

Agile Investment Servicing Service Portfolio



As an independent company specialising in fund administration, our mission is to deliver a wide range of services — customised, traditional and add-on — to a demanding clientele. These services cover an equally wide range of products and vehicles, making excellence the priority at all times.

Our services

- Net Asset Value calculation, bookkeeping and portfolio valuation
- Middle-office and order management services
- Transfer agent and registrar services
- Fiscal services
- Compliance & risk management
- Performance measurement & attribution
- Domiciliation
- Reporting solutions

On behalf of

- UCITS and UCIs
- Alternative investment funds
- Pension funds
- Unit-linked life insurance products
- Private equity and real estate funds
- Islamic funds
- Microfinance funds
- Specialised funds
- Depositary banks
- Management Companies
- Holding companies

Proactivity in cutting-edge solutions

One feature that sets EFA apart is our commitment to anticipating demand — getting out ahead of market trends and regulatory requirements. By closely tracking developments in both areas, we transform regulatory shifts into customised services that add value across the board.

Our Services

European Fund Administration

www.efa.eu

FATCA Services

A solution designed to help funds comply with FATCA

Navigating
efficiently through
the complex
FATCA regulations

FATCA is a new regulatory framework that is applicable by law to all investment funds. We have developed a dedicated FATCA Service designed especially to help funds become fully compliant with FATCA requirements.

Our service offering encompasses:

- The set-up and maintenance in EFA's operational systems of the Fund's FATCA status as provided by the Fund, including the set-up of investor eligibility controls in case the Fund has opted for a specific Non-Reporting FI status.
- The due-diligence on pre-existing investors, including appropriate account aggregations and threshold tests.
- The implementation of FATCA compliant due diligence processes on new investors as of July 1, 2014.
- The interfacing with distributors to obtain the FATCA status of investors, in case distributors are in charge of AML/KYC and FATCA due diligence process of registered shareholders.
- The production of FATCA oversight reports to the Fund.
- Sponsoring Entity services where EFA will perform on behalf of the Sponsored Funds, all due diligence, reporting and other requirements that a Reporting FI would have to fulfil.

New services will be added to this offering in the months ahead, including reporting to tax authorities and, possibly, calculation of withholding tax.

Key benefits

Permanent compliance with FATCA regulatory framework	EFA services will continuously evolve over time in order to stay in line with any upcoming FATCA deadlines and regulatory updates. This allows you to minimize your involvement in the matter of FATCA regulations while ensuring the fund's constant compliance.
FATCA Expertise	Our clients benefit from EFA's pool of FATCA experts to perform on behalf of the Fund appropriate investor due diligence and regulatory reporting on pre-existing accounts and new account openings.
Streamlined control process	EFA's FATCA investor due diligence processes are seamlessly integrated with EFA's TA Operations teams and AML/KYC processes, ensuring high efficiency in the overall investor eligibility controls and on-boarding processes.
IT infrastructure and technical set-up	EFA's FATCA processes are supported and secured through dedicated IT modules, enabling to run key processes in a highly automated way.



Our Services

AIFM regulatory reporting services

An all-inclusive solution to comply with AIFM regulation requirements

More than

250

AIFs

Over

50

AIFMs registered in 5
different EU countries

The AIFM Directive stipulates that **every AIFM shall regularly report to its national competent authorities** on the main instruments and markets in which it trades and on the principal exposures and most important concentration risks of the AIFs it manages.

EFA developed a **regulatory reporting solution for all AIFMs**, whether they are registered or authorised, which is compliant with ESMA guidelines and covers all sets of AIFM regulatory reports. This solution **combines well with EFA's AIF Risk Reporting services** that allow the monitoring of all key risks of the AIFs.

The scope of EFA's AIFM regulatory reporting services includes:

- Supervision of the overall process and guidance on key issues
- Data gathering and data management
- Production of all required reports for all types of AIFs
- Calculation of key risk measures to be disclosed in the regulatory reports
- Monthly monitoring of Assets under Management and leverage

As the service is based on existing data processed within EFA's fund administration and risk computation systems, clients benefit from **highly specialised and integrated processes and services**.

