

U.S. Bancorp Fund Services

Exchange-traded Product Solutions

usbfs.com
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usbancorp
Fund Services, LLC



As a seasoned full service provider for any type of exchanged-traded product (ETP), we deliver the critical support needed to help you succeed.

From the creation of an investment strategy or index, through the launch of your fund and beyond, we understand the intricacies of the entire process. Investment managers continue to call on us to meet their specialized demands while exceeding their performance expectations.

Our dedicated service teams support passive and active ETFs and ETPs, including domestic and international equity and fixed income as well as derivative-based commodity, inverse and leveraged funds.

For every product structure, our network of experts and fully integrated technology provide the results you deserve. Our professionals bring a tradition of innovation rooted in a foundation of financial strength to every client's servicing solution.





Custody services

At U.S. Bank, our experienced custody team helps protect your fund assets by ensuring accuracy and privacy are among our top priorities.

Our network of custody professionals work with your fund to meet the specific requirements of each ETP. With dedicated custody administrators and trade services representatives, we are always standing by to provide guidance and support. We've integrated our custody system with our Transfer Agent for deposit withdrawal at custodian (DWAC), allowing swaps of ETPs and Continuous Net Settlement. This technology offers the ability to accept partial delivery of shares and helps ensure you can concentrate on continuing your growth.

We handle the processing of corporate actions, cash management support, trade servicing and all specialized needs you may require. Our securities lending services include secure online access for detailed information, including earnings, securities on loan, borrowers, and lendable assets.

- Transfer coordination
- Depository services
- Non-depository services
- Vault support
- Fund trading, transfer, income and settlement
- DTC daily settlement
- Fed settlement
- Alternative investments settlement
- Tri-party repo settlement
- Securities lending operations support
- Securities administration and income
- Global services, settlement, account services, and income or corporate actions
- Asset file and pricing
- Processing services
- Continuous Net Settlement (CNS)

Distribution support

Building a successful fund requires a distinguishable brand, an effective marketing strategy and a commitment to distribution support. We establish a relationship with clients to assist you with your individual distribution efforts. With decades of experience, our team provides comprehensive ETP distribution compliance guidance.

Quasar Distributors, a wholly owned subsidiary of U.S. Bancorp, offers specialized distribution support for ETP investment managers. We provide regulatory marketing compliance, primary and collateral marketing material development, registered representative licensing and educational assistance, and website design development and hosting. You can rely on our familiarity with communications with the public rules for industry expertise and compliance with SEC and FINRA rules. By partnering with seasoned experts, you can be confident in your message, distribution plan and compliance.

- Underwriting services
- Advertising and promotion services
- Marketing and sales material development
- Contract review and administration
- Client education

Our distribution experts are available to help reinforce your growth, from sales and marketing material support to website development and hosting.

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Fund accounting services

At U.S. Bancorp Fund Services, we partner with our clients to provide customized fund accounting services for your exchange-traded products.

Our dedicated fund accounting staff and comprehensive services are fully integrated with our compliance program. We monitor your fund through direct participation in testing, daily compliance monitoring and reporting operational breaks. Our Fund Accounting team offers a variety of services to your ETP. Our offerings include the daily creation of the PCF, creation and valuation of in-kind trade file and cash component, and creation and communication of data for the IOPV with the listing exchange or other agents.

We utilize several web-based resources to support your ETP and provide you with accurate and timely updates. Our online, integrated general ledger automatically updates, provides flexible table-driven charts of accounts, and supports multicurrency accounting. Additionally, daily income and expense accruals, variable rate instruments interest rate adjustments, corporate action interfaces, centralized security master setups and updates, and pricing interfaces are all automated to increase efficiency for your fund.

Utilizing Genius™, our ETP processing system, portfolio data feed to data warehouse is automated for performance calculations, portfolio analytics, and compliance testing. Genius™ provides you with access to your accounting data for online inquiry and specialized reporting at all times.



Daily portfolio valuation

Daily communication interface to listing exchanges

Specific ID tax lot selection with multiple default methodologies

- FIFO
- LIFO
- High-amortized cost
- Low-amortized cost
- Best tax
- Tax advantage

Integration with Genius™

Fund administration services

With the expertise of a tenured team, we provide accurate administration services for each of your ETP's requirements.

We take pride in our ability to deliver customizable fund administration services that meet the needs of your ETP. Our teams perform reviews and testing based on your fund's specifications and in compliance with the SEC, IRS and fund prospectus.

One of our biggest strengths is our commitment to technology, exemplified in our web-based systems and our data delivery capabilities. Our systems are integrated with our data warehouse, ETF-Fusion™, which utilizes various sources to gather information and consolidates all data in one convenient location. This enhanced technology enables us to provide a consistent, high-quality view of your investment data. Numerous financial, compliance and operational reports are available through our portal. Accurate and consistent holdings are published through your customized feeds to third parties and rating agencies.

