

# Hedge Fund Administration

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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

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## *Fund Accounting and Administration*

### **Maintain Fund's Accounting Books and Records**

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

### **Capital Activity Accounting**

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

### **Management and Incentive Fees**

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Calculate and accrue all management and incentive fees

### **Partnership Accounting and Allocations**

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

### **Financial Statements**

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Prepare financial statements including footnotes and disclosures

### **Payment of Fund Expenses and Invoices**

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

### **Expense Accruals**

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Maintain fund's expense accruals

### **Audit Support**

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

### **Board of Directors Support**

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

## *Investor Services*

### **Investor Onboarding**

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

### **Process Investor Transactions**

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

### **Escrow Account Service**

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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**

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*Investor Services* Cont.

## **Disseminate Investor Reporting**

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

## **AML and FATCA Services**

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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**

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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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