Key benefits

Expertise	The know-how of an experienced and skilled team dedicated in the production of compliant regulatory reporting.
Risk measures	On top of standard risk measures, possibility to subscribe to add-on complex market risk measures (e.g. VaR) to describe the risk profile of AIF.
Quick implementation	Reports based on data already in EFA's database and risk engine in order to limit workload at client level.
An extensive service offering	All reports for all types of funds, including funds not administered by EFA.
Commercial incentive	Special rates for clients having subscribed to additional AIF Risk Reporting services.

Our Services

Risk Reporting for UCITS

A fully compliant and cost effective solution

+ 400
UCITS funds

+ 65,000
Risk reports for
UCITS produced
in 2013

All risks
covered

Implementing the regulatory requirements of UCITS IV concerning risk management requires Management Companies or Self-Managed Investment Companies (SMIC) to put in place more stringent controls and to strengthen monitoring functions which represents an essential effort in their overall process of being compliant with the directive.

As part of its Risk services, EFA offers a comprehensive set of risk reports to help Management Companies as well as Self-Managed Investment Companies follow and monitor on an ongoing basis the risks for all the UCITS they manage.

A comprehensive UCITS IV Risk Report

- Global exposure calculation using the commitment approach or a VaR approach, which can be produced on a daily basis for both measures. Our VaR approach uses historical simulation on risk factors with full re-pricing
- Liquidity risk based on the liability side and on the asset side
- Counterparty risk arising from OTC derivatives and techniques / instruments related to efficient portfolio management
- Concentration risk
- Cover rules for financial derivatives instruments
- Operational risk report with key risk indicators

A comprehensive Collateral Risk Report

- Eligibility of the guarantee received by the UCITS
- Control of diversification of the collateral basket
- Counterparty risk

A modular report with dash boarding facilities

- Summary risk report which allows clients to get, at a glance, a clear overview on the risk status of their entire fund range
- Possibility to customise risk parameters, risk indicators, ...

Key benefits

Expertise	The know-how in the production of risk reporting for regulated or non regulated funds of the largest Luxembourg fund administrator. Consultancy services are offered to the clients including assistance for the implementation and review of their Risk Management Process.
UCITS IV compliant solution	A solution which enables governing Management Companies and SMICs to benefit from fully compliant UCITS IV risk reporting sets.
Cost-effective	Our risk reporting engine uses existing data and information available in our fund accounting systems which enable EFA to offer a full-fledged solution at a very competitive price.
Quick implementation	No investment nor development required on the client's side to activate the service.



Our Services

European Fund Administration

www.efa.eu

Risk Reporting for AIFs

A fully compliant and cost effective solution

Compliant
with the AIFM
Directive and its
implementing
measures

All risks
covered

The AIFM Directive requires the implementation of a risk management policy and appropriate systems in order to identify, measure, monitor and manage risks associated to the AIF portfolio, as well as the contribution of each individual investment to the overall risk profile of the fund.

As part of our Risk Reporting services, EFA offers a comprehensive set of risk reports designed for AIFs investing in listed securities, money market instruments, derivatives and UCIs.

These reports allow the AIF Managers to put in place a risk management process seamlessly integrated with EFA's fund administration services, while avoiding conflicts of interest when performing risk measurement.

Using EFA's Risk Reports, the AIF Manager or Risk Officer is able to easily monitor all key risks of the funds they manage.

A comprehensive Risk Reporting solution

- Market risk (volatility measures, ex-ante VaR measurements using historical simulation on risk factors with full re-pricing or ex-post VaR measurements)
- Leverage (gross method and commitment method)
- Global risk using commitment approach
- Liquidity risk controlled both on the liability and the asset side, including the appropriate stress tests
- Coverage rules
- Counterparty risk, credit risk and concentration risk
- Other risk indicators: interest rate risk, currency risk, credit risk ...

A modular report with dashboard facilities

- Summary risk report which allows clients to get, at a glance, a clear overview on the risk status of their entire fund range
- Possibility to customise report frequency, risk parameters, risk indicators according to defined quantitative risk limits....