Fund compliance

- Compliance calendar management
- Testing and reporting of SEC and IRC compliance
- Code of ethics compliance
- Insurance coverage monitoring

Financial reporting

- Financial statement preparation
- Regulatory reporting
- Fund performance reporting
- Financial audit support
- Fund expense management

Fund board services

- Prepare board materials, and attend board meetings
- Draft meeting agendas, minutes, and resolutions

Additional services

- Prepare Section 15(c) reporting for annual investment adviser contract renewal
- Attribution reporting

Legal administration services

As a leader in the industry, our Legal Administration Services team provides the support you and your legal counsel need for your ETP. With skilled attorneys and knowledgeable support staff, we are dedicated to meeting the diverse demands of each client. Our team has experience assisting new ETP managers with applying for a variety of forms of exemptive relief. We are prepared to help guide all your ETP relief requirements in compliance with various sections and rules under the Investment Company Act of 1940.

Our comprehensive approach to identifying legal needs and crafting matching solutions in conjunction with our clients' legal counsel sets us apart. From launching and listing new passive (index-based) or actively managed funds to servicing existing ETPs, you can rely on us to support you and your counsel.

Our legal administration team will keep you up to date on evolving regulatory changes. This helps ensure that we implement modifications to your servicing program before the required deadlines. We also provide ongoing education and best practices regarding the preparation of board materials and participation in board meetings.

Start-up services

- Trust formation and origination
- Fund registration and disclosure preparation
- Exemptive Relief (passive, active, fund of funds, multi-manager, etc.)
- Assistance in contract negotiations
- Regulatory filing consultation
- Coordination with authorized participants, index providers, exchanges, external legal firms, auditors, lead market makers, ETP agency execution desks, and distributors
- Review of ETP sponsor management process

Ongoing services

- Fund performance reporting
- Fund expense management
- Regulatory reporting
- Financial audit support

Shareholder matters

- Delisting
- Mergers
- Proxy actions

Tax services

Drawing on our team's knowledge and extensive network of auditors, IRS and industry contacts, we offer comprehensive tax services. Our associates are experts in multiple investment products and fund structures and have specialized knowledge of ETP tax processing and benefits. Continuously monitoring tax law and regulatory changes, we keep you informed on the most current and proactive solutions.

We ensure exceptional service to you and your funds by using industry-leading technology solutions. Gainskeeper®, an automated PFIC identification system, along with customized and proprietary internal, automated processes deliver accuracy and efficiency.

- Federal/state income tax return preparation services including state apportionment calculations
- Preparation of TDF and 1099-MISC forms
- Full FATCA compliance support and consultation
- Expertise and automated services for transfer-in-kind transactions, fund liquidations and mergers

Our tax professionals are well-versed in the intricacies of ETP tax requirements and are dedicated to meeting and reporting on your tax needs.



Technology

ETF-Fusion™ offers you synchronized precision for seamless ETP service and support. Our proprietary platform provides secure access to your fund.

Focusing on data and leveraging experiences of fund sponsors, top authorized participants and the DTCC, we created an automated platform, ETF-Fusion. This full-service solution provides clients with product development, service requirements, and implementation support and guidance. This integrated platform combines the unique advantages of our two proprietary systems: Genius™ and DASH™.

GENIUS™: Genius is an integrated solution for your ETP processing that links all core applications into one central database. Our intuitive approach to ETP

reporting increases efficiencies, offers transparent controls and provides competitive advantages to our clients.

Genius offers a consolidated processing center for access to benchmark, fund and order data in one centralized platform. The funds PCF, IIV, and in-kind trade files are transmitted and received between the funds records, DASH, the DTCC/ NSCC, the New York Stock Exchange, and the fund custodian for CNS processing.

Genius' seamless integration between DASH, the fund's books and records, continuous net settlement, and custodians results in smooth settlements. Our Accounting team manages both your daily core accounting functions simultaneously with added ETP processing requirements.

DASH™: In order to process orders quickly and securely, we created DASH. Updated in real time, DASH allows distributors, fund sponsors and authorized participants to understand their trade activity. Users receive automated confirmations of the trade, and are able to quickly revise and make decisions through our online dashboard.

DASH provides comprehensive and flexible reports in real time with an excel-enabled web query. It allows for online management of both fixed and variable fees, as well as soft cut-offs on trades.

We provide impromptu holiday forecasting, automatically support regular and reverse splits, and personally affirm all fax orders to mitigate risk. Our dedicated service team can provide technical support and create login credentials for various users.





Transfer agent

From initial trade to completion, our Transfer Agent is available to assist you throughout the entire process. Our knowledgeable team of experts can serve in a variety of capabilities as they provide guidance and greater transparency. From call servicing to online trading and reporting, we are dedicated to providing the best possible service.

We utilize DASH™, our proprietary, online trading and reporting solution for authorized participants, fund sponsors, and distributors. DASH is used to place, edit or delete orders, as well as run reports on current or past trades. It has the ability to customize fees at any level and allow users to view all fund families authorized to place a trade. In addition, our Transfer Agent associates personally confirm all trades received via fax with a confirmation phone call to you.

- Contact center servicing from 7 a.m. to 4 p.m. CT
- Dedicated ETP team for DASH™ support
- Recorded line
- Digital image and workflow
- Automated trade confirmations
- Share/cash reconciliation
- Account/corporate action processing
- User administration, including password reset
- Real-time reporting

Headquartered in Milwaukee, Wisconsin, we have more than 1,300 employees, operating from locations spanning from the east to west coast of the United States and across the globe in London, Dublin and the Cayman Islands.

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