

Hedge Fund Administration

Leveraging Unmatched
Credit Expertise



Hedge Fund Administration from the leaders in credit and fixed income asset servicing.

Key Benefits

Leverage Virtus' Market Leading and Scalable Loan Platform

- Virtus has more than \$350 billion bank loan and credit assets under administration
- Virtus tracks and maintains referential data on more than 10,000 unique global loan facilities
- Virtus settles more than 15,000 primary and secondary market loan trades on behalf of clients annually
- Virtus employs a highly specialized staff with the experience to navigate the nuances of loans and credit assets

Focus – Industrial strength operating platform built for credit managers that allows you to focus on investment management

Transparency – The Virtus platform is fully transparent to asset managers including direct access to our core systems

Investor Transparency – Investor Reporting with analytics and data specifically designed for credit and fixed-income funds

Portfolio Accounting

Security Master Origination – Originate new security, OTC derivatives, and bank loan security master and referential data

Security Master Maintenance – Maintain security master and referential data with updates from third-party sources and extensive syndicated loans database

Corporate Actions – Validate and process corporate actions received from custodians and third-party sources and record activity in fund's books and records

Trade Capture – Capture and process all portfolio transactions daily

Broad and Complex Instrument Coverage – Full coverage of listed securities, ABS/MBS, loans, and derivatives

Reconciliations – Independent reconciliations to third-party brokers, custodians, and bank accounts

Break Resolution – Identify, research and resolve all reconciling items with third-parties

Independent Valuation – Act as fund's valuation agent obtaining prices directly from third-party sources following an agreed valuation policy or fund's governing documents

Complex Valuation – Act as fund's valuation agent obtaining model based values or dealer quotes from independent sources for illiquid securities and OTC derivatives

Valuation Control – Validate independent pricing through agreed tolerances checks and issuing pricing challenges to third-party sources where required

Hedge Fund Administration

Fund Accounting and Administration

Maintain Fund's Accounting Books and Records

Ensure all activity is maintained in independent books and records in accordance with governing documents

Capital Activity Accounting

Ensure all capital activity is recorded in the fund's books and records and is reconciled to transfer agent

Management and Incentive Fees

Calculate and accrue all management and incentive fees

Partnership Accounting and Allocations

Maintain allocations, perform partnership accounting and shareholder accounting based on series and/or equalization requirements

Financial Statements

Prepare financial statements including footnotes and disclosures

Payment of Fund Expenses and Invoices

Prepare financial information and governance reporting for fund's directors meetings

Expense Accruals

Maintain fund's expense accruals

Audit Support

Prepare and coordinate audit work papers and timelines with fund's auditors

Board of Directors Support

Prepare financial information and governance reporting for fund's directors meetings

Investor Services

Investor Onboarding

Fully transparent set-up and maintenance of investor account, credentials and contact information

Process Investor Transactions

Process all capital activity requests, including the movement of funds and reconciling cash amounts to expected activity

Escrow Account Service

Maintain operational control of fund's escrow accounts initiating funds transfers for redemptions and clearing funds to investment accounts for subscriptions

Maintain Investor Registry and Partner Capital Accounts

Investor Services Cont.

Disseminate Investor Reporting

Prepare and/or distribute transaction confirmations, capital statements and Investment Manager commentaries to investors via electronic, web or hard copy

AML and FATCA Services

Ensure investors are screened and meet all anti-money laundering (AML) compliance requirements, review and capture of investor FATCA status with associated reporting

Management and Resolution of Investor and Client Queries

Disseminate fund correspondence, financial statements, audit confirmations and more to investors and authorized parties

About Virtus Fund Services:

Virtus Fund Services, with more than \$350 billion in assets under administration, is a leading provider of investment operations outsourcing and administration services to credit and fixed income managers.

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