

STRENGTH SUPPLY SERVICE

BNY MELLON'S PERSHING | INTEGRATED PRIME BROKERAGE SOLUTIONS



BNY MELLON | PERSHING

STRONG

TRANSPARENT

CLIENT-DRIVEN

World-class resources delivered with the personalized attention of a boutique.

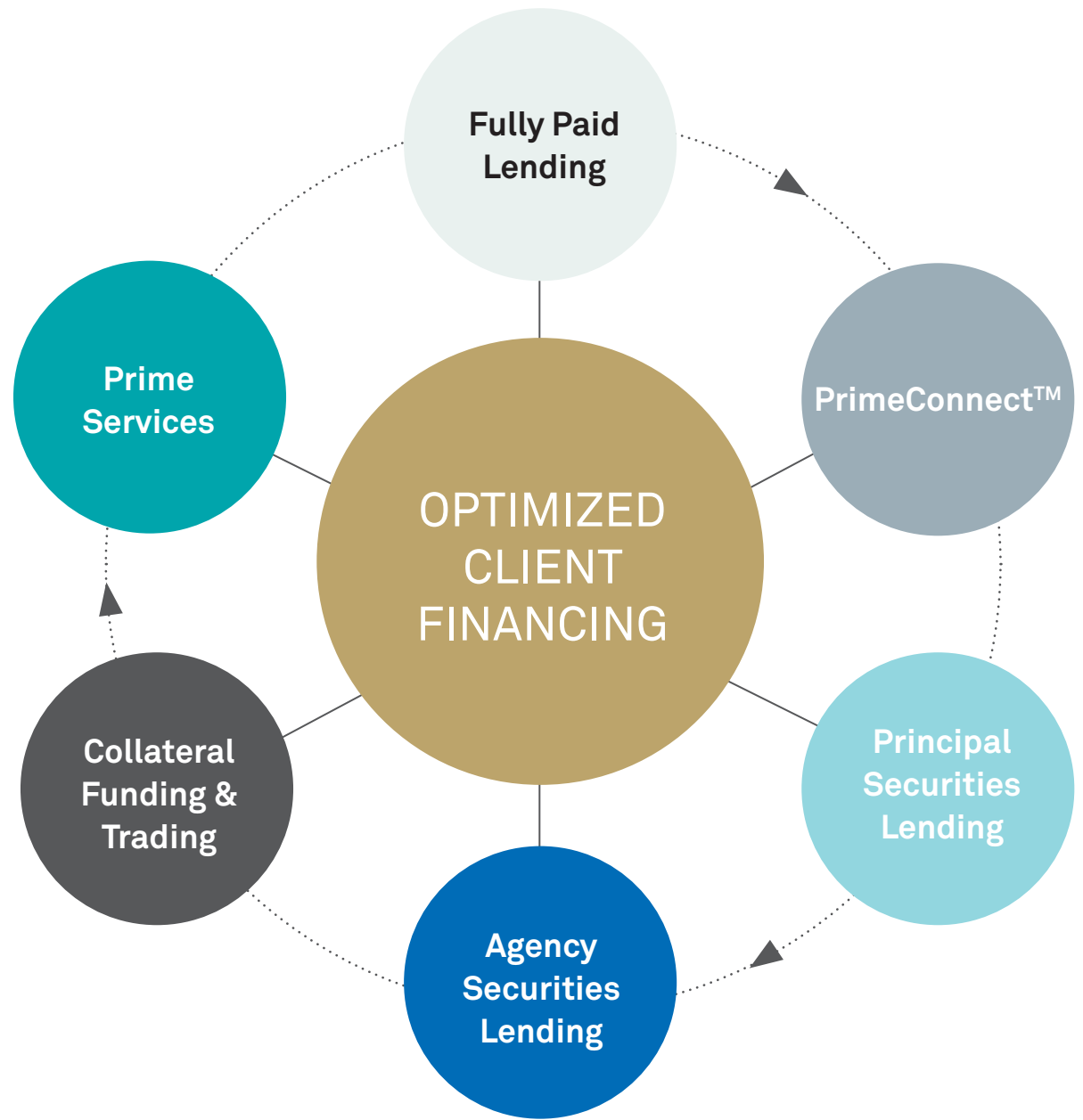
TODAY'S INVESTMENT LANDSCAPE CONTINUES TO INCREASE IN COMPLEXITY, INTENSIFYING THE DEMANDS ON MANAGING YOUR BUSINESS. AS INVESTORS' NEEDS BECOME MORE SOPHISTICATED, YOU'LL NEED A PRIME SERVICES PROVIDER WHO CAN GIVE YOU A COMPETITIVE EDGE. OUR UNIQUE HERITAGE COMBINES HIGH-TOUCH CUSTOM SERVICE WITH THE POWER OF GLOBAL GIANTS—BNY MELLON AND PERSHING. WE OFFER FINANCIAL STRENGTH AND STABILITY, TRANSPARENCY AND AN AWARD-WINNING PRIME SERVICES TEAM THAT IS ENTIRELY FOCUSED ON YOUR NEEDS.

