LAUNCHING AN INTERVAL FUND

Clear-eyed approach to a successful launch

To assist advisers considering the unlisted closed-end fund wrapper for new products, Ultimus collaborated with XA Investments LLC to highlight various avenues for entering the market and offering best practices in structuring and seeding new products.

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LAUNCHING AN INTERVAL FUND:

Clear-eyed approach critical to a successful launch

Over the past five years, the interval fund market has experienced explosive growth, reaching $42.4 billion[1] in assets under management for the overall category. Yet at the midpoint of 2021, the pace of net flows into interval funds slowed to $168 million,[1] indicating that sponsors of these funds will face challenges. Nevertheless, the appeal of interval funds to investors is multidimensional: (i) they offer access to illiquid alternative investments in a registered fund structure, (ii) with low investment minimums, and (iii) 1099 tax forms. Managers appreciate the structure because it can package strategies that command higher fees than for mutual fund strategies. Interval fund sponsors can avoid the three-years-plus required to secure a Morningstar rating and start the marketing efforts for a new mutual fund. There is room in the interval fund market for newer, entrepreneurial managers, as funds can launch without being hemmed in by traditional closed-end fund (CEF) gatekeepers and the listed CEF IPO process.

> **"In our experience, $100 million is a critical point for interval fund viability. We advise new interval fund sponsors to consider contributing an existing private fund to an interval fund. Successful interval fund sponsors also join niche alternative investment communities to reach receptive advisors."**
>
> *Nickolaus Darsch, Ultimus Fund Solutions*

Features notwithstanding, successfully launching an interval fund is far from easy. There is significantly more to the process than registering a fund, offering shares and letting it grow. Most funds do not grow quickly: the pragmatic starting point for a viable interval fund begins at $100 million in assets under management (AUM). Managers interested in launching an interval fund need to understand the steps, time frames and risks accompanying each phase. There are distinct thresholds for viability, and ultimately, profitability.

1 Source: CEF Advisors, 6/30/21.

What is an interval fund?

An interval fund is a continuously offered, non-listed CEF structured with a perpetual life. Interval funds provide a flexible wrapper to deliver distinct investment solutions to the marketplace. Unlike traditional listed CEFs, interval funds are not exchange-listed and cannot be bought and sold daily in the secondary market. Instead, interval fund shares are purchased through subscriptions from the fund—like mutual funds—and interval funds allow shareholders to sell a portion of their shares back to the fund on a periodic basis through "repurchases" at a price based on net asset value (NAV). Such repurchase opportunities occur at certain "intervals," typically every three, six or 12 months. Legally, repurchases must range from 5% to 25% of the total assets within the fund per repurchase period.[1]

Interval funds can house a spectrum of investment strategies, including many that individual investors may find hard to access, such as real estate, structured credit, distressed debt, specialty finance, catastrophe bonds and special situations. Unlike mutual funds, interval funds may invest without limitation in illiquid assets, however, interval fund managers often allocate some fund assets to more liquid securities to meet the periodic liquidity requirements.[2]

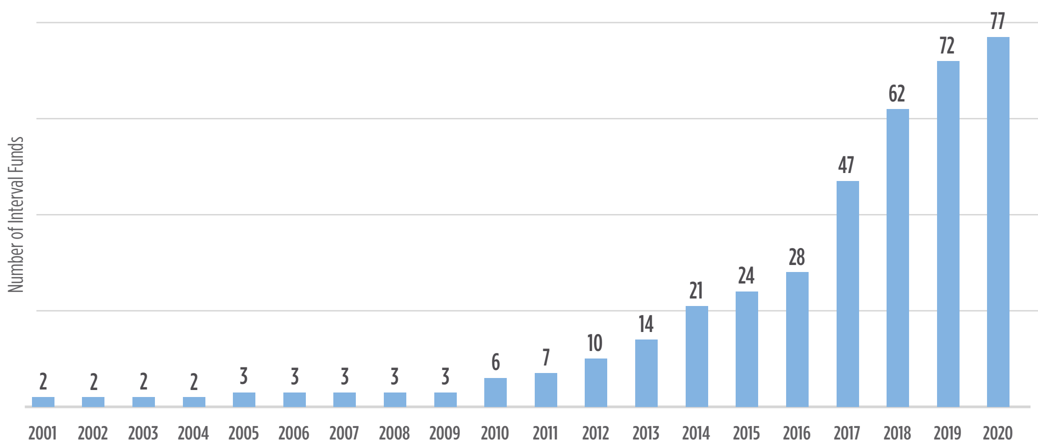
According to FINRA, investors in interval funds can expect to pay management fees in excess of 1.5%, service fees of up to 0.25% and can total more than 3.5% in annual fees.[3] Morningstar found that interval fund management fees ranged from 0.5% to more than 2.0%, and gross expense ratios (inclusive of leverage) ranged from 1.5% to 5.0%.[4]

