



Acsys Software (India) Pvt Ltd.



INVESTRAK
Transfer Agent System

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About Acsys

Acsys Software (India) Private Ltd. is an Indian venture with investments by the associates of Computer Age Management Services Pvt. Ltd. (CAMS), HDFC Limited and HDFC Bank Limited. CAMS is the largest Third Party Transfer Agent for open-ended Mutual Funds in India. HDFC Limited is the largest non-government Mortgage Company in India and HDFC Bank Limited is the largest non-Government Bank in India. HDFC Group offers custody, cash management and distribution services to the Mutual Fund industry.

Incorporated in 1996, when the Mutual Fund industry in India was re-born, Acsys has primary focus of providing technological solutions and products for the Mutual Fund industry. Acsys has over the period, acquired business and technological capabilities to deliver world class technology solutions to the target industry. Currently Acsys is well positioned to offer its products and solutions to the Investment Fund Industry in Europe as well.

Acsys is a member of the National Association of Software & Service Companies (NASSCOM) in India and the National Investment Companies Services Association of America (NICSA). Acsys is also registered as a Software Technology Park of India (STPI) Unit.

Acsys Software Products come with the following advantages:

- ☑ **Business and Domain Knowledge:** Acsys has substantial business and domain knowledge of the Mutual Fund Industry and this is borne out by the fact that Acsys offers its clients appropriate products which are developed with end-user assistance and which follow successful market practices.
- ☑ **Process Orientation:** Acsys's Software Development Processes have been framed in accordance with the generally accepted Software Engineering Practices and ensures the quality of the deliverables as well as the Time to Market advantage for the clients. Acsys products are put through extreme test conditions in its stakeholders' businesses. Hence, Acsys products reach the market after having been tested and tuned, as appropriate.
- ☑ **On-going Development Plan:** Acsys operates in a dynamic environment dictated by the enormous growth in the domestic Mutual Fund Industry. Consequently, Acsys products need to have a stated and phased Development Plan running in the background to meet the requirement of new functionalities and features required by end-users to address the challenges of the dynamic and competitive market situation.

Acsys has a library of core products, which meets the software requirements of Asset Management Companies and Mutual Fund Distributors. All these products have been designed using the Oracle Database as the back end and are millennium compliant by design.

Introduction

INVESTRAK supports all Mutual Fund transaction processing requirements including advanced options for entry of transactions on deferred posting basis, selective posting of Funds / Transactions within a batch, handling transaction currency different from Fund and Shareholder currency etc. INVESTRAK is designed to support all Fund features, Brokerage structures, Valuation methods and Pricing policies prevalent internationally.

Key Features

INVESTRAK provides for:

- Flexible AMC and Fund Setup and Transaction Type Setup.
- Entry Load / Exit Load Compensation.
- Multiple Load Structures.
- Contingent Deferred Sales Charge (CDSC) Setup.
- Multiple Trailer Fee Classes.
- Systematic Plans for Investment, Withdrawal and Switch.
- Tracking of Multiple Switches across Funds.
- Customised Transaction Process.
- Instant confirmation of Transaction Processing.
- Flexible Brokerage calculation.
- Creation of Certificates on request.
- Customised Investor Reporting at Fund, Plan and Group level.
- Powerful Investor Communication.
- Powerful Query Builder
- Investor oriented Consolidated Statements.
- User defined classification of Funds and Investors for Group reporting.
- Integration with popular reporting tools.
- Complete Internet Access for most functionalities.
- Built-In Workflow capability

Architecture

INVESTRAK follows Client – Server architecture. The database Oracle v 8.x runs on a server transparently scalable from a Desktop to a Mainframe. The user interface is written in Power Builder v7.x, a powerful Graphical User Interface (GUI).

Security

Users are given a functional ID and password to access INVESTRAK. Pre defined security levels determine the limitations of user access ranging from administrator to service executive. Remote access to specific functions can be allowed controlled. Back-end and Front-end security restrictions make it a very reliable system.

Audit Trail

INVESTRAK maintains an audit trail of major changes to the database. Audit trail carries the date and the user ID.

