PCT WORLD INTELLECTUAL PROPERTY ORGANIZATION
International Bureau

INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(51) International Patent Classification 6 : G06F	A2	(11) International Publication Number: **WO 99/46658**
		(43) International Publication Date: 16 September 1999 (16.09.99)

(21) International Application Number: PCT/US99/05010

(22) International Filing Date: 5 March 1999 (05.03.99)

(30) Priority Data:

09/038,158	11 March 1998 (11.03.98)	US
09/139,020	24 August 1998 (24.08.98)	US

(71) Applicant: FOLIO TRADE LLC [US/US]; 9332 Ramey Lane, Great Falls, VA 22066–2025 (US).

(72) Inventor: WALLMAN, Steven, M., H.; 9332 Ramey Lane, Great Falls, VA 22066–2025 (US).

(74) Agents: BRAINARD, Charles, R. et al.; Kenyon & Kenyon, Suite 700, 1500 K Street, N.W., Washington, DC 20005 (US).

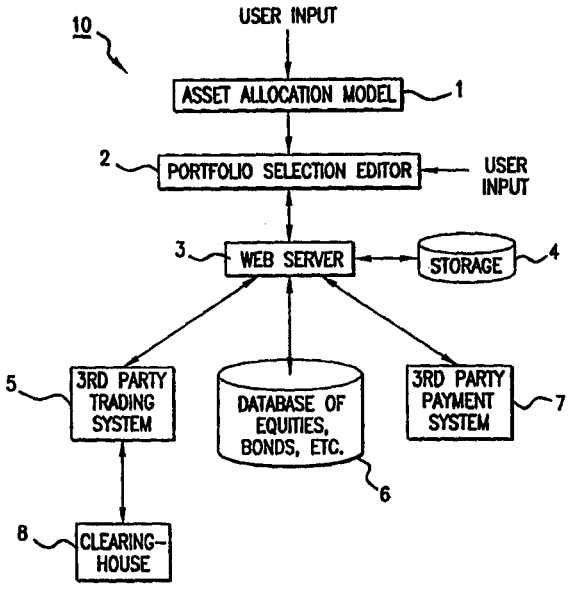
(81) Designated States: AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CU, CZ, DE, DK, EE, ES, FI, GB, GD, GE, GH, GM, HR, HU, ID, IL, IN, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, UA, UG, UZ, VN, YU, ZW, ARIPO patent (GH, GM, KE, LS, MW, SD, SL, SZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).

Published
Without international search report and to be republished upon receipt of that report.

(54) Title: METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTOFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A COST EFFECTIVE BASIS

(57) Abstract

Smaller investors can create and manage on a cost–effective basis a complex portfolio of securities using a mechanism that enables the investor to provide to the system the investor's preferences regarding his portfolio, to generate a portfolio, including fractional shares, that reflects the investor's preferences. The system then permits aggregation of the orders, and netting of orders, generated by multiple investors at various times during the day for execution. In addition, the structure of the computer–based system of the present invention allows its cost to be based on access to or usage of the system (such as a monthly fee) as opposed to by securities orders entered into the system as per common brokerage. The result is that the investor can create a portfolio of directly owned securities with attributes, such as diversification, similar to a mutual fund. As compared with the problems with existing systems, the computer–based system of the present invention provides complete control for the investor over what securities can be selected, and in what weights and amounts, as well as control over the tax effects of purchases or sales of the securities comprising the portfolio, preventing the investor from being presented with unwanted taxable effects due to discretionary sales transactions of fund managers. In addition, the computer–based system of the present invention provides all the information necessary to monitor and manage tax effects and capability to sell or buy the individual securities in his portfolio to obtain desired tax benefits, all shareholder rights with respect to each security in the porfolio to the investor and full ownership and control over all investment, voting and other decisions regarding such securities. The computer–based system of the present invention also allows for parameters to be set with respect to a portfolio to ensure that it stays within certain diversification or risk limits. Furthermore, the computer–based system of the present invention provides direct control over the charges and expenses that will be incurred, and the possibility of making multiple intra–day investment decisions by the investor, if he wishes. Moreover, the computer–based system of the present invention provides control over all factors in the portfolio and modification of them as the investor sees fit.



FOR THE PURPOSES OF INFORMATION ONLY

Codes used to identify States party to the PCT on the front pages of pamphlets publishing international applications under the PCT.

AL	Albania	**ES**	Spain	**LS**	Lesotho	**SI**	Slovenia
AM	Armenia	**FI**	Finland	**LT**	Lithuania	**SK**	Slovakia
AT	Austria	**FR**	France	**LU**	Luxembourg	**SN**	Senegal
AU	Australia	**GA**	Gabon	**LV**	Latvia	**SZ**	Swaziland
AZ	Azerbaijan	**GB**	United Kingdom	**MC**	Monaco	**TD**	Chad
BA	Bosnia and Herzegovina	**GE**	Georgia	**MD**	Republic of Moldova	**TG**	Togo
BB	Barbados	**GH**	Ghana	**MG**	Madagascar	**TJ**	Tajikistan
BE	Belgium	**GN**	Guinea	**MK**	The former Yugoslav Republic of Macedonia	**TM**	Turkmenistan
BF	Burkina Faso	**GR**	Greece			**TR**	Turkey
BG	Bulgaria	**HU**	Hungary	**ML**	Mali	**TT**	Trinidad and Tobago
BJ	Benin	**IE**	Ireland	**MN**	Mongolia	**UA**	Ukraine
BR	Brazil	**IL**	Israel	**MR**	Mauritania	**UG**	Uganda
BY	Belarus	**IS**	Iceland	**MW**	Malawi	**US**	United States of America
CA	Canada	**IT**	Italy	**MX**	Mexico	**UZ**	Uzbekistan
CF	Central African Republic	**JP**	Japan	**NE**	Niger	**VN**	Viet Nam
CG	Congo	**KE**	Kenya	**NL**	Netherlands	**YU**	Yugoslavia
CH	Switzerland	**KG**	Kyrgyzstan	**NO**	Norway	**ZW**	Zimbabwe
CI	Côte d'Ivoire	**KP**	Democratic People's Republic of Korea	**NZ**	New Zealand		
CM	Cameroon			**PL**	Poland		
CN	China	**KR**	Republic of Korea	**PT**	Portugal		
CU	Cuba	**KZ**	Kazakstan	**RO**	Romania		
CZ	Czech Republic	**LC**	Saint Lucia	**RU**	Russian Federation		
DE	Germany	**LI**	Liechtenstein	**SD**	Sudan		
DK	Denmark	**LK**	Sri Lanka	**SE**	Sweden		
EE	Estonia	**LR**	Liberia	**SG**	Singapore		