

Marketocracy Partners with FOLIO*fn* to Launch mFOLIOs for Retail Investors

Professionally managed personal portfolio accounts starting at \$10K

San Mateo, CA, February 20, 2007 Marketocracy, Inc., an investment management and research firm that has developed the industry's most extensive farm system of investment talent, and FOLIO*fn*, Inc., an innovative online securities firm that pioneered the offering of portfolios to investors and owns a number of patents on the method, announced today the launch of the mFOLIO Program of professionally managed personal portfolio accounts for the retail investor. mFOLIOs provide access to the best of Marketocracy on the FOLIO*fn* platform.

"mFOLIOs are like mutual funds only better," explained Ken Kam, President of Marketocracy Capital Management LLC, a registered investment adviser. "Through the power of the internet and FOLIO*fn*'s innovative technology, we've reduced the minimum investment for mFOLIOs to \$10K. We're able to provide retail investors access to the kind of investment accounts that until now were available only to wealthy investors with a minimum of \$100,000-\$500,000. FOLIO*fn*'s innovative trading platform allows us to cost-effectively trade 'fractional shares' and capture a higher percentage of the returns from our model portfolios and their window trading allows us to actively trade clients' portfolios at no additional cost."

"Our partnership with Marketocracy is an ideal match for us because we share the same goal to change the way people invest and transform this trillion dollar investment industry by making it easier for investors to own diversified portfolios," said Steven M.H. Wallman, founder and CEO of FOLIO*fn*. "We're excited to support Marketocracy's unique offering related to identifying and incubating investment talent for the benefit of other investors," he added.

mFOLIOs are offered exclusively through separately managed accounts by Marketocracy Capital Management LLC using the FOLIO*Advisor* trading platform. mFOLIOs can be mixed and matched to personalize portfolio accounts for investors and are appropriate for the "explore" portion of an investor's overall portfolio with the objective to deliver excess return. Investors can learn more about mFOLIOs, including an assessment of the risks associated with these kinds of investments, and open an mFOLIOs managed account at <http://advisor.marketocracy.com>.

Marketocracy, Inc. is an investment management and research company whose mission is to develop the most extensive farm system of investment talent, to refine a team investment process, and to generate actionable research. Its subsidiary, Marketocracy Research, has a website - www.marketocracy.com - which is home to over 80,000 people from 130 countries that manage 100,000 model stock portfolios. The company's subsidiary, Marketocracy Capital Management LLC, uses the research generated by Marketocracy Research and manages mutual and hedge funds, and separately managed accounts.

FOLIO*fn* is an innovative online securities firm that provides a patented platform allowing investors to economically create and manage a diversified portfolio. Using listed securities,

actively-managed mutual funds, index funds, ETFs and other securities, investors can purchase entire portfolios in a single transaction, with no minimum, investing by dollar amount or number of shares. The company also provides a comprehensive platform for more than 150 registered investment advisory firms, independent broker-dealers, and money managers through its FOLIO*Advisor* service. Founded by former U.S. Securities and Exchange Commissioner, Steven M.H. Wallman, FOLIO*fn* has grown into one of the largest brokerages by number of trades handled in the U.S. The firm's goal is to foster investor success by adding clarity, value and integrity to the investor experience. Its website is www.foliofn.com.