Our parent company, BNY Mellon, is one of the most stable financial institutions and is a large custodian with \$33.5 trillion assets under custody and/or administration¹ and has consistently received high ratings from all four major credit rating agencies and for key credit categories.² Our affiliation with BNY Mellon allows '40 Act and eligible pension funds to efficiently manage their alternative strategies by working with a single enterprise for custody and prime brokerage. Just as important, our prime custody model enables hedge funds and institutions to easily and efficiently move unencumbered assets to a custodian bank, mitigating exposure to traditional prime brokers.

From the seamless movement of collateral to unique financing solutions, we are poised to help you meet your business challenges at every turn.

MAXIMIZE THE VALUE
OF YOUR PORTFOLIO

Pershing's Comprehensive
Suite of Solutions Leverages
the Power of the BNY Mellon
Enterprise



Multiple Routes to Market + Best in Class Service = Easier Client Financing Optimization

SECURITIES LENDING

Pershing's securities lending capabilities provide you greater access to hard-to-borrow equity and fixed income securities, including corporate bonds, to help execute your short strategies. Pershing's robust supply of lendable stocks and bonds, sourced through the firm's clearing businesses and fully paid lending program, offers competitive rates and borrowing stability for hard-to-borrow securities.

As the #1 clearing firm,³ Pershing has the largest market share in the broker-dealer clearing and custody market. Backed by BNY Mellon as a leading agent lender, we have access to some of the largest agent lenders in the world and continually enhance our securities lending availability. And, our trading desk focuses solely on agency-only client facilitation, so your interests will always be put first.

FULLY PAID SECURITIES LENDING

To monetize your unencumbered assets, we offer a fully-paid securities lending program. Our turnkey, leading edge solution enables you to earn income from your fully paid or excess margin securities. These securities can be sold at any time and revenue for your firm accrues daily based on the daily market rate, with monthly income payments to your firm.

FINANCING SOLUTIONS

Whether you are a hedge fund or '40 Act fund, our comprehensive, enterprise-wide offering provides a simple way for you to make the most efficient use of your capital. Equipped with a robust securities lending supply and financing solutions across multiple strategies and asset classes, our highly experienced team aims to facilitate your transactions efficiently while providing market-leading transparency.

NetX360 DELIVERS:

- Always available, web-based access
- Real-time activity updates, balances and holdings
- Open-architecture supporting message-based interfaces
- Custom reporting, data extracts and analytics
- Resilient systems with 24/7 support

A Dedicated Team Personally Invested in Your Success

AT PERSHING, OUR RELATIONSHIPS—AND PEOPLE—MAKE ALL THE DIFFERENCE.

Our client service model provides you with a single point of contact within a dedicated, experienced support team personally invested in your business. Pershing is more than your counterparty. We serve as an advocate for you across the BNY Mellon enterprise. You can depend on our experience, proactive support and consultative guidance to help you solve your toughest business challenges.

Technology and Reporting

Constant innovation is core to our culture. Pershing provides hedge fund and '40 Act fund managers with an intuitive platform to power their business. We leverage NetX360®, Pershing's front-to-back-office, open-architecture platform used by more than 100,000 investment professionals worldwide.

Value-Added Solutions

Pershing provides access to our vast network of financial institutions and investors to help you increase efficiency, enhance platform exposure and create growth opportunities for your business. Our highly experienced professionals provide a customized approach to support your strategy and goals via targeted introductions, consulting and market intelligence.

THE PERSHING PLATFORM

Within NetX360, Pershing provides open architecture access to funds that our advisors and their clients seek—with more than 28,000 funds in our Mutual Fund Center and more than 2,000 ETFs and ETNs in our ETF Center. Through Pershing's Fund Solutions, alternative mutual fund and ETF managers can offer their funds to prospective investors through our open architecture and proprietary platforms.

Pershing's Alternative Investment Center provides a channel for hedge fund clients to list their funds on Pershing's extensive fund platform. This gives the fund exposure to our investment advisor clients through NetX360's online trading technology.

VISIBILITY OPPORTUNITIES

Pershing is a leader in providing financial solutions and services, with a network of potential investors including institutional and retail finance organizations. Our annual INSITE conference is a premier industry

event for success-minded advisors interested in enhancing client relationships and growing their business. The conference showcases the firm's latest offerings and features industry experts. For fund managers interested in being visible among conference attendees, we provide a variety of sponsorship packages, including speaking and exhibiting opportunities.

MARKET INTELLIGENCE

If you want to learn more about mutual fund and fundraising trends, Pershing can share insights on leading capital raising strategies. We also host large forums and roundtables where investors discuss their perspectives on the hedge fund industry and broader alternative investment trends. Whether you want to expand your investor network, learn more about allocator perspectives or discuss product positioning, you can work with Prime Services to augment your existing marketing activities.

