

**best**  
OUTSOURCING

**A UNIQUE APPROACH WITHIN THE  
OUTSOURCING WORLD**

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BEST OUTSOURCING FREES  
YOU TO DO WHAT YOU DO  
BEST. MAKE SOUND  
INVESTMENT DECISIONS THAT  
DELIVER PERFORMANCE TO  
YOUR CLIENTS.

PART OF THE SYSTEMS PLUS GROUP

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## ä CONTENTS

**BEST OPERATIONAL EXPERTISE FOR FINANCIAL SERVICES. ENSURING BEST COST AND PRODUCTIVITY EFFICIENCY.**

- 01** WHO WE ARE
- 02** WHAT WE DO
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- 09** OUR STRENGTHS
- 10** WHY 'BEST OUTSOURCING?'



The Systems Plus Group has over 20 years of transforming global enterprises using Technology and Consulting Services

Our global delivery model combines cutting edge technology, leading operational expertise delivering high quality 24x7 operations with highly qualified professionals worldwide.

We offer an extensive global delivery capability: 5 global delivery centers in India / UK and a US sales office. Our Swiss office is planned for 2009.

We are an operational outsourcing service provider to the alternative investment community, offering customized solutions for hedge funds and fund of funds.

Our goal is to empower the alternative investments industry with the most cost effective operations model with the highest quality level of output so that they can focus on their core competence of Investment Management and client servicing.

This unique combination means our clients have the very best of what they need, when they need it, all in one place and with one relationship.

#### OUTSOURCING SERVICE OBJECTIVE

**We provide:**

- Cost efficiency
- Service quality
- Increased productivity levels / efficiencies
- Headcount reduction

WE DELIVER COST EFFECTIVE, HIGH QUALITY OUTSOURCED SERVICES WITH WORLD WIDE CAPABILITY PROVIDING COMPLETE SOLUTIONS THAT BRING TOGETHER TAILOR MADE SOFTWARE, EXPERT OPERATIONAL STAFF AND DOMAIN EXPERTISE.

### **COST / PRODUCTIVITY EFFICIENCIES**

We provide operational expertise for the alternative investments industry ensuring cost and productivity efficiency.

### **OPERATIONS SPECIALISTS - EXPERTISE**

Clients can outsource labor intensive, time consuming tasks which need specialist knowledge to our Back and Middle Office service provider and operational advisory services.

### **CLIENT BUSINESS FOCUS**

We aim to offer cost efficient solutions to investment managers / financial services providers allowing financial and human resources to focus on their core competencies and businesses.

Best Outsourcing can:

