

# our vision

Sharing solutions on topics affecting our clients and their shareholders through innovative insights, sophisticated technology, and a solid tradition.

Fund Accounting & Administration

Alternative Investment Administration

Transfer Agent & Shareholder Services

Custody & Lending

Distribution & Marketing

Compliance

## LETTER FROM THE PRESIDENT

### Moving Forward to 2013—Continuing to Evolve

As we embark on a new year, with new goals and initiatives, I find it's important to look back at our many accomplishments before closing the door on the previous year. We referred to 2011 as a year of growth for U.S. Bancorp Fund Services, and as I reflect on 2012, the word 'evolve' comes to mind. Growth and evolution go hand-in-hand. We strive to advance with the ever-changing landscape of the financial services industry and are committed to growing with our clients to meet their needs.

In 2012, we saw the progression of our business lines through the addition of associates and services, and an expanded footprint. Since 2002, our team has grown by 103 percent, and we experienced staff growth of more than 18 percent for 2012. Areas of U.S. Bancorp Fund Services that saw the greatest growth include Business Development, ETF Services, Alternative Investments, Relationship Management, Tax and Legal, Quality Control, and Risk Management.

From successfully converting JPMorgan Chase's Transfer Agent relationships to the introduction of ETF-Fusion™ and our ETF Multiple Series Trust, we looked at each of our service offerings to ensure our clients receive the best possible solutions. On the technology front, Quasar Distributors developed and launched QuasarACCESS™, an advertising compliance review portal; Fund Accounting enhanced its SWIFT messaging capabilities; and our Alternative Investment Products group upgraded to Advent Geneva® 8.5.

We continue to upgrade and introduce new technology as well as enhance processes to ensure you receive the highest quality service. Quality Assurance enhancements through our ISO and Lean Six Sigma initiatives contributed to our receiving zero deviations on our SSAE 16 audits and the consistent performance above NQR benchmarks for our Transfer Agent.

In fact, our Transfer Agent achieved Best-in-Class ratings in all functions including shareholder servicing, transaction processing, and correspondence in the third quarter of 2012, which we attribute to the strength of the quality management system established as part of our ISO 9001:2008 certification.

The evolution of our service solution comes not only from the introduction of new products and the fine-tuning of processes, but also through the strategic partnerships we forged in 2012. We acquired an interest in TS Capital, an active distribution services firm. We also acquired AIS Fund Administration, a leading provider of fund administration and related services to alternative investment managers with offices in New Jersey, London, and the Cayman Islands. The AIS acquisition doubled our alternative assets under administration to more than \$50 billion and added 175 employees to our ranks. Both of these partnerships help us increase the breadth and depth of services we're able to provide our clients.

In the year ahead, we will continue to reinvest in our business, both on the human resource and technology fronts, and increase our service offerings. Thank you for your continued support and business. From all of US at U.S. Bancorp Fund Services, I wish you and your associates a prosperous 2013.



Joe D. Redwine  
President - U.S. Bancorp Fund Services, LLC

## BUILDING ON FOUR DECADES OF INVESTMENT EXPERIENCE

With more than 44 years of service distinction, U.S. Bancorp Fund Services combines industry-leading technology with high-quality customer service to provide our clients with customized solutions. U.S. Bancorp Fund Services is not responsible for and does not guarantee the products or services of third party providers.