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UAT'S HILO ENGINE GRANTED U.S. PATENT 7,809,632

UAT System's Unique Technology Piece Being Reviewed for Patents in 38 Countries Worldwide

DENVER — OCTOBER 5, 2010 — UAT Inc., a financial services technology firm focused on helping the externally managed and sub-advised industry meet today's higher fiduciary standards, announced today the United States Patent and Trademark Office has awarded the company U.S. Patent 7,809,632 for the UAT System's HiLo Engine, an innovative technology that, for the first time, provides real-time connectivity between sub-advised platforms and their external money managers. Patents for the HiLo Engine have also been filed in 38 other countries.

UAT received its first patent for the UAT System, a first-of-its-kind solution to the decades-old deficiencies in the \$3.5 trillion externally managed and sub-advised market, in March 2010. While the HiLo Engine is part of the greater UAT System, the "engine" creates a single integrated real-time communications network between all sub-advised platforms and their external money managers; and conducts a real-time, rules-based analysis of the expected market impact of all money managers in order to assign discretion over execution of an order to the money manager or sub-advised platform.

Given these real-time capabilities, the HiLo Engine also enables real-time governance reporting and pre-trade compliance oversight over all money manager orders. As a significant technological advancement, the HiLo Engine warranted its own patent separate from the UAT System.

"The HiLo Engine is what enables the UAT System to provide a real-time solution to the sub-advised market, the first time this has ever been possible," said Tom Warren, UAT's President. "Prior to the invention of this engine, the best reporting you could hope for was a review of trades the day after they were executed. The HiLo Engine makes it possible not only to review trades in real time, but to stop a trade that does not meet compliance review. As a result, sub-advised platforms can now properly comply with existing SEC requirements for supervision and prevention of violations by external money managers."

The HiLo Engine works by capturing orders in real time through a single integrated communications system as money managers continue to enter orders into their current trading systems. All orders are automatically routed through the UAT System including the HiLo Engine, where it is determined if the order has a high expected market impact (called “high-touch”) or low expected market impact (called “low-touch”) based on rules-based parameters established by money managers. High-touch orders are routed back to the money managers to “work” to reduce market impact while low-touch orders are routed to a low-cost, high-speed execution network to generate significant savings in brokerage costs.

“Large orders that have to be worked are routed back to money managers, while smaller trades are immediately executed, getting the best price available on the market,” said Allan Chiulli, UAT’s CEO. “Aside from providing a real-time, finger-on-the-pulse of what all external money managers are doing throughout the trading day, the HiLo Engine enables low-cost trading of easily executed all-electronic orders, creating an opportunity for 5 to 8 basis points in annual savings at organizations that utilize external managers. The HiLo Engine is instrumental in the UAT System’s efforts to improve investment performance, increase revenue and generate expense offsets.”

The UAT System benefits numerous organizations, including public and private defined benefit plans, defined contribution plans, mutual funds, not-for-profit funds, variable insurance products, bank trust groups, endowments and foundations. In addition, the system creates a number of strategic opportunities for money managers, global custodians, pension consulting firms and executing brokers.

For more information about the UAT System, or to speak to Msrs. Warren or Chiulli, please contact Carol Graumann at 973-732-3521 or carol@jcprinc.com.

About UAT Inc.

UAT Inc. is a financial services technology firm focused on improving control, compliance and savings in the externally managed and sub-advised industry. Through its patented UAT System, developed to create transparency, oversight and cost savings, UAT provides real-time data to identify and prevent violations by external money managers, improve governance reporting and risk management, and generate significant, recurring cost savings. Public and private defined benefit plans, defined contribution plans, mutual funds, not-for-profit funds, variable insurance products, bank trust groups, endowments and foundations can all benefit from the UAT System.

The Denver, Colo., company seeks to create a new industry standard for real time, comprehensive fiduciary oversight and responsibility by utilizing state-of-the-art technology. For more information, visit www.uatinc.com.

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