Interval funds also offer a unique entry point for individual investors to institutional alternative investments. Interest in these structures has increased in recent years as investors demand access to new asset classes and managers look to differentiate their product offering.

1 "Understanding Closed-End Interval Funds." Morgan Lewis, June 2017. **2** "Interval Funds: An Unexpected Revival for an Old Vehicle Structure." EY, July 2018. **3** FINRA, "Interval Funds: Six Things to Know Before You Invest," January 2018 **4** Morningstar, "The New CEFs on the Block," March 2017.

The interval fund market has gained many new entrants, as new fund filings with the SEC and new fund launches show. As of June 30, 2021, there were 77 interval funds in the market totaling $42.4 billion in managed assets.[1] Despite these impressive figures, net flows into interval funds have slowed recently. Interval funds had total net flows of over $6.8 billion in 2018, $11 billion in 2019, and nearly $8 billion in 2020, but net flows have totaled only $168 million thus far in 2021.[1] Part of this slower asset growth may be attributed to several factors: COVID-19-related concerns, the growth challenge for individual interval funds, and the education challenge for the interval fund market overall.

Annual Interval Fund Market Growth



Source: CEF Advisors

The number of interval funds in the market has increased at a **compound annual growth rate of**

27%

over the past ten years.[2]

The First Hurdle Is a High One

The registration of an interval fund is not its starting point; the practical launch is when it reaches $100 million in AUM. This phase can be thought of as the interval fund "valley of death," a term borrowed from the technology industry that refers to the gap between a brilliant idea and its successful commercialization.

Most initial investors in any fund will only provide seed/lead/founders class capital to portfolio managers that they know and trust. It is difficult for third-party agents to raise this capital independently. The relationship between the portfolio manager and its institutional clients and family offices is most important in terms of evaluating interest in the interval fund.

The trust factor is especially critical since many new interval funds lack track records in the funds themselves. Interval funds are registered funds and as such must be marketed on the basis of their own track records. In lieu of a personal connection, a sponsor can contribute an existing private fund to jump-start the launch of its interval fund. The potential advantage of this approach is that the private fund assets and existing track record, which would be in the interval fund prospectus, may increase the interval fund's appeal to potential investors.

Factors limiting the growth of interval funds may differ from those in tech, but the concept is similar. Even proven investment strategies and managers face headwinds when raising assets. Interval funds begin with the added challenge of a classic "catch-22." It is difficult to get an interval fund onto distribution platforms if its assets are below $100 million, but it is a challenge to raise assets unless the fund is on a platform, which threatens its survival. Below the $100 million mark, the fund will find itself eating its management fees as managers waive fees to keep expense ratios in line. Effective interval fund managers develop a plan to cross "the valley of death." Managers should not be deterred from launching an interval fund, but they do need to have realistic expectations.

Launching an interval fund requires commitment, a seeding strategy, and a knowledgeable consulting partner who can guide managers through the process. This whitepaper outlines best practices for launching an interval fund and attempting to reach the $100 million mark. XAI can help with feasibility studies and marketability assessments for an asset management firm on the front end of the process. Understanding the challenges of launching an interval fund and developing strategies to overcome them can support the future success of the fund sponsor.

1 Source: CEF Advisors **2** Based on year-end data between 2011–2020.

Challenges to Growth

In any new endeavor, there is the risk of failure. XAI believes that much can be learned from understanding why some interval funds have languished or closed.