Fund Setup

The flexible Fund Setup feature of INVESTRAK provides numerous choices to the user, such as Valuation Frequency (Daily, Weekly etc.), Valuation cut-off time (12 Noon, 2PM etc.), Load Types and Public Offer Price (POP) calculation, Bid / Offer type pricing or NAV based pricing, Decimal places for amount, Units, NAV etc., Financial Year definition, CDSC charge basis, Free Shares and Reinstatement Privilege. The very procedure of setting up or defining a Fund involves choosing between multiple options for each feature Fund Option allows the administrator to specify Fund permissions for:

- Entry Load.
- Exit Load.
- Liens, Switches, Transfers.
- Systematic Transactions.
- Loads for Switches and Transfers.

Load Setup

INVESTRAK allows setup of load in percentage terms for each Fund based on time periods and assets. Every transaction type / sub-type can be associated with a load structure. Entry loads can be transaction based or cumulative asset based. Exit loads can be asset based and / or time based. Loads of all types can be Fund or Distributor specific.

Transaction Type Setup

INVESTRAK has a flexible Transaction Type Setup that allows for sub-transaction types. For example, under Purchases, sub-transaction types such as Wired Purchases, Direct Purchases etc. are possible.

Transaction Processing

Transaction Processing in INVESTRAK has the ability to withhold redemption in respect of purchases for a pre-determined period to ensure successful settlement and to suspend transactions for an Investor / Distributor.

Transaction Limits

Transaction Limits for each transaction type and tax status can be in value, unit and / or in terms of a percentage of the outstanding capital. For example, limits can be set for individual redemptions as min 50 units / \$500 or max \$1m / 5% of outstanding units.

Brokerage & Trailer Fee

INVESTRAK can process Brokerage / Exit fee on Upfront basis, deferred commissions, performance and trailer fees based on transactions. Trailer fee calculation is based on different transaction types for different asset raised periods, having the option to calculate globally / specifically for a Fund or a Distributor on a historical / moving NAV basis. INVESTRAK provides multiple trailer fee classes, which is supported within a Fund without grandfathering the earlier class. Contingent Deferred Sales Charge (CDSC) can be based on original age or current age of transaction. Total fees charged on a unit lot can be capped at a certain level. Both Upfront and Trailer Fees can be defined at all the levels of Fund hierarchy

Posing Dates & Holidays

Posting (Unit Creation / Redemption) dates can be created for a financial year with reference to:

- Holidays as per a Holiday Master.
- Valuation frequency as per Fund Setup.
- Posting days are dynamically linked to and are automatically adjusted by adding or deleting holidays.

Validation

INVESTRAK has multiple in-built validation controls to validate transactions both at the time of feeding the data as well as during processing. Based on the selection of various Fund Option features for a particular Fund, validations such as Minimum Amount of Investment / Redemption, FIFO / LIFO method to be followed for Redemptions, applicability of Taxes based on Tax Status, Posting Holidays etc. are enforced. At the Validation process Level, warnings as well as errors based on the criticality of the information are given.

NAV Updation

NAV and bid / offer prices can be accepted via the NAV update screen. The system will also accept a structured NAV feed from an external Fund Accounting system. System provides for Multiple NAVs per day for a Fund.

Posting

Posting process posts the validated transactions to the transaction table. All the necessary updates are carried out at one stroke. Posting Control Reports are generated and sent to the Fund to enable them to update the Unit Capital account.

Multi-currency

INVESTRAK supports a home or reference currency, a base currency for the Fund, as well as a home currency for each Investor and Distributor. The system has the ability to transact in a currency other than these two. INVESTRAK accepts exchange rates as a feed from an external service and uses them to convert transaction amount as appropriate; upto three exchange rates are accepted. INVESTRAK also provides listing of currency-wise transactions for the purpose of foreign exchange management. It is also Euro compliant.

Investor, Broker enquiry shows valuation/collection/performance figures in Multi Currency. These are reported in Investor/Broker currency respectively in the front end and in reports. NAV Enquiry displays the NAV in Multi Currency.

Multi-currency payouts of Redemptions and Dividends to Investors are carried out either in Fund Currency or Investor Currency.

Multi-currency payouts of Commissions and Trailer Fees to Distributor and AE either in Fund or Distributor Currency.

All reports are displayed in Fund Currency.

Multi-currency is enabled in Broker Accounts.

Lien

Lien master records the lien details of all Investors who have pledged their units with Institutions. The lien is effected on receipt of relevant documents from the concerned Institution confirming the lien of Units of

the Investor and a reference number is automatically generated. A letter registering the lien is mailed to the Institution and the Investor. All dividends and all payments due to an Investor will be made directly to the Institution until notice of lifting of lien is received from the Institution.

