

Shareholder Notification and Response Management Burden Alleviated

THE SITUATION

Market dynamics outside the control of individual firms are reshaping the financial services industry. Evolving rules and regulations are becoming more complex, prompting firms to initiate specialized, one-off efforts to ensure clients stay informed.

THE CHALLENGE

When a new regulation was signed into law, brokers and fund companies were required to report accurate, adjusted cost basis information to both investors and the IRS. This presented a massive challenge as brokers and fund companies needed to notify millions of individual shareholders about the regulations and offer them the ability to select a specific cost basis methodology.

THE SOLUTION

To help clients navigate this regulatory shift, SS&C's Flex developed a proactive solution to manage the increased volume of outgoing communications and incoming responses without affecting service levels. The solution included:

- A shareholder letter and election form explaining the new regulations, shareholder responsibilities and election options, customized with company-specific logos and contact details
- Shareholder notification and solicitation that included answering inquiries from the notification, along with scanning, electronically reading and automatically updating returned election forms in the system
- An easy-to-navigate website with summary information, frequently asked questions and a tutorial page, optionally tailored to reflect the fund company's branding

THE RESULTS

Flex provided fund companies with an efficient way to manage shareholder notifications, preventing a significant one-time expense for developing, staffing and training an internal team. Over 50 clients leveraged Flex's notification and solicitation capabilities to support their overall cost basis implementation. The majority of clients utilized election form mailing, call center staff and operational support. Shareholders reported high customer service satisfaction throughout the process.

SS&C Flex: Unmatched global support for business events

SS&C has 30+ years' experience in helping companies respond to seasonal, disruptive or extraordinary business events, with proven expertise in best practices, processes and systems.

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