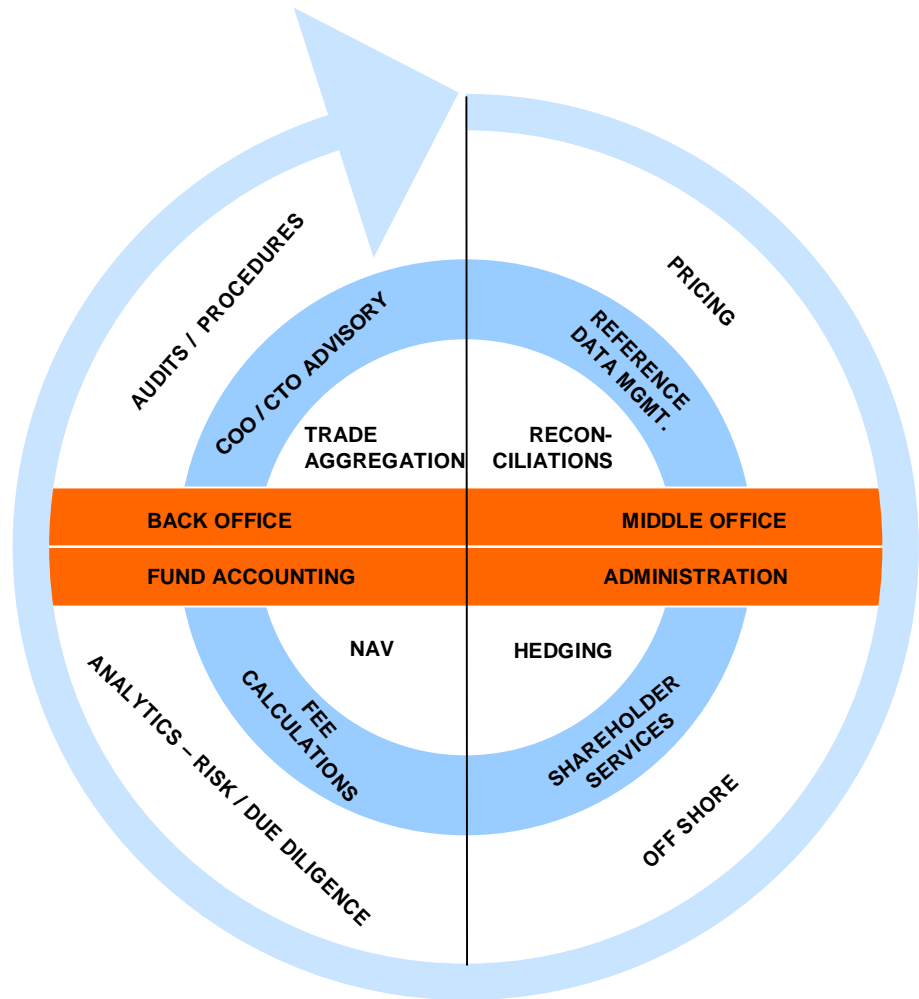
- Help you outsource most or all of your Operational processes / replacing Back and Middle office functions performed on shore with high costs and hard to find profiles
- Allow you to focus on your core competence of selecting investments and client servicing
- Enable you to leverage a tried and tested outsourcing model with one of the world's leading financial institutions and most respected Investment Manager in the alternative industry
- Work to build, document and implement specialized processes as required

BEST THINKING  
BEST PROCESSING  
BEST OUTSOURCING  
BEST PRACTICE

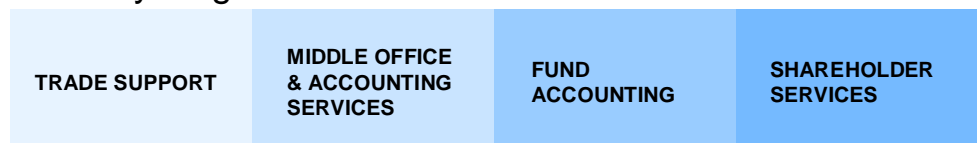
BEST PERFORMANCE



A UNIQUE APPROACH WITHIN  
THE OUTSOURCING WORLD



**And anything in between**



**PROCESS FOCUS** – rigorous process orientated culture. Our process are tried and tested, but are flexible enough to be tailored to the client's needs but remaining always within a best practice model

**ISO CERTIFICATION OF ALL PROCESSES**

### SERVICES OVERVIEW

- BACK OFFICE
- MIDDLE OFFICE
- COO SERVICES
- CTO SERVICES
- AUDIT SUPPORT SERVICES
- AD HOC PROJECTS

### BACK AND MIDDLE OFFICE SERVICES

#### For clients who are looking to:

- Focus on core activities
- Outsource time consuming / specialist know how operations
- Implement tailor made processes
- Look for cost effective solutions whilst maintaining high quality productivity level

### BACK OFFICE

#### Pricing

- Active Collection / proactive chasing of missing prices with underlying fund managers / administrators
- Input into client specific systems
- Audit trail of all back ups
- Validation of prices through rigorous control processes
- Reconciliation with independent sources
- Tracking of all prices including equalization, calculation of prices based on performance estimates
- Pricing analysis reporting:
  - Post valuation analysis – estimates v finals / aged price report
  - Tolerance report
  - Weekly pricing lists.....