Key benefits

Expertise	You benefit from the know-how in the production of risk reporting for regulated or non regulated funds of the largest Luxembourg fund administrator. EFA offers as well Consultancy services including assistance for the implementation and review of your Risk Management Process.
Regulatory compliant	A solution which enables AIFMs to benefit from fully compliant risk reports.
Cost-effective	Our risk reporting engine uses existing data and information available in our fund accounting systems which enable EFA to offer a full-fledged solution at a very competitive price.
Quick implementation	No investment nor development required on your side to activate the service.



Our Services

European Fund Administration

www.efa.eu

Performance analysis

A solution to better understand and monitor fund's performance

All performance
measurements
you need at a
glance

EFA offers to its clients performance analysis service which is a key solution to help them to decompose, analyse and understand the success factors of a portfolio management .

Our solution is based on a **powerful and flexible suite of analytics web-tools**. It computes key performance measures based on fund's existing accounting data without requiring development or implementation on the client side.

Key performance measures include:

- Contribution analysis for equity and fixed income
- Return calculation based on holding and transaction data
- Analytical output combining segment and security results (asset allocation, country, GICS sector, market capital, long/short etc...)

As part of this service, EFA performs **data management** which is an essential activity in order to have performance measurement computed using **highly accurate performance returns** with appropriate analytical breakdowns.

Key benefits

A robust performance calculation platform	A sophisticated portfolio analytics system computing highly accurate returns and providing high data granularity
A unique way of showing performance measures	A solution available anytime, from any location and providing dynamic visual performance analysis with multiple outputs and customisable reporting
Expertise	Dedicated access to the expertise of our Risk and Performance specialists to respond to your queries
Quality and cost efficiency	All data management required to ensure computation completeness and accuracy is based on existing accounting data and performed by EFA

Our Services

Investment Compliance Services

A permanent control for a key function

10,000

rules available

2,000

funds controlled
daily

Expertise

of a well-known fund
administration
specialist

Controlling and monitoring investment limits defined in the regulation and in the prospectus is a key function to ensure compliance with the funds' obligations and to guarantee the highest level of investor protection.

EFA-Investment Compliance Services is a complete solution which is fully integrated in our value chain, offers a powerful rules engine and manages the most recent and up-to-date regulations and recommendations. With a transparent view over the limits set-up, the compliance officer will receive alerts and all required information in the event of breaches.

Advanced capabilities

EFA-Investment Compliance Services aims at assisting management companies, compliance officers and investment managers with:

- **A flexible and real-time monitoring tool** designed for the follow-up of investment limits while allowing full access to control portfolios and transactions
- **Smart reporting** providing users with precise and complete information and summaries
- **A dedicated team of specialists** assisting our clients with all aspects of investment compliance.

A comprehensive service

Our service enables controls at **post-trade**, **pre-NAV** and **post-NAV** levels.

Post-trade	Post execution control on a trade-by-trade basis	Early warnings on possible breaches with possibility via a blotter to reject or release the trade
Pre-NAV	On demand control based on the previous NAV data and including interim portfolio transactions	View of the investment compliance status of the projected portfolio at any time
Post-NAV	End-of-day control based on the official NAV	Official view on breaches with appropriate information to resolve violations

Key Benefits

- **Expertise** – The know-how of the largest Luxembourg fund administrator with a privileged access to a dedicated team of professionals.
- **Transparency and traceability** – Access to in-depth portfolio and transaction data, including complete audit trail.
- **Flexible state-of-the art platform** – Highly customisable parameters, rules, severity levels, warnings and management of rules based on complex algorithms allowing to cover the most sophisticated investment policies of a fund.



Our Services

Asset Eligibility Services

A way forward for suitable assets

Compliant
and
transparent
solution

Daily
controls & reports

According to UCITS regulations, all assets invested in a regulated fund should be “Eligible”. An “Eligible Asset” is defined as fulfilling specific criteria such as listing and liquidity.

Assessing and monitoring assets according to their eligibility status is essential to avoid liquidity and listing issues while ensuring full compliance with investment restrictions.

Consolidating all related laws and recommendations within a clear and complete reporting, EFA-Eligibility Services enables governing bodies of the fund to have a view over portfolio positions and their related eligibility category while highlighting unsuitable assets. Eligibility controls are performed on daily updated data.