The core failure is the lack of a seeding strategy. Managers cannot simply build a fund and assume demand exists; they need to develop and execute a plan of how to seed the fund. Other common mistakes include not offering a daily NAV or electronic ticketing, which are now considered standard features of interval funds (except for private equity interval/tender offer funds). Charging performance fees can be another area of resistance and currently a hard sell to most RIAs.

Fund sponsors should also consider whether the investment strategy is developed specifically for the interval fund structure. A more subtle structural mistake is using an interval fund when a tender offer fund structure is more appropriate.

Unexpected expenses can also undermine growth. For example, managers, service providers and lawyers that are not interval fund specialists may be caught unaware of the significantly higher costs incurred when launching with multiple share classes. This blind spot hampers preparation, threatening the viability of a nascent fund.

Contributing factors to fund failure

- Lack of seed capital
- Clone of mutual fund
- Lack of compelling story
- Too many liquid securities
- No distributions
- Lack of daily NAV
- No electronic ticketing
- Performance fees
- Wrong asset class for the structure
- Multiple share classes and higher fund cost structure
- Poor track record

Poor performance and low or no distributions are obvious stumbling blocks. But even when there is recent good performance to highlight, managers may find that is not enough to get the fund off the ground. Managers should be able to articulate for investors why the fund may be a compelling investment and the potential benefits of using an interval fund. Clearly positioning the fund's rationale—its story—is critical to its success.

XA Investments advises fund sponsors and helps them carefully consider the benefits and risks well before launching an interval fund. The list below outlines the main considerations for new interval fund sponsors. XAI works with clients to assess these identified risks at the onset of the process.

When well executed, the potential advantages of interval funds can outweigh the risks

Key Potential Benefits

- Semi-permanent capital
- Access to growing retail marketplace and expanded buyer base with a shareholder-friendly fund structure
- Ability to charge higher fees for alternative strategies
- Higher margin product than mutual funds or ETFs

Key Risks

- Initial fund scaling requires fund sponsor to cover operating expenses
- Time necessary to sell and scale fund to achieve break-even
- Sub-scale fund may need to be terminated

Secrets to Success

"I've had clients I knew would fail, but none that are destined to succeed."

Joshua Deringer, Partner, Faegre Drinker Biddle & Reath LLP

Success in launching an interval fund is more art than science, but taking certain steps may make it more likely. Anyone can pay a lawyer to file a registration statement, but how does one know if that fund can scale? As Joshua Deringer points out, "even great managers with successful track records face the chicken and egg problem of getting on a platform."

One prerequisite for success is that managers are realistic about the time required to raise assets, and must plan and budget accordingly. Unlike with an IPO for a listed CEF, the capital raise does not happen overnight, so patience is both a virtue and requirement.

During the life of an interval fund, the fund sponsor allocates appropriate sales resources, making adjustments as needed. The margin of error is narrow during the fund launch phase. Successful fund sponsors seek expert advice on how to juggle budget constraints.

There is an advantage—but no guarantee—to fund sponsors with a known brand and good track record. And, interval funds that offer what may be perceived as a "hot" asset class, especially if it is illiquid and not accessible in mutual funds, may improve their chance of success. Funds can further enhance their appeal to advisors by paying out distributions, restricting or limiting leverage and not charging performance fees.

Hallmarks of successful interval funds

- Well-known sponsor (helpful but not necessary)
- Demonstration of performance (e.g., several positive quarters)
- Daily NAV/electronic ticketing
- Popular asset class (particularly one that advisors cannot otherwise easily access)
- No leverage
- No performance fees
- Approved for sale on (or sponsor has relationship at) a major custody platform

Some drivers of success might be less obvious to a new interval fund manager. A daily NAV and electronic ticketing are two interrelated features of funds on track for platform distribution. Electronic ticketing requires a daily NAV and is essential to gaining sales traction without cumbersome subscription documents (private equity funds are an exception due to their unique characteristics).

While many of these features may help, there is not a one size fits all approach to product development for new interval funds. In the table below, we highlight a few successful interval funds that recently launched. Each fund has a different approach and the interval fund terms fit the fund's unique investment strategy.