#### Valuation Services

- Portfolio Maintenance and reconciliations
- Underlying price controls
- NAV controls / 1st level valuation processing / review of valuations provided by administrator / final and estimates on agreed schedule

### BACK OFFICE


- **Custody Services**
  - Trade execution, confirmations
  - Reconciliations – contract notes, trades
- **Cash Reconciliations** – daily cash management execution
- **Forex hedging** preparation / controls
- **Data / information Management**  
maintenance as specified by client:
  - Data organization / filing
  - Static and dynamic data management  
Master file creation, maintenance, chase up of all missing data
  - Data requirements for risk and analytical reporting
- **Risk Reporting** – due diligence reporting / documentation status

### MIDDLE OFFICE

- Control of Back Office tasks
- Daily Cash Management
- Trade processing
- Valuation confirmations / Full NAV controls
- Rebates management / shareholder reconciliations
- Forex hedging controls / execution with mandated party
- Full audit trail check list documentation
- Risk reporting – control and generation of pre defined client reporting needs (Illiquidity, attribution, concentration etc)
- Analytical reporting - control and generation of pre defined client reporting needs
- Sanity checks of all deliverables

BEST THINKING  
BEST PROCESSING  
BEST OUTSOURCING  
BEST PRACTICE

BEST PERFORMANCE



WE PROVIDE SEAMLESS  
BACK AND MIDDLE  
OFFICE SERVICES WITH  
HIGHLY EXPERIENCED  
PERSONNEL

### CTO SERVICES

- IT strategy road mapping– design, implementation, alignment with business strategy
- IT Project Management – hands on approach
- Development of IT solutions
- Offshore/Onshore Applications Support

### COO ADVISORY SERVICES

- Consultancy and Project Management
  - Review, establish, implementation of operational procedures
  - Ensure robust control environment / ensure audit trail
  - Operational Process / Systems evaluation - Gap analysis
- Evaluation, selection, monitoring of service providers
  - SLA monitoring with external service providers based on structured due diligence / KPI processes
- Internal / external audit preparation

### AUDIT SUPPORT SERVICES

- As a fully 'independent service provider' we can provide price collection / trade confirmations services to auditors
- Cost and efficiency savings for audit firms

### AD HOC SERVICE OFFERINGS

- Data Clean up / complete all historical data
- Documentation clean up / obtain missing documents / correct filling
- Small projects – any task - **no task too small policy**

- **COST / PRODUCTIVITY EFFECTIVENESS**  
proven results with industry leader. Cost effective solution to heavy operational structures required for shadow accounting, execution and other key controls

**SUCCESS STORY**

- Helped a client build an outsourcing model from scratch over a period of 6 months with high quality people and well established processes
- Helped a client reduce its on shore operations team by 60% in the first 6 months and up to 75% in the first 1 year resulting in significant cost savings
- **EXPERIENCE-LED** Long standing experience and in depth knowledge of the operational processes and related issues. Our services are built on the experience and know how we gained while working with one of the industry leaders in the alternative investments industry
- **PROCESS FOCUSED** - rigorous process orientated culture / We are fully ISO certified
- **EXCEPTIONAL TEAM APPROACH** We have an experienced team ready to help you in any way possible. They are all experienced professionals with a minimum MBA. Low attrition rates – same key team since 20 years
- **CULTURAL ADAPTABILITY / GLOBAL PERSPECTIVE**  
Our teams are used to working in multicultural environments. Our teams are multi-nationalities and multi-cultural
- **ENTREPRENEURIAL** – ‘ready to go’ culture. Flexible, creative. We strive for constant improvement. Think YES not no.


**NO CHALLENGE TOO BIG  
NO TASK TOO SMALL**

WHY 'BEST OUTSOURCING' ?

- We focus on creating value for clients. Cost efficiency and best quality operational processing is our top priority. For each client, we determine how services can be tailored to extract more value from your business, deliver on your commitments, maintain your business focus and propel your business forward.
- We believe you need an outsourcing partner not just a service provider. We measure our success on how we fundamentally impact, grow and make your business more successful.
- Your success is our success. We are partners.
- Our commitment to this success drives us to think and behave differently.
- Our philosophy of value creation and cost efficiencies is supported by a full range of Back and Middle Office services with a number of added value services for the alternative investment community. Our services bring together complete solutions within the operational domain with experienced and expert professionals.
- All service solutions are tailored to each client's specific needs through our modular approach. We advise, you chose.
- Our global approach, entrepreneurial culture, highly qualified and top caliber staff combined with real time cutting edge technological solutions delivers our clients the very best in outsourcing services
- Our teams are dedicated to our clients. Each individual has expertise in the domain. MBA or equivalent and highest IQ levels are pre-requisites for candidate selection
- We view Back and Middle office Fund Operations teams as a strategic opportunity for growth if managed well within the organization

