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Press Release

Innovest Systems Introduces Easily Integrated, Easily Implemented Solution for Securities Reconciliation

InnoClear Offers Powerful Reconciliation Engine and Break Management System

New York, April 25, 2002 – Innovest Systems, LLC, a financial technology firm specializing in solving financial firms' middle and back office challenges, today announced that it has developed InnoClear, a reconciliation system to address the industry-wide need for a solution that can control and manage the risks associated with the rapid exchange of securities data. InnoClear facilitates straight-through processing by identifying out of proof conditions and providing a powerful platform to manage, track and clear breaks.

InnoClear facilitates the reconciliation of an internal security system to external depositories, agents, or sub-systems. One of InnoClear's stellar features is the tremendous flexibility that allows InnoClear to automate internal-to-external or internal-to-internal comparison of positions and transactions for cash and securities.

"For Innovest Systems customers, this translates into reduced operating costs, dramatically less risk, greater efficiency and an increased quality of service for their clients," said William Thomas, chief executive officer.

Capable of comparing at both the position and the transactional levels, InnoClear can also reconcile internal positions/transactions with offsetting positions/transactions. Other features include:

- ¼ A flexible table-driven definition of correlation logic by transaction type
- ¼ Flexibility provided to allow for the decomposition of rolled-up component transactions for partial matching
- ¼ Roll-up functionality by security and transaction type, as well as optionally by account, to facilitate matching for both internal and external security activity information
- ¼ Robust facility to record audit history or research of breaks
- ¼ Automated matching lets users focus on true breaks
- ¼ Ability to integrate external security activity and position information from DTC, FED, NSCC, SWIFT, Vanguard, proprietary systems, and others
- ¼ Auto tracking of failed trade activity
- ¼ Automatic assignment to various functional workgroups or centralized reconciliation unit

In developing the solution, Innovest Systems' design and development staff worked closely with a number of institutions that have gained competitive advantage by using the InnoClear system to manage their risks and reduce the time and effort necessary to settle securities transactions.

"This technology can have a tremendous impact on our clients' ability to respond to competitive pressure, the need to manage costs, and the need for greater efficiency throughout the settlement cycle. InnoClear is an example of how we focus on what really matters – delivering value-added services to our customers," Thomas added.

About Innovest Systems

Innovest Systems LLC, a privately held company based in New York City, is a financial technology firm that provides technology-driven solutions to financial service firms' middle and back office challenges. For more information about Innovest Systems, visit www.innovestsystems.com.