Recently Launched Funds that have Passed $100 million in AUM

Fund Name	BNY Mellon Alcentra Global Multi-Strategy Credit Fund	Bow River Capital Evergreen Fund	Cliffwater Corporate Lending Fund	FlowStone Opportunity Fund	Lord Abbett Credit Opportunities Fund	Principal Diversified Select Real Asset Fund
Asset Class	Credit	Private Equity	Credit	Private Equity	Credit	Real Assets
Inception Date	8/30/2019	5/22/2020	6/5/2019	8/31/2019	2/22/2019	6/25/2019
AUM (as of 6/30/2021)	$350mm	$128mm	$2.2bn	$196mm	$558mm	$171mm
Keys to Early Success	Attractive yield and strong sales team	Contributed a private fund to interval fund	Seed capital; hired senior sales executives with in-depth channel knowledge	Strategic relationship with Cresset Wealth Advisors	Attractive yield; leveraged sales "alpha" and strategic relationships at wires	Established brand and known investment capability
Leverage[1]	26.60% (as of 6/30/2021)	None	24.87% (as of 6/30/2021)	None	None	None
Performance Fee	None	None	None	10%	None	None

Sources: XA Investments, company websites and prospectuses

1 Leverage in this table denotes interval funds that use leverage to increase investment exposure and to meet their investment objective (e.g., credit funds). Most interval funds by prospectus have the ability to use a leverage facility to manage its liquidity for quarterly tenders.

Getting Out of the Gate

If a sponsor can seed an interval fund in one of several ways for $50 million, they are obviously in a much stronger place than starting with zero assets. By launching the fund using a seeding strategy, the manager is demonstrating confidence in the fund and will therefore be taken more seriously by potential investors. With a significant stake at the outset, there will be fewer stresses on fund expenses and a greater likelihood the fund will be accepted by RIAs and prominent custody platforms. The importance of seeding strategies cannot be overstated.

Seeding Strategies

- Convert a private fund
- Acquire an existing fund so the interval fund does not launch with zero assets
- Incentivize seed investors
- Tap increasing insurance company interest in the interval fund space
- Leverage a strategic partner that can invest in the fund and support launch/roll out

The most straightforward way to launch an interval fund is to have the sponsor or its parent company seed it, but that is not always a realistic option. Another good alternative is to consider converting a private fund to an interval fund or tender offer fund. For instance, Homrich Berg (HB), an Atlanta-based RIA, created a 3(c)(1) fund for high-net-worth investors that consisted of a diversified portfolio of hedge funds. There was considerable interest in the fund; therefore, to grow it beyond the 100 investor rule, HB decided to convert it to a tender offer fund. To facilitate a smooth transition, HB engaged Ultimus Fund Solutions, a service provider with registered fund product knowledge and experience in converting private funds to registered funds. As a result of the conversion, the fund grew from $90 million to over $200 million in AUM and expanded from under 100 investors to 700 new investors, and is still growing.

According to Nick Darsch, senior vice president of business development at Ultimus, the $100 million threshold is a critical indicator of interval fund viability. There are many reasons to reach that goal quickly, and new approaches are available to minimize cost and accelerate the process. Citing the HB case study, he notes that converting a private fund is one of the fastest ways to reach this goal.

Kickstart the Interval Fund Launch

XA Investments has identified strategies to mitigate the risks involved with launching an interval fund and lead the capital raising process.

Option 1: **Private Fund**	
Timing	6–12 months
Process	1. Begin with an existing private fund 2. Structure a registered CEF with an investment strategy substantially similar to the private LP 3. Transfer private LP assets to the registered CEF via reorganization or contribution upon SEC effectiveness

Option 2: **Seed or Contributed Capital**	
Timing	3–9 months
Process	1. Seed the interval fund with investment capital from the fund sponsor, or 2. Find seed capital from existing clients who understand the risks/rewards of registered fund holdings compared to private fund holdings

Option 3: **Signed Commitments**	
Timing	1–3 months
Process	1. Discuss proposed interval fund with current institutional clients in advance of registration 2. Secure signed "Letter of Intent" letters from institutional investors

Option 4: **Develop a Strategic Partnership**	
Timing	6–18 months
Process	1. Secure endorsement from an affiliated RIA/IBD platform to gather assets with an exclusive offering for that platform's system, or 2. Partner with an unaffiliated RIA/IBD firm and provide revenue-sharing for exclusive access to their advisors

Another path to the $100 million mark is to tap private fund managers' relationships or networked connections with investors. Interval funds with a sub-adviser may be able to leverage additional sales relationships. Insurance companies are another group of potential seed investors. They are exploring the registered interval fund space in search of new alternative investment opportunities.

