



AST FUND SOLUTIONS CASE STUDY

SECURING SHAREHOLDER APPROVAL AHEAD OF A MAJOR ACQUISITION: FAILURE WAS NOT AN OPTION

OVERVIEW

As a major global fund manager with nearly \$1 trillion in AUM prepared to acquire another large global fund manager, AST advised on, planned and executed the proxy campaign for the reorganization of the 100-plus individual funds involved—working efficiently with multiple parties to ensure a successful result on an accelerated timeline.



SITUATION:

One of the largest global fund managers (Company A) sought to acquire another major global asset manager (Company B). To proceed with the transaction, Company B shareholders needed to approve each of 103 funds reorganizing into newly formed Company A funds with the same, or substantially similar, investment objectives and principal investment strategies.

There were two options for structuring the 103 fund reorganizations, each one with its own requirements and timetable. The more suitable option, a series of shell mergers, required a 30-day SEC review period, effectively reducing the amount of time for the proxy campaign.

With more than 100 funds and 9.5 million accounts involved, soliciting votes and garnering support quickly were daunting tasks. AST had to work with multiple parties at Companies A and B, as well as a large team including IT, project managers, call center recruiters and operators, and more, to ensure the campaign ran smoothly and efficiently.



SOLUTION:

AST had earned Company B's trust over the course of a long relationship and had also previously worked with Company A on another acquisition and was thus a natural partner for the Company B proxy campaign.

Staring down a massive campaign and working against the clock, AST adopted a "failure is not an option" mindset to plan and execute an organized and efficient solicitation campaign that delivered results in a rapid fashion. AST held daily meetings with the wider team, including the call center recruiters and operators. To achieve the required votes, AST used multiple means of contacting shareholders, from traditional mailings to digital outreach.



RESULTS:

With AST at the helm of the proxy campaign, Company B achieved the shareholder support it needed to move forward with all the fund reorganizations ahead of the merger—three days ahead of the deadline. AST achieved in approximately 60 days what typically requires 90 to 120 days.

With the campaign successfully completed, the strategic combination of the two companies moved forward and was publicly announced. Company A is now the sixth-largest retail asset manager in the United States.



AST FUND SOLUTIONS:

Strategic Mutual Fund Proxy Services

Understanding the priorities and concerns of mutual fund investors is critical to the outcome of shareholder meetings. For more than 40 years, AST Fund Solutions has served as a strategic partner to mutual funds and assisted them in the management of critical proxy campaigns. We offer an innovative suite of specialized advisory services and customized solutions that we tailor to each client and situation, including:

- **Activist Advisory & Analytics Services**
- **Annual & Special Meeting Services**
- **Proxy Solicitation Services**
- **Contested Proxy Solicitation Services**
- **Rights Offering Information Agent Services**

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