Certification

Certificates can be issued to one or more Investors, for all or a part of their Unit balance, in one lot or in market lots. Certificates are tracked and redemption is allowed only against production of the physical certificates. In addition:

- Stops on Certification can be placed or removed.
- Certificates can be customised to each Fund.
- Certified and uncertified Units are marked separately.

Systematic Transaction

Systematic Investment or Redemption Transactions can be set up within the parameters defined during Fund Setup. Pricing bands can be incorporated for execution of Systematic Transactions. Thus, if the price falls outside the band, transactions will not be executed.

Fund Grouping

Funds can be grouped into logical sets for reporting at a group level apart from the normal Fund hierarchy. Rates and Parameters can be defined at any level of the Fund hierarchy. By defining logical groups, asset movement by groups can be tracked. For example, Income group could consist of all the Income Funds while Equity group could consist of all the Equity Funds.

Investor Grouping

Investors can be grouped into logical sets for reporting at a group level. For example, Corporate group could consist of all the companies while VIP/CIP group could consist of all VIP/CIP tagged Investors.

Fund Performance

To measure Fund performance, one or more indices can be associated with every Fund. For example, a competitive fund or the market index can be set up as a Benchmark index and Fund performance can be tracked vis-à-vis the Benchmark index. Subsequently, Fund Performance v/s Index can be mailed in an Investor communication.

Reports

A wide variety of reports are available. The following is a sample of the reports:

Investor Reports.

- Account Statement.
- FIFO Allocation and Exit Fee Performance Statement.
- Investment Performance Statement.
- Correspondence Report.
- Systematic Investment Plan (SIP) Reminder Register.
- Register of Investors.
- Investors above N% of Capital.
- Account Registration Summary.

Broker Reports.

- Trailer Fee Computation.

- Broker Statement of Account.
- Trade Level Report.
- Trailer Fee Summary.
- Fund Top Broker.
- Broker Active Record.

Transaction Reports.

- Purchase Register.
- Asset Aging Analysis.
- Consolidation of Folios.
- Fund Net Assets Movement.
- Transaction checklist.
- Redemption Register.
- Transaction List Summary.

Group Reports.

- Group Top Holdings.
- Group Posting Procurement List.
- Group Posting Controls.

Dividend Reports.

- Dividend Reinvestment Register.
- Daily Dividend Accrual / Posting.
- Capital Reconciliation Statement.

All reports can be taken for a wide variety of filter criteria and can be saved as Excel, Lotus, and DBF or as HTML file.

Crystal reports and other reporting utilities can be integrated with the software for even greater flexibility. Customised reports with the appropriate filter parameters can be saved and re-run without re-setting parameters. Group Reports provide reports on Investor-Group or Fund-Group assets.

Key Variable Reports

This function allows the user to create reports at one stroke using some of the key reports that are available and view them together. These Key Variable Reports can also be mailed to the Fund

Query Builder

The Query Builder enables the user to design the required query either through SQL statements or through in-built query designs. Queries created can be saved for future reference.

Investor Details

INVESTRAK provides for Investor information such as joint holders, one or more addresses per Investor etc. It also provides for specific reporting privileges assignable to each address of an Investor, VIP/CIP tagging facility for priority handling, complete on-screen history of an Investor including images of signature, details of Power of Attorney, Lien, nominee etc. In addition

- All Investor details can be seen in one screen.
- A VIP/CIP tagged Investor will have a flashing star to caution the service representative.
- An encoded PIN number will allow for telephone based transactions

Scheme	Closing Balance	Closing Balance Held	Certificated Units	Valuation	Specized Amount
P10 Test Equity Fund - Private - Int	20,041,830,127	10,122,300	20,000,000	300,493,201.27	-30,000.00
P21 Test Bond Fund - Dividends - GADA	690,000	600,000	8,000	9,800.06	0.00
P20 Test Income Fund	272,522,477	271,190,802	8,000	2,725,224.77	0.00
P11 Test Equity Fund - SIDA	1,501,901	100,867	8,000	19,319.21	0.00
P12 Test Equity Fund - SIER	0,000	0,000	8,000	0.00	0.00
P30 Test Bond Fund - Div - Proj	3,237,842	2,000,000	8,000	32,175.41	0.00
P31 Test Bond Fund - Div - SIDA	587,706	0,000	8,000	5,877.06	0.00
P17 DMLV DIVIDEND TEST	1,000,180,000	0,000	8,000	10,001,800.00	0.00
PADC-dmlv-iv-testing	2,080,000	0,000	8,000	10,800.00	0.00