Incentivizing seed investors is another option. Interval funds cannot offer fee breaks for strategic investment partners directly, but the fund manager's company can. Managers can offer partners a profit interest or even equity interest in their firm.

Appealing to Advisors

One key to selling an interval fund is to identify the advisors who already want them. It makes sense, then, to target niche communities of advisors involved in non-traded products. Many of these advisors have embraced non-traded REITs and have extended their reach to include interval funds.

Interval fund managers still need to present a good "story," even to advisors who are already familiar with the structure. Their structure makes interval funds appealing to advisors interested in funds with muted volatility and pricing at NAV. Most of these advisors are income-oriented; therefore, offering a potential distribution is a compelling feature. For advisors concerned about current prices in the traditional equity market, the alternative strategies offered by interval fund managers can be an attractive option.

Many advisors will need some education about interval funds, especially their advantages over private funds. Interval funds are regulated under the Investment Company Act of 1940 (the "1940 Act"), have an independent board, and offer greater transparency with a lower fee structure than private funds. There is, however, an important difference from other registered funds: interval funds do not offer daily redemptions. Interval fund investors give up liquidity—which may not be an issue for long-term financial goals—in favor of reduced volatility.

Advisors are often keen to buy new interval funds through major custody and wirehouse platforms. It can, however, be 6–12 months before a fund satisfies all conditions and is available through custody platforms, and the wirehouse platform approval process often takes even longer. Before adding a new interval fund, the wirehouse firms want to see that the fund is sufficiently scaled and has a solid track record. Fund sponsors should keep this in mind when educating advisors on different interval fund features. There are only a limited number of interval funds available on wirehouse platforms today, as shown in the table on the following page.

CASE STUDY:

Converting a Private Fund into an Interval/Tender Offer Fund

Homrich Berg (HB) created a 3(c)(1) fund in January 1999 to provide their high-net-worth and institutional investors ready access to a diversified portfolio of hedge funds. As interest in the fund grew, and the constraint of the 100-investor rule loomed, HB began exploring ways to continue expanding the investor pool without negatively affecting existing shareholders.

Key 3(c)(1) to 1940 Act Fund Conversion Milestones

HB transitioned the existing fund into a closed-end tender offer fund, which meant it could continue adding new investors and expand its availability through new distribution channels. In collaboration with Ultimus Fund Solutions as administrator, the conversion was completed in January 2017, and the fund was able to retain its 17-year track record, which allowed HB to continue using its historic performance data for marketing.

This type of product-to-product conversion is typically completed in four to six months and requires current investors and the custodian(s) to grant the release of funds and approve movement into the new fund.

Conversion Results

- HB realized asset growth from $90 million to over $200 million and was able to expand from 100 to nearly 700 new investors and continues to grow.
- HB was able to expand access of the product from proprietary clients to accredited investors at other registered investment advisors.
- The entire conversion process was highly efficient because HB chose partners with a proven track record in this type of structure-to-structure product transition.

Fund at a Glance

- **Adviser:** Homrich Berg, Inc.
- **Conversion Date:** 1/3/2017
- **Strategy:** Multi-Strategy Fund of Hedge Funds
- **Total Managed Assets:** $208.1 million (as of 7/31/2021)

Source: Ultimus Fund Solutions

Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objective will be achieved. Further, the information is not all-inclusive and should not be relied upon as such. Interval and tender offer CEFs are designed for long-term investors who can accept the special risks associated with such investments. Interval and tender offer CEFs are not intended to be used as trading vehicles. An investment in an interval or tender offer CEF is not suitable for investors who need access to the money they invest. The Fund's shares are not guaranteed or endorsed by any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation. **Performance data quoted represents past performance. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted.** An investment in this Fund presents a number of risks and is not suitable for all investors. This information does not constitute a solicitation of an offer to sell and buy any specific security offering. Such an offering is made by the applicable prospectus only. Investors should carefully review and consider potential risks before investing.