PrimeConnect™ and PrimeConnect40™

Our prime custody model enables the movement, management and safe keeping of your assets with maximum transparency. We provide the tools you need to automate the process of moving collateral between your custodian and Pershing. By using PrimeConnect and PrimeConnect40, you will benefit from operational efficiencies, cost savings and counterparty risk mitigation.

PRIMECONNECT: OUR CUTTING EDGE COLLATERAL MANAGEMENT SOLUTION

PrimeConnect for Hedge Funds

Hedge fund uses custody account for:

Unencumbered Assets / Cash

Hedge fund uses Pershing Prime Brokerage for:

Shorting / Financing



PrimeConnect seamlessly automates the movement of collateral between the hedge fund's custody account and the prime brokerage account at Pershing

PRIMECONNECT DELIVERS:

- Online, automated movement of collateral between custodian and prime broker
- Transparency and control over collateral selection and movement
- Consolidated view of portfolio
- Automated credit and risk approval process
- Online real-time margin calculator
- Fully paid lending

PRIMECONNECT40: INTEGRATED CUSTODY AND PRIME BROKERAGE SOLUTION

PrimeConnect40 for Mutual Funds

PrimeConnect40 moves collateral between these two accounts

Fund Company uses Custody Account for:

- Unencumbered assets
- Cash



Special Custody Account

- Collateral is held here and supports shorts/financing

Pershing

- Provides shorts and lends money

PRIMECONNECT40 DELIVERS:

- Online, automated movement of collateral between custodial accounts
- Transparency and control over collateral selection and movement
- Consolidated view of portfolio
- Automated credit and risk approval process
- Online real-time margin calculator

An Industry Leading Solution for Liquid Alternatives Fund Managers

Pershing and BNY Mellon can provide you with a complete alternative mutual fund solution combining prime brokerage, custody and platform access in one integrated platform. We can help you manage counterparty risk while improving time to market, maximizing efficiency and streamlining due diligence.

PROACTIVE AND NIMBLE SUPPORT

Pershing's Prime Services supports a variety of structures including closed-end funds, mutual funds, ETFs, Business Development Companies and more. With the financial strength of Pershing and BNY Mellon, we offer creative financing solutions, structure flexible arrangements and competitive pricing. A dedicated client service team provides tailored solutions to drive your fund's operational excellence.

ONE INTEGRATED PLATFORM

We deliver a unique industry-leading tri-party custody account solution to drive greater efficiency. Our seamless, integrated platform provides access to securities lending, execution, custody services, and all servicing and financing functions needed to manage '40 Act funds and eligible pension funds.

To learn more

Contact us today and you will find a prime brokerage solutions provider that is committed to helping you grow.

Email us at primeservices@pershing.com or visit us at pershingprimeservices.com

INDUSTRY RECOGNITION

Best Prime Broker—Credit Strategies

Alt Credit Intelligence U.S. Services Awards, 2018

Editor's Award for Prime Brokerage
Operations

Global Custodian 2017

Best Prime Broker—Innovation

HFMWeek's U.S. Hedge Fund Services Awards, 2014-2017

#1 U.S. Clearing Firm

Ranked by broker-dealer clients, *InvestmentNews*, 2008-2017

Editor's Award for Employee
Development

Global Custodian 2016

WE ARE BNY MELLON

BNY Mellon is a global investments company dedicated to helping its clients manage and service their financial assets throughout the investment lifecycle. Whether providing financial services for institutions, corporations or individual investors, BNY Mellon delivers informed investment management and investment services in 35 countries. BNY Mellon can act as a single point of contact for clients looking to create, trade, hold, manage, service, distribute or restructure investments. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation. Pershing, a BNY Mellon company, and its affiliates provide global financial business solutions to advisors, asset managers, broker-dealers, family offices, financial organizations, fund managers and registered investment advisory firms. A financial services market leader located in 23 offices worldwide, we are uniquely positioned to provide advisors and firms global insights into industry trends, regulatory changes and best practices, as well as shifts in investor sentiment and expectations. Pershing provides solutions that create a competitive advantage, including innovative programs and business consulting to help our clients succeed.

¹ Preliminary. Includes the AUC/A of CIBC Mellon Global Securities Services Company (CIBC Mellon), a joint venture with the Canadian Imperial Bank of Commerce, of \$1.3 trillion at March 31, 2018.

² A credit rating is not a recommendation to buy, sell, or hold securities. The rating may be subject to revision or withdrawal at any time by the assessing rating organization. Each rating should be evaluated independently of the other ratings.

³ Pershing LLC is rated the #1 U.S. clearing firm ranked by broker-dealer clients, *InvestmentNews*, 2008-2017.

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