BEST THINKING  
BEST PROCESSING  
BEST OUTSOURCING  
BEST PRACTICE

BEST PERFORMANCE



WE APPLY THE BEST  
THINKING, BEST  
PROCESSES, BEST  
OUTSOURCING MODEL  
WITH THE BEST  
PRACTICE IN ORDER  
TO ACHIEVE THE BEST  
PERFORMANCE FOR  
OUR CLIENTS

TO LEARN MORE ABOUT US  
PLEASE CONTACT DREAM TEAM  
DISCLAIMER

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**CLIENT LIST**

- Optimal Investment Services / Santander Group
- Schneider Electric
- Payless
- Ingersoll Rand
- PEPSICO International
- Wrigley
- FAMILY DOLLAR
- Reid & Taylor
- Belk
- Bausch & Lomb
- Tropicana
- FritoLay
- FILTRONA
- Guitar Center

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**IMPORTANT INFORMATION**

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BEST PRACTICE**

**BEST PERFORMANCE**

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ä MODULAR APPROACH

BEST THINKING  
BEST PROCESSING  
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THE OUTSOURCING WORLD

A MODULAR APPROACH

**Service characteristics**

- Active collection and daily follow up of the most up-to-date price for any given fund from fund managers, administrators, external databases...
- Collection on agreed schedule and frequency – not limited to valuation frequency
- Input into client systems
- Flexible and fully customized reporting pre and post pricing schedules
- Rigorous control processes / customized risk dash board

**Details**

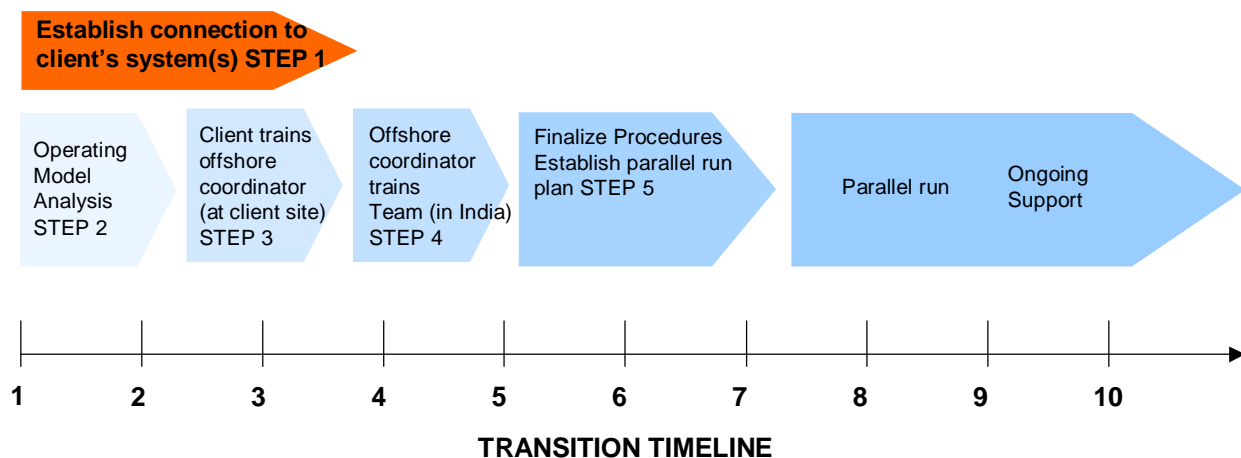
- Estimates, Finals, calculation of prices based on performance estimates .....
- Documentation management – all pricing back ups filed accordingly for audit trail
- Client validation process (if required) - Interaction with client’s analysts to confirm that the prices available in the system are the latest. If prices have not been received beyond the NAV frequency of the fund, the respective analyst is notified accordingly. Clients analysts integrated into process
- Reporting – estimates v finals, administrator v manager, tolerance, aged prices etc ...

