TRANSITION MANAGEMENT SERVICES

PROJECT MANAGEMENT

Expanding the Scope of Transition Management



During the last five years, Northern Trust Transition Management managed global equity and fixed income transitions totaling \$307 billion, representing more than 1,300 assignments. For investors with portfolios to transition, managing the process from beginning to end is more than just a trading event. With Northern Trust, you will discover a broader, comprehensive scope of project management activities related to transition management, including ones that typical transition managers do not perform.

COMPREHENSIVE APPROACH

Relieve your administrative burden and reduce opportunity costs by taking advantage of Northern Trust's expanded approach to project management. This is particularly important if your transition activities include

- Cash trades or movement of cash;
- A pare-back of assets from an existing manager;
- Simultaneous change of custodian;
- Change in legal ownership or plan structure; or
- Change in beneficial ownership.

You also may find this wider range of activities beneficial if your legacy portfolio contains

- Limited partnerships or hedge funds;
- Mutual or commingled funds;
- Mortgage TBAs;
- Futures or other derivatives; or
- Unitization or pooling of assets.

Your transition will benefit from synergies and efficiencies created by Northern Trust's highly experienced project management team, world-class trading capabilities and risk management expertise.

EXPERT PROJECT MANAGERS

Project management is often considered a secondary factor in transition management. Not at Northern Trust. We know that skill in planning and coordination, attention to detail and methodical preparation are critical to mitigating operational risk and ensuring a successful transition event.



THREE-STAGE PROCESS

To manage an event, Northern Trust applies a process comprised of three stages considered critical to any transition.

Transition Planning Transition Oversight Transition Completion Coordinate asset transfers to transition accounts Coordinate with managers for pareback/ termination asset lists Identify in-kind securities Coordinate "fund conversions" to commingled funds Coordinate "reverse conversions" with commingled Seek out optimal liquidity sources Execute commingled fund "true-up" trades to fund companies minimize stamp tax Trade foreign exchange Manage legal ownership changes for derivatives, Coordinate transfers of cash and securities to target futures and mortgage TBAs Manage trade risk manager accounts Identify sources and uses of cash to build a Process tax reclaims, handle corporate actions and Monitor cash balances, tax reclaims, income market-neutral strategy vote proxies collections and corporate actions Manage change in beneficial ownership issues for Provide daily status updates to all relevant parties Provide post-trade analysis global activity throughout the event Coordinate new account openings for transition and Manage asset transfers from legacy accounts to transition account Prepare client direction letters and transition management agreements Prepare pre-trade analysis and identify potential costs and risks Build roadmap and prepare transition timeline

FOR MORE INFORMATION

To learn more about how our transition management services may help you control risk and reduce costs while preserving value, please call (312) 557-5173 or e-mail NTTM@ntrs.com.

The preceding discussion is general in nature, is intended for informational purposes only, and is not intended to provide specific advice or recommendations for any individual or organization.

Because the facts and circumstances surrounding each situation differ, you should consult your attorney, tax advisor or other professional advisor for advice on your particular situation.

There are risks involved with investing, including possible loss of principal. The information in this communication has been obtained from sources considered reliable, but we do not guarantee that it is accurate or complete. Additional information is available upon request.

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