust Reports

RiskGopher provides several stock reports, such as VaR and Beta across multiple horizons. However, since all the computations are stored in your RDBMS, you can create your own reports with CrystalReports, SSRS, or Excel. RiskGopher's intuitive data model means you will not be reading through complex documentation to find something simple like the beta or VaR for a single fund. You can also write your own extracts to feed data to another system, such as Netik or a web portal. Reports can be run in batch or ad-hoc mode.

G2 Geneva and VPM Know-How

RiskGopher "talks" to Geneva and VPM through G2 Data Warehouse, a proven technology that G2 created based on its more than three dozen Geneva and VPM implementations at hedge funds, global prime brokerage institutions and fund administrators. An advanced data storage system that houses data from your Geneva and VPM system, G2 Data Warehouse maintains an automatically refreshed copy of the investments, tax data, and performance metrics of your company's investment portfolios. Since RiskGopher works hand in hand with G2 Data Warehouse, RiskGopher instantly accesses all the critical data necessary in order to run risk analyses on your portfolios.

Features

VaR Calculations: Value at Risk (VaR) calculates the maximum loss expected (or worst case scenario) on an investment, over a given time period and given a specified degree of confidence. RiskGopher uses the the most common method of calculating VaR: the variance-covariance method.

Beta Measurements: A measure of the volatility, or systematic risk of a security or a portfolio in comparison to the market as a whole. Beta is used in the Arbitrage Pricing Theory (APT) and Capital Asset Pricing Model (CAPM)—models that calculate the expected return of an asset based on its beta and expected market returns. Once RiskGopher has computed your betas, you can easily use them to create "stress tests" to analyze downside scenarios in the event of major adverse market movements.

Volatility: This measurement captures the tendency of returns to rise or fall drastically over a period of time. As part of the VaR computation, RiskGopher calculates security-level standard deviations that can easily be incorporated in reports that provide position level exposures.

Standard Reports

- Value-at-Risk by Fund
- Value-at-Risk by Strategy
- Value-at-Risk by Counterparty
- Beta by Fund using 30-, 60- and 180-day horizons
- Volatility Exposure by Holding

G2 Systems, LLC • 185 Devonshire Street Suite 801 Boston, MA 02110 • 617.338.8388 • sales@g2systemsllc.com

Benefits

Easily Integrated: Because RiskGopher seamlessly integrates with your Geneva platform and your RDBMS, you get the risk analysis tools you need quickly and easily. That means you get to run risk analyses on your portfolios without any costly and time-consuming implementation and systems integration.

Easy to Use: An intuitive GUI makes RiskGopher easy to use and minimizes the learning curve associated with any new software.

Optimization: Since RiskGopher works seamlessly with Geneva, VPM and your RDBMS, it minimizes your IT cost while maximizing your current technology investments.

Product License Includes

Data Schema
- This is a relational DBMS schema that can be installed in SQL, Oracle or Sybase. It is indexed and comes with column-level documentation.

Geneva Interface
- G2 Data Warehouse includes code to capture the data from Geneva or VPM, reformat it and push the data into the RDBMS. Should you wish to integrate this system with VPM, Axys, Tradar or any similar system, G2 can provide Professional Services assistance for the integration effort.

Maintenance Software
- G2 Data Warehouse includes code to run the capture process automatically. This code can be managed through SQL Server Agent or any similar platform, and is designed to capture data additions and modifications nightly.

Extensibility
- A robust schema is provided with the product. G2 Professional Services is available to make enhancements to schema and software that refreshes the data to meet your particular needs.

Computation Engine
- A process for computing volatility, Betas and VaRs.

GUI
- An MS.Net-based browser that allows you to configure the computation engine.

Five Standard Reports
- Value-at-Risk by Fund
- Value-at-Risk by Strategy
- Value-at-Risk by Counterparty
- Beta by Fund using 30-, 60- and 180-day horizons
- Volatility Exposure by Holding

System Requirements

RDBMS, such as SQL, DB2, Oracle, Sybase
Windows XP, Vista or Server 2003

About G2 Systems, LLC

G2 is a boutique software and consulting firm that serves the dynamic needs of Hedge Funds, Brokerage Firms and Fund Administrators with solutions that help clients improve their business operations. G2 has its own suite of software and its systems engineers and accountants provide consulting expertise in:

- Investment Management, Accounting and Operations Systems
- Custom Software Development

G2's clients, including over three dozen hedge funds, brokerage firms and fund administrators, expect IT solutions to meet business needs and improve their operating environment. G2 recognizes and delivers on this expectation.

Years of Hands-On Experience. A Comprehensive Approach. Comprised of proven industry insiders, the G2 team is well-versed in both finance and information technology. G2's technical and business know-how comes from hands-on experience at both multi-billion dollar hedge funds and proprietary investment departments of major brokerage houses.

With in-depth knowledge spanning fund accounting to custom software development, the G2 team helps clients optimize their IT budgets and make the most of existing systems — all without expensive missteps.

G2 also provides staffing and outsourcing solutions for front, mid and back-office systems.