

Interval and Tender Offer Funds

Interval and Tender Offer Funds offer retail and alternative asset managers an opportunity to differentiate their product lineup and open up new distribution opportunities by expanding access to non-correlated asset classes in a '40 Act investment wrapper.

Both vehicles are unlisted closed-end funds that offer periodic liquidity to investors and can be accessed through traditional mutual fund distribution channels. There has been a surge in interest from managers offering Real Estate, Credit, Private Equity, Fund of Funds and other alternative asset classes in these funds.

Unlisted closed end funds

- SEC regulated investment structures with lower investment minimums than traditional alternative investments
- Flexibility to hold illiquid investments
- Prospectus defined shareholder liquidity
- Available through mutual fund platforms via NSCC FundServ and AIP
- 1099 tax reporting

Key considerations

When a manager or fund advisor considers expanding their product line by launching a interval or tender offer fund, there are questions to help determine if this is the right direction:

- Is there demand for this strategy today?
- Can offering an interval or tender offer fund create operational efficiencies?
- Could consolidating many accounts into one portfolio make it easier to manage?
- How frequently can the NAV calculation be supported?
- Are there resources to support product distribution efforts?

Ultimus' experienced team of professionals are here to help you answer these questions.

The Ultimus Advantage

Recordkeeping system enables capital call and tender offer processing

Complex valuations supported by strategy specific accounting platforms

Structuring guidance and fund formation support

Ultimus Service Offering

Fund accounting

Fund administration

Statutory distribution

Legal and board support

CCO and officer services

Tax services

Transfer agency and investor services

Additional services

Ultimus provides operational expertise and services necessary to support non-exchange traded closed-end fund structures. Specifically, we:

- Prepare and file registration statements
- Coordinate board meetings
- Provide periodic NAV calculations
- Reconcile cash and positions
- Conduct expense accrual analysis
- Produce quarterly financial statements
- Assist auditors with annual audit
- Assist with regulatory filings
- Provide unit-holder servicing and reporting
- Provide Chief Compliance Officer (CCO) and compliance reporting and support

Structure Comparisons

	Mutual fund	Closed-end fund	Interval fund	Tender offer fund	Hedge fund
Investor limitations	None	None	None	Depends on underlying assets	Accredited investors 3(c)(1) - 100 investors 3(c)(7) - unlimited qualified purchasers
Tax treatment	1099	1099	1099	1099	K-1
NAV calculation	Daily	Daily - Exchange listed	Weekly/Daily	Flexible (Monthly/Quarterly)	Monthly
Redemption	Daily	Daily	3, 6, or 12 months	Discretionary: 3, 6, or 12 months	Periodic and flexible
Liquidity restrictions	Illiquid securities limited to 15% of net assets	None	Flexible; must maintain liquid assets sufficient to meet repurchase offers during repurchase offer period	None	None
Liquidity structure	Must meet daily redemptions	Intraday trading on secondary market; primary market create/redeem activity daily	Repurchase offers required at internal chosen by fund (quarterly, semi-annually, or annually). Approx. 180 days	Frequency and amount of tender offers at discretion of the Board	Manager discretion
Launch timeline	Approximately 120 days or less if joining a series trust. SEC registration is 75 days to effectiveness.	Approximately 180 days (SEC registration is 3 months or more)	Approximately 180 days (SEC registration is 3 months or more)	Approximately 180 days (SEC registration is 3 months or more FINRA 5110 review)	Approximately 60 days

Ultimus Fund Solutions, LLC provides fund distribution services through its affiliated broker-dealers: Ultimus Fund Distributors, LLC, and Northern Lights Distributors, LLC. Each of which is a registered broker-dealer and member of FINRA. Investments in interval and tender offer funds involve significant risk and are not suitable for all investors. Investments in these types of funds are illiquid and are not suitable for shareholders who need access to the money they invest. Because investors cannot readily sell their shares, they will not be able to reduce their investment exposure during market downturns. 20260710-5739231
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