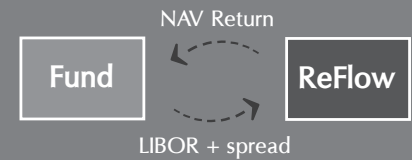


## NAVswap is simple:

ReFlow pays mutual funds a return on their cash that matches the return of their Net Asset Value (NAV)



NAVswap enables funds to stick to their investment targets by providing a built in liquidity pool to meet outflows and put inflows to work, while not giving up performance.

## Portfolio Management Challenge

Mutual fund managers maintain excess cash reserves, or trade the underlying portfolio to meet the liquidity demands of shareholders. Excess portfolio cash and forced trading can hurt performance.

## How Can NAVswap Help You?

Funds can equitize a percentage of portfolio cash, adjusted daily and synchronized to fund flows and trade settlement, or equitize a static notional value through NAVswap.

- NAVswap **reduces distractions and time spent managing shareholder flow** that may ultimately hurt performance.
- **Gives portfolio managers time** to find the right opportunities and execute at the time of their choosing.
- The **portfolio cash earns a return** equivalent to the fund's NAV performance, eliminating 'cash drag'.

*Less than 15% of active managers have beaten their respective benchmarks over the last three years, in part due to managers having to contend with keeping cash on hand for investor redemptions.\**

**NAVswap allows you to reduce cash drag in your portfolio, keeping your alpha and performance intact.**

\*Source: 2014 Indice Versus Active Funds Scorecard - 85.92% of actively managed US equity funds underperformed their relative S&P benchmark from 2011 to 2014.

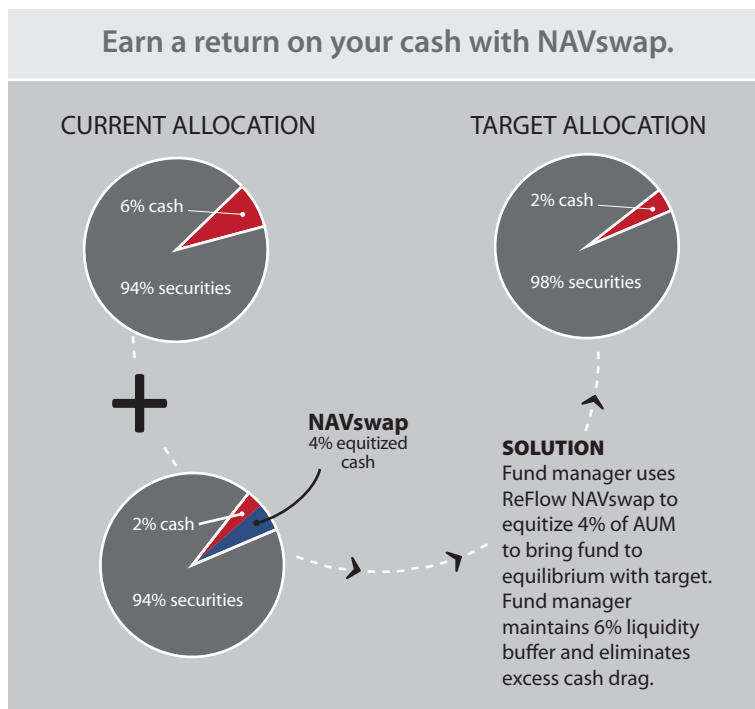
Founded in 2002, ReFlow helps mutual funds manage the impacts of shareholder flow, thereby improving fund performance and preserving the integrity of investment strategies.

ReFlow's suite of liquidity solutions also includes Redemption Service, which enables funds to better manage shareholder flow and cash positions.

## How NAVswap Works

NAVswap is an ISDA governed total return swap in which the mutual fund receives a return that matches the daily change of the fund's Net Asset Value. In return, the mutual fund pays one-month LIBOR plus a spread. The NAV, one-month LIBOR, and notional amount are reset daily.

- Proactively build a customized liquidity buffer for funds
- Eliminate 'cash drag' and decrease tracking error without incurring basis risk
- Reduce frictional transaction costs and market impact of forced trading
- No collateral posted between fund and ReFlow



## Implementing NAVswap

Portfolio managers can link NAVswap to a percentage of the fund's daily cash balance or set a persistent notional value and adjust as desired. When NAVswap is active, ReFlow provides both the fund and fund accountant with a daily statement. To keep operational effort to a minimum and reduce counterparty risk, ReFlow does not require a collateral deposit or any portfolio position disclosure.

**Evan Smith**  
Director of Business Development  
esmith@reflow.com  
**(408) 603-9614**

**ReFlow Services, LLC**  
650 California Street  
Suite 2700, San Francisco, CA 94108

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