> "It is still early days for interval funds. Investors who want the comfort and assurance of a proven track record won't enter a new fund. Target advisors that have historically bought income producing investments."
>
> *John Cole Scott, Founder, Active Investment Company Alliance (AICA)*

Interval Fund Resources

Advisor communities that provide educational materials and forums for interval fund sponsors and advisors to interact have become an important avenue for expanding the audience for new interval funds. Several of these niche alternative product communities started as non-traded REIT and BDC focused groups.

- **ADISA (Alternative & Direct Investment Securities Association)** is a national trade association of professionals involved in primarily non-traded alternative investments. ADISA provides education, networking and advocacy opportunities for members. For more information, visit adisa.org.
- **AICA (Active Investment Company Alliance)** provides high quality education about the benefits of the interval fund structure to advisors and investors. For more information, visit aicalliance.org.
- **Blue Vault** publishes and markets industry reports focusing on alternative investments in a variety of fund structures, including non-traded REITs, non-traded BDCs, CEFs, interval funds and private offerings. For more information, visit bluevaultpartners.com.
- **IPA (Institute for Portfolio Alternatives)** is comprised of investment managers, broker-dealers, investment advisers in the Portfolio Diversifying Investments (PDI) industry. IPA aims to expand access to alternative investments through education and advocacy. For more information, visit ipa.com.

Reaching Advisors with a Compelling Message

- Explain the benefits of the interval fund structure overall and your fund in particular
- Target advisors who are already familiar with the benefits of interval funds
- Offer regular distributions
- Be prepared to provide advisor education
- Make relevant comparisons to private funds

Interval Funds Approved on Wires

Fund Name[1]	Inception	AUM	Merrill Lynch	Morgan Stanley	UBS	Wells Fargo
ACAP Strategic Fund (XCAPX)[2]	3/1/2010	$14.8bn	X	X		X
Griffin Institutional Access Real Estate Fund (GIREX)	6/30/2014	$3.9bn		X		
PIMCO Flexible Credit Income (PFLEX)	2/22/2017	$2.4bn	X	X	X	X
CION Ares Diversified Credit (CADUX)[2]	1/26/2017	$1.8bn		X	X	X
PIMCO Flexible Municipal Income (PMFLX)	3/15/2019	$1.2bn	X	X	X	
Lord Abbett Credit Opportunities (LCRDX)	2/22/2019	$590mm			X	
KKR Credit Opportunities (KCOPX)	7/25/2013	$476mm		X	X	
Invesco Senior Loan (VSLAX)	2/18/2005	$470mm			X	
Blackstone/GSO Floating Rate Enhanced Income (BGFLX)	1/18/2018	$466mm		X	X	
FS Credit Income (FCRIX)[3]	11/1/2017	$448mm		X		
BlackRock Credit Strategies (CREDX)	2/28/2019	$380mm		X	X	
Voya Senior Income (XSIIX)	4/15/2008	$170mm			X	

Data reflects fund websites or most recent shareholder report as of 9/15/2021.
Source: Fund websites

1 Interval funds are listed in order of size. Wires listed in alphabetical order from left to right. 2 Fund charges an income incentive or performance fee. 3 Sub-advised by GoldenTree Asset Management.

$100 Million: The Starting Line for an Interval Fund

The life of a new interval fund can be divided into several distinct phases of growth as outlined in the chart below. XA Investments recognizes Phase 4, when the interval fund has gained sufficient scale with assets above $100 million, as the true starting point for the fund. It takes time for fund sponsors to establish selling agreements with custody platforms and to sufficiently diversify its shareholder base.

Once an interval fund has reached the $100 million AUM threshold, the growth trajectory and sales process shift dramatically. Previously uninterested gatekeepers may now consider this interval fund for admittance. Fund managers have numerous options to further scale. These new growth opportunities bring new decisions for interval fund sponsors: Should funds build, buy, or rent a salesforce? What is the right sales target and the right time frame for reaching it?