**Volume Handled**

- As agreed with client

**Transition Approach**

- Step 1 Client Systems Analysis – identify developments required if any – Establish connections
- Step 2 – Best Outsourcing Coordinator on site to thoroughly understand clients operating model, document procedures, establish control mechanism for risk / audit comfort
- Step 3– Best Outsourcing Coordinator trains client on site on new procedures / controls
- Step 4 – Best Outsourcing team in India trained on client specificities
- Step 5 – Finalise procedures / establish parallel run plan
- LIVE / ON GOING SUPPORT



**Service characteristics**

- Full shadow accounting of administrator / custodian service providers – trouble shooting / problem solving / based on pre-defined procedures with the client
- Flexible and fully customized reporting
- Relationship management with service providers - extended to KPI's reporting of SLA if required
- Rigorous control processes / customized risk dash board

**Details**

*Portfolio maintenance*

- Tracking / booking of all subscriptions / redemptions
- Tracking / booking of all transfers, switches, purchases in kind...
- Trade execution and/or control of execution with underlying administrator /custodian
- Booking of confirmed positions / confirmations / contract notes tracking

*Cash management / reconciliation with full back ups for audit trail*

- Booking / reconciliation of shareholder transactions / registry
- Master / feeder internal trades, if applicable
- Calculation / Booking / reconciliation of all expenses / fees / rebates / forex transactions

- Product liquidity management to ensure cash availability

*NAV calculation*

- Estimates generated on agreed schedule and frequency – not limited to official valuation frequency
- Review and approval of service provider generated NAV

*Client validation*

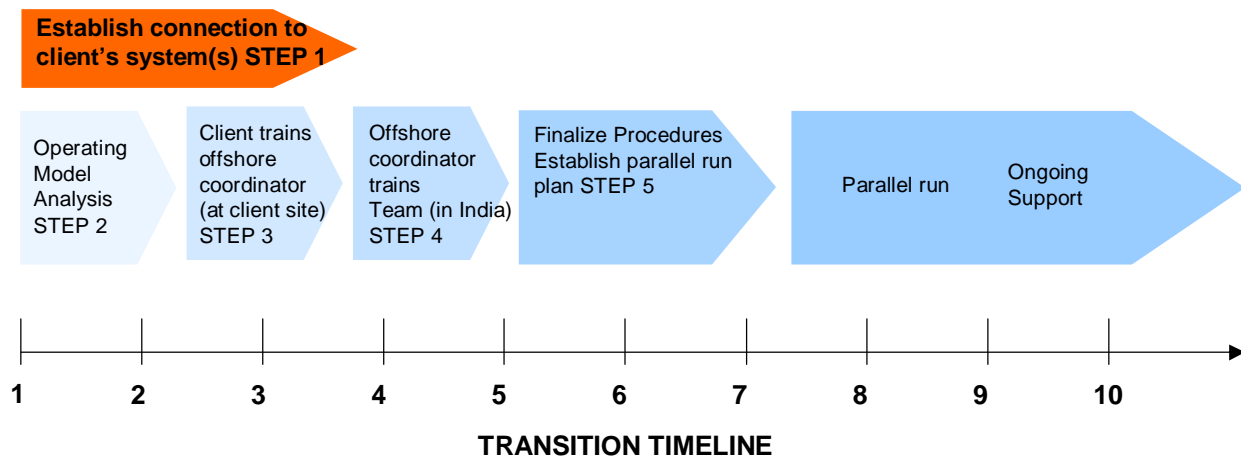
- Clients operations team integrated into process as required

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**Service characteristics**

- Reconciliation of Final / Estimate NAVs, Contract Notes, Cash etc...as defined and agreed with client
- Independent cash reconciliation of all cash accounts
- Ensure all back up documentation is in order for all items
- Flexible and fully customized reporting
- Relationship management with service providers
- Rigorous control processes / customized risk dash board

