



RBC Investor & Treasury Services

European Ucits Fund Administrator of the Year

Complying with continuously evolving regulation is at the heart of a fund administrators' business, but efficient preparation and an unflinching emphasis on supplying client-led solutions has boosted the fortunes of **RBC Investor & Treasury Services**

The European Ucits Fund Administrator of the Year at the 2015 *Custody Risk* European awards has been awarded to RBC Investor & Treasury Services (RBC I&TS). The bank, which views keeping clients abreast of forthcoming industry and market changes as a key relationship enhancer, has seen a €192 billion boost in European Ucits assets under administration in the last year.

According to Sébastien Danloy, managing director, continental Europe, at RBC I&TS, the focus on client-led solutions for both internal and external use is part of the reason for this boost. He says the increase in assets is down to new client wins and consolidation by existing clients who have chosen RBC I&TS as their preferred fund administrator.



Sébastien Danloy

Financial firms must navigate a wide range of regulatory requirements, and so fund administrators must have the necessary tools to support such a variety of client requirements. In addressing the regulatory changes that asset managers currently face, RBC I&TS has developed solutions to support its clients throughout the international financial markets.

"Our clients are drawn from a wide and diverse geographic base and promote a variety of fund structures that are distributed globally. Our expertise across international markets enables them to expand their global distribution, as well as supporting new product launches and diversification," says Danloy. "Clients also continue to be faced with increasing demands on resources and budgets to keep pace with the regulatory landscape. As a result, fund administrators need to not only ensure compliance with regulations and support in driving operational efficiency, but also be able to assist clients in identifying the opportunities that any change could potentially create."

Over the past year, for example, the bank has extended its current services to support the needs of Austrian clients in relation to new expense allocation requirements under the Kapitalertragsteuer (KESt) capital gains tax. In Germany, it made system modifications to address new tax calculations for mutual funds in order to support clients' fund distribution. RBC I&TS also worked with asset management clients that intended to launch, convert or redomicile to the new Irish Collective Asset Management Vehicle (ICAV) structure that came into force earlier this year. "When Ireland first announced plans to introduce the ICAV in early 2014, we commenced preparing where we could to ensure the necessary resources were in place for its introduction,"

says Danloy. This involved holding discussions with clients (many of which were US-based) to keep them informed of legislative developments, as well as planning for the necessary internal changes that would be required. "When ICAV was finally passed into law in the first quarter of 2015, we were ready to support the new vehicle within a very short timeframe," Danloy adds.

RBC I&TS has been preparing for Ucits V in a similar fashion. In addition to appointing internal project management teams to ensure its own plans are on track for the March 2016 implementation date, it has also supported clients' preparations, for example, by commissioning a study to compare measures taken by asset managers to date. "Implementation of regulatory governance is now a part of the industry's daily life and we view our role as consulting with clients to help them make informed decisions. Those decisions can range from helping with internal preparations to taking

over their entire administrative burden," says Danloy.

In addition to preparing for new regulations in advance, both asset managers and their custodian banks must be able to continually assess and maintain compliance programmes that cross multiple jurisdictions and account types. Under current regimes, much of that focus is on increased reporting and accountability requirements, and RBC I&TS aims to provide services that continually support asset managers' middle- and back-office functions in meeting these new obligations. For example, it launched an advanced fund accounting and fixed total expense ratio service in 2015 to help clients with fund oversight. According to RBC I&TS, the service uses the bank's own fund accounting expertise to provide fund expense control, budgeting and analytical accounting services. This enables clients to meet investor demand for effective cost management.

Additional launches this year include the global rollout of RBC I&TS's net asset value validation technology, pControl. This provides a real-time view of work progress to optimise end-of-day delivery to clients, according to the bank. In September 2015, RBC I&TS launched its Fund Sales Intelligence platform, which helps clients to benchmark global Ucits fund distribution performance. According to Danloy, this supports clients' business planning capabilities. "The in-depth analysis of investor trends, local market conditions and distribution patterns the platform provides is vital to implementing a successful fund sales strategy," he explains, highlighting that RBC I&TS is keen to support clients on more fronts than just reporting and accountability by providing a wide-ranging package of fund administration solutions.