Investor Enquiry

NAV History

NAV history screen provides two views of the NAV history:

- All Fund's NAV on a day ; and / or
- NAV of one Fund going back in time

Broker Query

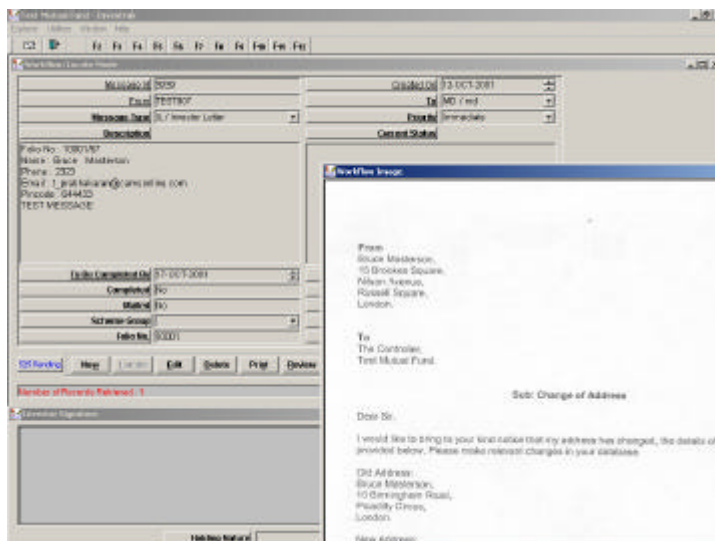
The Broker Query screen is designed to provide all the key information pertaining to a broker at one place. The broker hierarchy consists of three levels namely Broker, Branch, and AE.

Correspondence

INVESTRAK incorporates Invest-Word, a Word look-alike word processing software that allows mail merge of database information with Investor or Distributor correspondence. A journal of all correspondence is maintained to determine the service standards and to address areas of concern to Investors / Distributors.

Imaging for Paper Workflow

INVESTRAK has a built-in workflow module, which is fully image enabled. Any correspondence coming from the Investor or Distributor is scanned at the scan station and inserted into the database, which is then routed to the person concerned. Any action taken against the correspondence is also stored in the database. Thus at any point in time, the history of correspondence between the Investor / Distributor can be had.



Workflow Module

Imaging

INVESTRAK supports imaging where the user could scan and store Distributor's agreement, Investor's signature, Application forms etc. The user can recall these files for future verification.

Internet Response

INVESTRAK allows the creation of standard form letters, which are mail merged to the Investors along with the database information such as unit balance etc. and sent by email. Brokers can also send email to get information about the Investors and Brokerages paid.

Payout

Standard interfaces for Reconciliation Statement, Wire Instruction, Cheques etc. are provided by INVESTRAK. Integration of INVESTRAK feed for purchases / redemption with the bank data feeds for automated reconciliation process is possible.

Warrant No. Generation is designed to generate warrant numbers of all valid posted redemptions or dividend payouts for a specific Fund, Folio and Postal code.

MICR Updation is designed to generate MICR numbers for all valid posted redemptions or dividend payouts for a specific Fund for which warrant numbers have already been generated.

Payout files can be generated through the Distributor / Investor Payout Process, which can be used for the actual of the parties.

System Requirements

Server : 600 MHz Dual Processor, 1 GB RAM, 18 GB SCSI HDD with Win NT Server / Solaris / Linux and Oracle 8.1.x or higher.

Client : Intel Pentium III 600 MHz with 64 MB RAM, 2.1 GB HDD with Win9x / Win NT WS / Win 2k

Contacts

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Other Products

EfundDistributor

Web based Fund Distributor Information System

MFISC/D

A Mutual Fund Distributor Front Office System.

Distrak

A Mutual Fund Distributor Information Tracking System .

Agent Information System (AIS)

A Mutual Fund Distribution Channel Performance Monitoring System.

Dealer Marketing System (DMS)

A Sales Prospecting System for Mutual Fund Marketers.

Literature Fulfillment System (LFS)

Literature Management System

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