**Details**

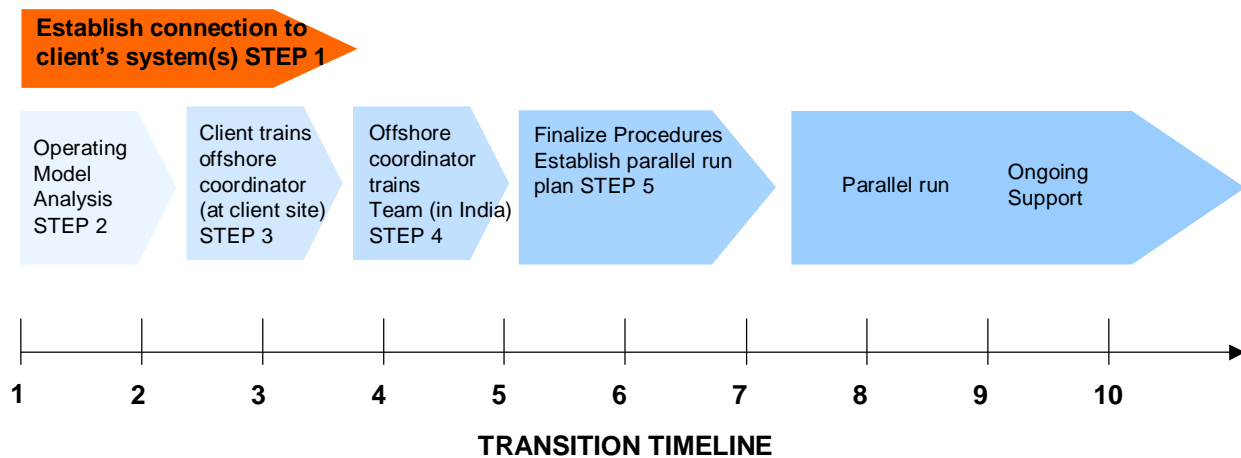
- Reconciliation of Final / Estimate NAVs, Contract Notes to ensure that a Final NAV is available for all underlying investments as well as all subscriptions and redemptions have been accounted for with an official contract note. Any missing statements or contract notes are requested from the External Fund Administrator
- Reconciliation of Final underlying Statements post-valuation cycle to ensure all missing statements are available as per audit requirements
- Input cash transactions from administrator’s statements after verifying viability for all cash movements for all funds, also reconciling month end balances with administrator’s balances

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**Service characteristics**

- Complete Master Security file set up for new investments
- Maintenance of Master Security file of all on going investments
- Generating various reports for the funds for internal (client) analysis – risk / operational due diligence / legal requirements
- Flexible and fully customized reporting
- Rigorous control processes

**Details**

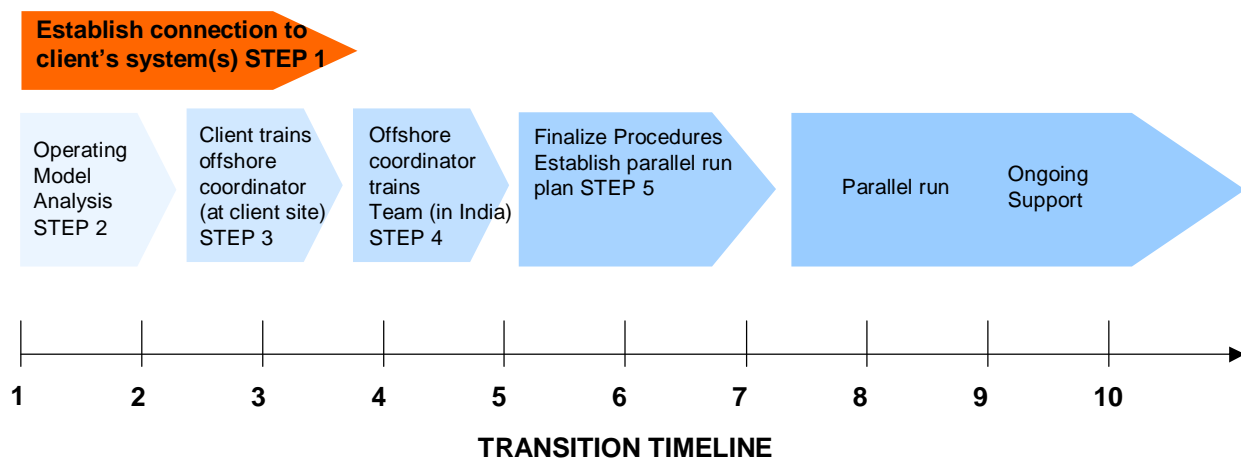
- Maintenance of dynamic data for risk reporting chasing incomplete data from internal teams, managers, administrators (as agreed with client)
- Special focus as agreed with client e.g.. liquidity / illiquidity analysis data maintenance – redemption and subscription frequency, notice, penalty fees, gating info etc ...