A way forward for suitable assets

EFA – Eligibility Services aims at assisting compliance officers and investment managers with:

- Pre-investment eligibility checks
- Daily control and status maintenance of investments
- Eligibility control results directly embedded into investment compliance reporting
- Detailed reports per instrument providing a status for each tested criterion

Key Benefits

Expertise	The know-how of the largest Luxembourg fund administrator with a privileged access to a dedicated team of professionals.
Full coverage of assets	A service covering all types of instruments.
Easy set-up	A solution which is easily integrated in clients' existing risk management processes.
Daily update of eligibility statuses	Automated updates.
Transparency	Eligibility checks are fully documented.



Our Services

Complex Valuation Services

Fair and independent valuation for OTC and illiquid instruments

From Vanilla
to Exotic
instruments

Tailor-made
pricing models

Professional team of
Quantitative
Analysts

The increasing regulatory requirements combined with the ever evolving complexity of financial instruments lead fund governing bodies to ensure a constant use of fair valuation principles in their fund portfolios.

EFA's **Complex Valuation Services** aim at providing fair valuation and independent pricing solutions to its clients for OTC, illiquid and non-independently priced financial instruments.

A modular service offering

EFA's team of experienced quantitative analysts offers two levels of services, each one based on validated and documented pricing models, relying on full transparency in the provision of results, calculation methods and market data.

- **Fair Value Challenging**
EFA challenges prices received from non independent pricing providers or any other sources, at any required frequency.
- **Fair Value Calculation**
EFA calculates fair prices for official portfolio valuations.

In addition, our team of professionals provides **Complex Valuation Consultancy** in order to assist clients in taking informed decisions concerning all aspects of complex instrument valuation.

Key benefits

Expertise and technology	Make use of the know-how of the largest Luxembourg fund administration specialist with the expertise of a professional team of quantitative analysts covering all most common forms of financial instruments from vanillas to exotics. State-of-the-art modelling using market community approved approaches and proven technology.
Compliance	Our solution is specifically designed to provide fund's governing bodies with fair valuation and independent pricing in line with regulatory guidelines.
Transparency and traceability	We guarantee full transparency on computations performed and pricing models used. All models are documented, historical price and market components are stored and made available for any audit requests.
Best practice	EFA's pricing services are built on best industry practices to constantly ensure identification of non representative market prices and OTC assets in fund portfolios. Agreements on pricing hypothesis, mark-to-model valuations and reporting are performed in coordination and under the supervision of the fund's Management Company, Pricing Committee or Board of Directors, in line with regulatory requirements.



Our Services

EFA-KIID Manager

A comprehensive solution

Calculation
of key data

+600 funds
using our complete
service

Single entry
point for all KIID
related aspects

Implementing the regulatory requirements for the Key Investor Information Document (KIID) constitutes a critical challenge for the fund industry.

The KIID being a living document, requires the tracking of any material changes (objectives and investment policy, risk indicators, ongoing charges diverging from published figure,...). It is therefore essential to ensure the accuracy of disclosed data and to be able to promptly publish an updated version. It implies strict data management, a fully controlled production process and streamlined workflows.

A Comprehensive Solution:

“EFA-KIID Manager”, our comprehensive service offering, is designed to help Management Companies in their efforts to become and remain compliant with these new requirements.

EFA's modular solution will assist clients throughout the whole value chain:

- ▶ Assistance and advice in the definition of the adequate set-up for funds
- ▶ Provision of calculated data and ongoing monitoring
 - ▶ Production of the documents based on customised branded templates
 - ▶ Dissemination and publication (white-labeled website, smart web-services)
 - ▶ Liaising with local authorities

A robust calculation engine for an accurate computation of the Synthetic Risk and Reward Indicator (SRRI), ongoing charges (calculations based on ex-post figures) and past returns. Computations can be performed based on external data for funds not administered at EFA.

Solution also
designed for
funds **not**
administered by
EFA



A web-based collaborative platform

for an easy follow-up of the validation / production process in all required languages (dash boarding functionalities, previews and calculation details).

A distribution and publication solution

for the management and dispatching of KIIDs towards the funds counterparts and distributors; and a white labelled web service for an easy publication of KIIDs.