> "To be fully invested and maintain steady exposure to private markets, our team understood the importance of raising capital in a private fund before going to market with the evergreen interval fund. The contribution of our $70 million private fund to the Bow River registered fund was central to our launch strategy's success and acceleration of the fund's growth out of the gates."
>
> *Jeremy Held, Managing Director, Bow River Capital*

Life of an Interval Fund

XA Investments has identified several distinct phases in the life of an interval fund that are critical to the fund's growth strategy. Many interval fund sponsors underestimate the time commitment required to successfully scale a profitable interval fund. For example, some mutual fund sponsors entering the interval fund market are surprised by how different the process for securing wirehouse platform additions is for interval funds.

Phase 1: **Identify Seed Capital ($20–$50 million)**	Phase 2: **Fund Formation, Board Approval and SEC Registration**	Phase 3: **RIA Growth: Selling Agreements in Place with Custody Platforms ($50–$100 million)**	Phase 4: **Starting Point: Diversify Shareholder Base and Scale the Interval Fund**	Phase 5: **Wire Platform Approval $200 million+ and 3-year track record**
• **Before Launch** T–3 to 6 months	• **Timing** T–3 to 6 months • **Launch (T)** $0 assets	• **Timing** T+12 to 18 months	• **Timing** T+12 to 36 months • **After Launch** 100 million+ assets	

The Interval Fund Process: XAI Can Help

To overcome the "valley of death," XAI offers candid, concrete recommendations custom-tailored to a fund sponsor's situation and investment strategy. XAI's team of CEF experts can help asset managers with the following challenges:

- Assessing whether the structure is a good fit for the underlying strategy—as well as for the advisor audience
- Competitor and market analysis and fund structuring advice
- Developing interval fund seeding strategies and scaling opportunities
- Converting an existing private fund to an interval fund
- Assessing and providing guidance on operational needs and challenges
- Assisting with service provider due diligence and selection
- Executing on launch and conversion strategies
- Assessing sales alternatives including build, buy or rent
- Marketing assistance with tailoring/targeting the sales message to advisor communities interested in interval funds
- Assistance with the RIA platform additions and wirehouse fund evaluation process
- Targeting the right advisors
- Resources for advisor and investor education

XA Investments, through its registered closed-end fund structuring and consulting practice, serves clients in engagements ranging from full product builds to marketing services. XAI provides full product launch services, including management of the fund development, regulatory and board approval, distribution planning and offering timetable. XAI has expertise in registered closed-end funds including U.S.-listed CEFs, interval funds, tender offer funds and London-listed funds.

Other XAI Resources

- London-Listed Fund Market: A Primer for U.S. Asset Manager
- Auction Funds
- The Interval Fund Renaissance: Why Should Investors Care?
- Using Alternative to Achieve Your Retirement Goals
- Overcoming the "Liquidity Mismatch" in Individual Investor Portfolios
- Invest Like the Pros: Using Liquidity Premiums to Drive Better Portfolio Outcomes

For these and other resources, please visit xainvestments.com.

XA Investments LLC (“XAI”) is a Chicago-based alternative investment management and consulting firm founded by XMS Capital Partners in April, 2016. XAI believes that the investing public can benefit from new investment vehicles that provide access to a broad range of alternative strategies and managers. XAI partners with established asset managers with proven capabilities in traditional investment strategies or alternative credit, private debt and select hedge fund strategies. Through its consulting practice, XAI has helped clients in engagements ranging from full product builds to sales and marketing projects. Please let us know if you have any questions or would like additional information on the interval fund market. To learn more, visit xainvestments.com

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As one of the largest independent fund administration providers in the U.S., Ultimus Fund Solutions offers full-service fund administration, fund accounting, transfer agent, and investor servicing solutions and support for registered funds, private funds and public plans. By combining cutting edge technology with high-touch consultative service, Ultimus provides solutions designed to meet the individual fund administration needs of various sized fund sponsors, pensions, endowments, foundations, and other large institutions. As of September 30, 2021, Ultimus services approximately $425 billion in assets under administration and over 2,750 total portfolios.

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