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**Service characteristics**

- Filing of documents in client’s environment as per an agreed naming convention / procedures
- Generating various reports for the funds for internal (client) analysis – risk / operational due diligence / legal requirements
- Flexible and fully customized reporting
- Rigorous control processes

**Details**

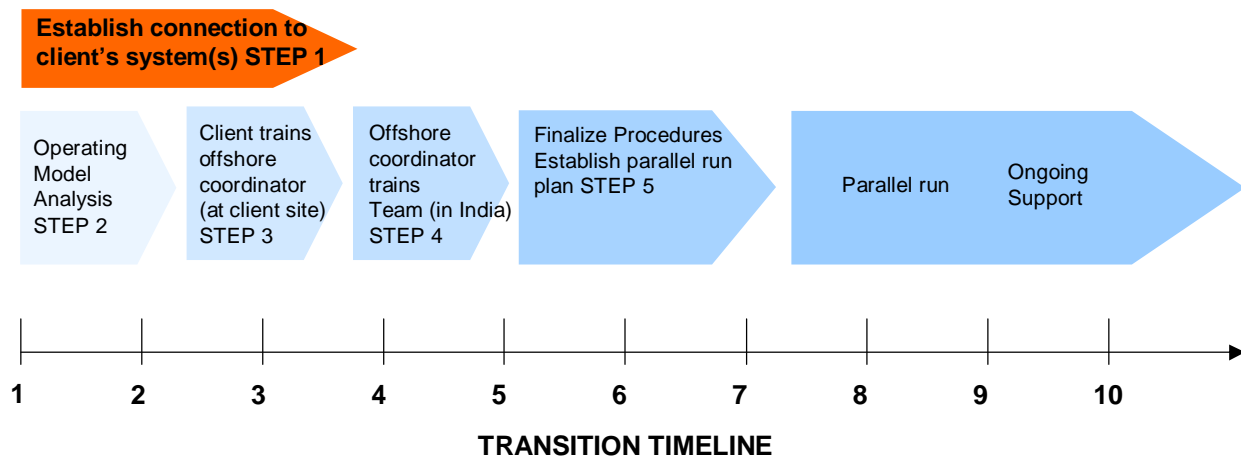
- Filing of documents as per the agreed naming convention and updating overall documentation status to keep a track of latest underlying investment documents such as PPM, Subscription and Redemption documents, Manager Reports, Operational Due Diligence Reports, etc.

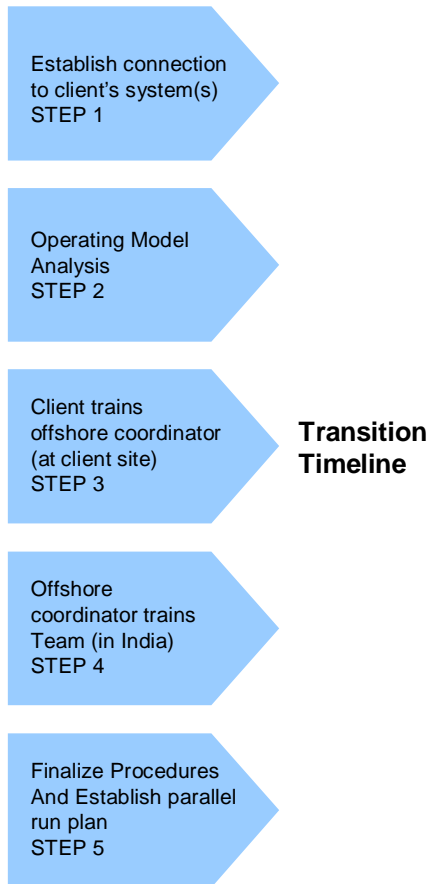
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