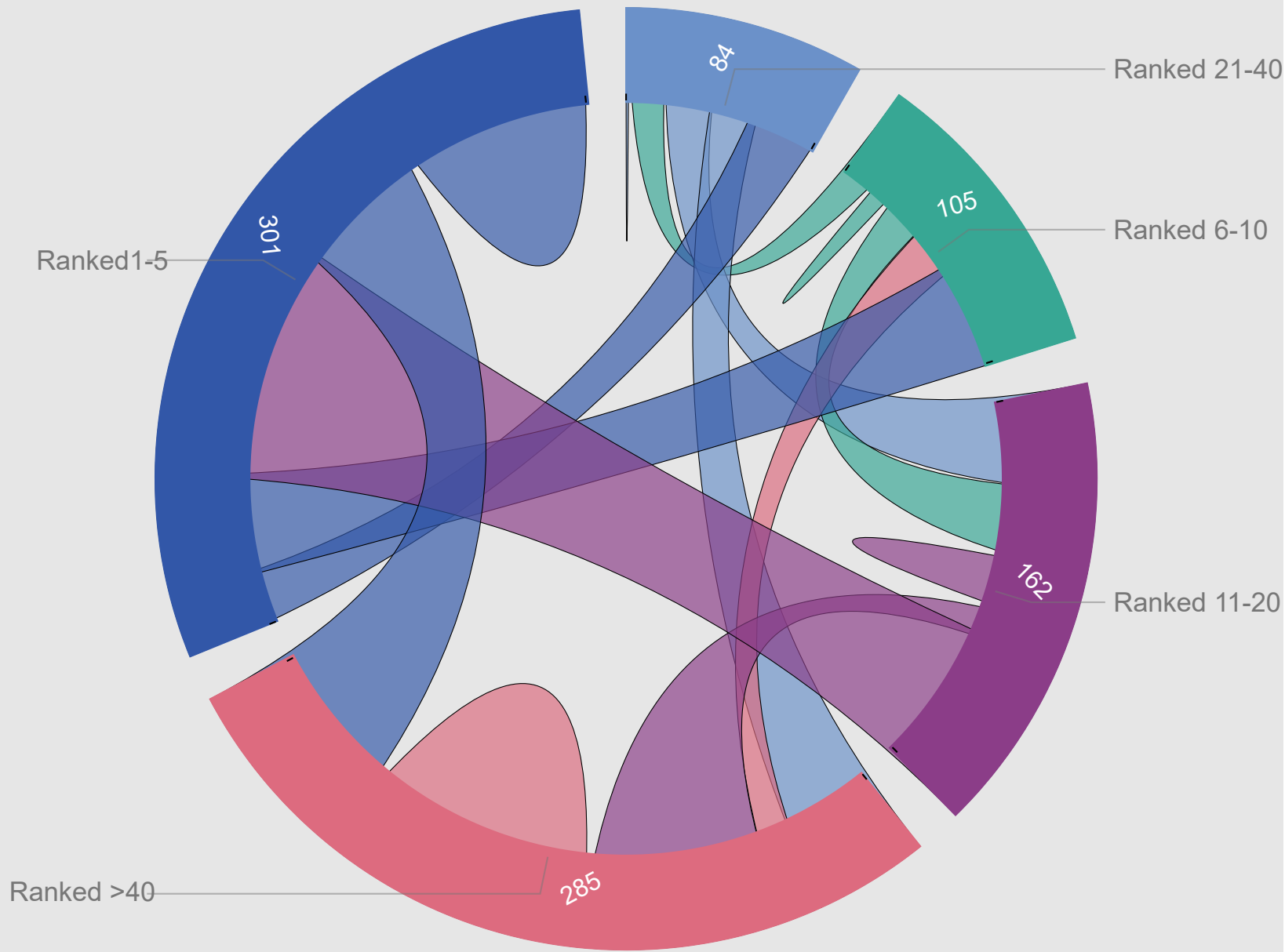


Distribution of Fund Administrator Changes



The battle for market-share continued during the recent fiscal year ending April 2020. In fact, 287 managers changed Admins in 937 private funds with \$252.4BN in assets. Our graph shows **net fund movements** between Admins based on their peer group. Peer groups are based on the number of alternative funds they service.

Admins ranked 1-5 lost **301 funds** with the largest number going to competitors ranked 11-20, a sign that mid-sized Admins are capable of supporting these funds. 70% of the funds lost by Admins ranked 1-5 have less than \$250mm in assets but 60% of the Managers have at least \$1BN in Assets.

Admins ranked >40 lost **285 funds** with the largest number going to Admins ranked 1-5. This is a clear indication that as managers become more complex they move to larger Admins that can help them mitigate risk and reduce business concentration they have with smaller Admin. **86% of these Managers** have **Medium to High complex** business model.

Fierce competition exists between Fund Administrators to grow their business. Admins with the right product and service platforms can proactively tap into this growth if they know which managers are likely to seek a change and if their sales force can effectively use this intelligence to pursue opportunities before they happen.

Convergence has the analytics to identify changes in a "**Manager's Complexity**" and predictive models to determine the likelihood of the "**Managers Likely to Change**" their existing Fund Administrators. "Smart" selling means selling on a fully informed basis. Become a smart seller.