



TRANSITIONING TO NAV FROM ANOTHER FUND ADMINISTRATOR

Making the decision to switch to a new fund administrator often raises concerns about disruption, security, and added costs. But a transition to NAV Fund Administration Group can deliver benefits in reliability, cost savings, and expertise that make the change a positive decision.

NAV Fund Administration Group Senior Vice President Sam Crispino has heard it all. Fund managers who find themselves on the receiving end of less than satisfactory service, or see their admin costs going up with little or no explanation, or suspect they could be getting better services at lower cost elsewhere.

“Once fund managers have reached the point of contacting us, they’re usually pretty frustrated and committed to leaving their current admin firm. Many managers looking to make a transition are actively seeking the more responsive service and lower costs available with NAV,” said Crispino.

“When you contact NAV and an Account Manager reaches out to discuss your needs, your relationship with NAV is established,” Crispino said. “That Account Manager will remain your primary point of contact with NAV as long as you remain a client. You know who to contact directly for any question or issue and you can be sure the response will be quick and coming from someone intimately familiar with your fund’s historical and day-to-day operations.”

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SAM CRISPINO

SENIOR VICE PRESIDENT
FUND ACCOUNTING DEPARTMENT

The lack of personal service is one reason fund managers usually explore making a change. Crispino cites three primary drivers:



BETTER SERVICES & SUPPORT

Clients looking for better support don't necessarily have cost concerns, Crispino said. "These clients often can afford anybody, but for the fees they pay they expect premium service. When report delivery is consistently late or the information is inaccurate or incomplete and they can't get prompt assistance from their administrator, they start to consider other options."

The feeling of 'neglect' may be particularly acute because the clients may be subject to a high minimum AUM. "For the amount of business they bring and the fees they pay, these clients often feel they're not necessarily getting the attention and support they believe they deserve," Crispino said.

PRICE SENSITIVITY

Another circumstance Crispino often hears about is clients that are 'invited to leave' if their AUM drops below a certain threshold or if they are not paying minimum fees based on volume. As the volumes drop, the fees they pay remain the same, but service level and responsiveness often degrade.

"This is often true, even if it's just a temporary drop – maybe due to a large redemption or similar circumstance," Crispino said. "Clients understandably feel dissatisfied when they are still paying large fees, but not enough for their admin's business model, and they begin to lack the attention they feel they have earned."

The combination of financial stress and resource stress – paying high fees for less support or inferior output – leads many clients to begin to consider alternate solutions.

FIDUCIARY DUTY

Every fund manager has a fiduciary duty to investors to manage costs and services for optimal performance. "These clients may be perfectly comfortable with their current admin, but they have a responsibility to make sure expenses are reasonable and charged at fair market value and that they're getting the best service possible on their investors' behalf," Crispino said. "They periodically make the effort to see what's out there and assess other service providers."

REACHING OUT TO NAV

NAV is known in the industry for the quality of our services and expertise," Crispino said. "We're regularly recognized with industry awards; in fact, an independent survey of industry COOs named NAV the top fund administrator overall, with particularly high marks for cost for value."

"Attentiveness begins on day one, with an account manager often arranging an introductory meeting within 24 hours of receiving a referral or inquiry. "We actively

work to demonstrate how we're different from other administrators from the outset – by being responsive, genuinely showing an interest in their challenges, collaboratively discussing solutions, and introducing our unique advantages.”

Crispino says that if the initial call goes well and NAV is invited to submit a proposal, most of these opportunities result in a new client for NAV. “Prospective clients considering a transition are always serious inquiries and usually have some time sensitivity involved. They come to us with guns blazing and ready to hear our story and make a quick decision,” Crispino said.

TRANSITIONING TO NAV

Once the decision is made, NAV supports the transitioning client by working to make the move as seamless as possible. “We’ve worked with hundreds of transitioning clients, so our processes and back office systems are well-positioned to spring into action,” Crispino said. Our goal is to ensure success by reducing the demand on the client’s resources – we make it easy, do all the work, and charge no extra fees for transition-related services. On average, we can typically fully transition a client in three to four weeks.”

“Once NAV obtains previous accounting and investor records, we upload the data into our systems, download all necessary reports in read-only format into our proprietary system, calculate the fund’s net asset value, generate our customary accounting reports, and reconcile them with your official records,” Crispino explained.

COMPLIMENTARY TRIAL PROGRAM

For clients uncertain about making a move, the unique NAV Proof of Concept Program offers a unique risk-free trial for qualifying hedge and private equity funds, providing the opportunity to fully trial NAV services with minimal risk and maximum upside.

The program features unlimited expertise from the dedicated NAV team and complete access to the entire suite of services and systems including accounting and reporting -- all at no cost, no obligation, and with no cancellation charges. And, once the transition decision is made, all the groundwork is laid for a rapid formal transfer.

Will you run parallel with my current administrator?

Yes. We will run parallel with your current administrator, giving you the opportunity to get comfortable with our processes and reporting during the transition.

Can you replicate key reports I receive from my current administrator?

Yes. Our proprietary technology and in-house IT team gives us the flexibility to create custom reporting solutions for our clients.

Can you support my current year audit?

NAV will support the current year audit for any fund that is switching mid-year. We will replicate YTD data in our system to ensure we can provide the requisite support needed at year-end.

When do I begin to pay NAV admin fees?

NAV will not bill the fund until you no longer have to pay your current administrator. We fully understand that you may have a termination clause in your agreement requiring you to pay your current administrator after you give notice. We will still begin our work during this period as our goal is to establish a long-term relationship with each and every client.

WHY NAV?

Crispino cites several unique NAV advantages that help tip the balance to NAV. Aside from a consistent support contact and attentive service and support no matter the AUM or transaction volume, Crispino finds prospects most impressed with these NAV differentiators:

- ✓ **NAV fees are much more economical & transparent; no minimum AUM requirements**

- ✓ **Cost-effective vs. pricing based on “the max we think you can afford”**

- ✓ **Pricing: NAV includes services beyond ‘base level service’ in its fees for which larger firms typically charge additional fees:**
 - Onboarding, including per investor
 - Setup and transaction fees
 - Manager- and investor-level portal access
 - Bank reconciliations
 - Wire transfers/verification

- ✓ **Proprietary platforms are designed to support every fund structure and asset class traded**

- ✓ **Internal IT team of 200+ professionals focused on optimizing efficiency, upgrading functionality, maintaining strong network security, and generating standard and custom reporting solutions**

- ✓ **Fastest data delivery in the industry -- daily reporting is delivered by 6AM ET of the next business day and Final Monthly NAV within 2-3 working days after month-end depending on fund**

Though many of these qualities also make NAV a compelling choice for emerging managers seeking industry expertise and dedicated support, Crispino feels experienced transitioning managers instantly recognize NAV’s advantages. “NAV really offers an attractive alternative to clients used to being treated as just ‘one of the crowd’ at another firm,” Crispino said. “When prospective clients looking to make an administrator change hear our story, they usually come aboard. We’re proud to partner with these clients and work every day to continue to earn their business.”

READY TO MAKE A MOVE?

To find out more or to arrange an introductory meeting, contact us by phone at 1.630.954.1919, email main@navconsulting.net, or visit www.navconsulting.net.

Ranked #1 in an independent survey, NAV a privately owned fund administrator with a strong reputation for cost-effective and reliable fund administration solutions. NAV has achieved 30 years of year-over-year growth and maintains a 99% client retention rate. We are among the top 10 global hedge fund administrator by numbers of funds, servicing more than \$180 billion AUA.