



Morningstar Model Marketplace - Beta

Model Marketplace is a new feature where you can research model portfolio providers, compare their various models, and select the ones that best meet their clients' needs. We've designed Model Marketplace to focus on empowering advisors to lower costs and save time by scaling the investment management and portfolio monitoring functions at their firms, all the while, maintaining discretion, customization and personalization of client portfolios.

At a high level what is the Model Marketplace solving for?

- Assist you in the creation of their own Model Strategies enabling them to screen, select and assign 3rd party models\strategies provided by asset Managers.
- The process used to disseminate models between strategy creators and consumers is convoluted and manual. This is especially the case for advisors with <\$250M AUM whom strategy wholesalers generally cannot target directly.
- The Morningstar Model Marketplace will be forum where you can select from a large number of strategy providers, using Morningstar's research tools and ratings, to ensure you select the best strategy for your clients' needs.
- With the other capabilities built into Office, such as portfolio reporting, trade order management etc. the you can then execute a selected strategy directly for the client using the portfolio accounting platform.

Who is the Fiduciary?

This is not a TAMP solution. You maintain fiduciary responsibility and are responsible for selecting and researching best model portfolio for client.

How does an I access the Model Marketplace? What is the Cost of the Program?

The Model Marketplace is free to you as part of Morningstar Office Suite. It is also free to participants. Contrary to other marketplace providers, we do not accept fees or incentives from participants in the model marketplace. We believe the end investor and the advisors who serve them benefit from choice, and by creating an open environment we can best serve their needs.

Who are the Asset Managers are on the Model Marketplace as of 4/08/2019?

1. Fidelity
2. Franklin Templeton
3. Invesco
4. Northern Trust Asset Management
5. Oppenheimer
6. Russell Investments



What Type of Models can we find on the Marketplace?

The models are typically strategic and asset allocation target type models and have a mix of Mutual Funds and ETF products.

How often does the Asset Manager rebalance their Model Portfolios?

Models on the Marketplace are typically adjusted by the asset manager on a monthly or quarterly basis.

If I am a strategy/model creator that requires to be paid for use of my models can I be on the platform?

Not yet! The model marketplace is currently only available to asset managers that have models to distribute that have their own proprietary funds. The mechanism to invoice a model creator is not part of the system and hence not offered to those looking to generate direct revenue from use of their models. Future consideration.