A dedicated team of specialists and relationship managers

for the coordination and monitoring of the overall production process ensuring on time publication.

Key benefits

Expertise

The know-how of a first class fund administrator in the calculation of complex data and in the production of regulatory compliant reporting

One-stop shop

A single entry point for all aspects related to the management and production of KIIDs

Open solution

A modular offering available to any funds administered or not at EFA, with the flexibility to align our services to our client's exact needs

Quick implementation

No investment or developments required on the client's side



Our Services

European Fund Administration

www.efa.eu

MIS and KRI/KPI reports

A solution to fulfil supervision and control duties

Compliant
with the UCITS
and AIFM
regulation
requirements

Both UCITS and AIFM regulations require that the governing bodies of a fund implement a risk management process enabling them to monitor on an ongoing basis the operational risks of the fund.

If the administration of the fund is outsourced to a third party administrator, the governing bodies of the fund must put in place effective means to supervise the delegation of these activities.

In this perspective, EFA markets a set of two distinct reports which aim at supporting its clients in complying with these supervision duties:

- **Management Information Summary (MIS)** produced for each sub-fund and providing general information about the fund's activity.
- **Key Risk and Performance Indicators (KRI/KPI)** for the different activities performed by EFA for a fund.

The MIS and KRI/KPI reports can be produced on a monthly basis or less frequently.

Management Information Summary (MIS)

These reports give a comparative view on key data and show also variations for other key periods.

- | | |
|--|--|
| ■ Total net asset, net asset per share | ■ Top 10 holdings |
| ■ Outstanding shares, inflows and outflows | ■ Net asset variation, share class performance and estimated expense ratio |
| ■ Shareholder breakdown | ■ Investor account status |
| ■ Asset Breakdown per asset type, currency and economic sector | ■ Number of TA transactions (manual vs STP) |

Key Risk and Performance Indicators (KRI/KPI)

The KRI/KPI report provides a scorecard with key risk/performance indicators related to EFA's activities. For each indicator, relevant details concerning the underlying data and information used are also provided, as well as a clear definition of the disclosed indicators.

The KRI/KPI report includes the following indicators:

- NAV delays
- NAV errors
- Fund Accounting and Transfer Agent reporting delays
- Asset transactions received after trade date, asset transactions not included in the NAV
- Pricing issues
- TA incidents: complaints review (description, status, ...)
- Blocked TA registers
- Fund compliance breaches (if service activated)
- Reconciliation service (number of unreconciled positions at end of period, number of unreconciled positions detected during the period)
- ...



Our Services

All the
information
you need...
whenever you
need it...

European Fund Administration

www.efa.eu

EFAnet

by European Fund Administration™

A single personalised entry point to key information

EFAnet is a web-based portal enabling our clients and their different counterparts to easily obtain all key information concerning fund and related administrative activities as well as to interact with our teams.

Asset managers, fund governing bodies and depositary banks use EFAnet to efficiently access near real time information on TA transactions, fund portfolio data, accounting data and registered shareholders. It allows to seamlessly perform controls on core administrative activities and to be immediately informed through alerts in case of occurrence of a defined event (NAV delay, NAV publication, KIID material changes, ...)

EFAnet gives users a 24/7 highly secured access to the following data and information :

- Fund static data and documentation
- NAV data
- Register data
- TA transactions data including current processing status and possibility to view original orders
- Reports library and data export facilities on all available data
- Live NAV validation
- Customisable user-features



Contact us:

Jeffrey Nadal
Head of Business Development
Tel: +352 48 48 80 500
jeffrey.nadal@efa.eu

Laurent Bouchet
Head of Product Development
Tel: +352 48 48 80 565
laurent.bouchet@efa.eu

European Fund Administration S.A.
2, rue d'Alsace P.O. Box 1725
L-1017 Luxembourg
Tel: +352 48 48 80 80
Fax: +352 48 65 61 89 00
client.services@efa.eu

European Fund Administration S.A. France
17, rue de la Banque
F-75002 Paris
Tel: +33 1 53 05 39 55
Fax: +33 1 42 68 31 78
services.clients@efa.eu

www.efa.eu