

Adopting a portfolio of digital tooling can have a significant positive impact on a fund manager's team, which McKinsey research quantifies as;

- 4 to 7 percent cost savings, and
- 10 to 15 percent productivity increases on an AUM-per-employee basis

The benefits of digitization in fund operations are increasingly tangible. In fact, Flow's own first-party data has proven that digitization can move the needle for one the most historically high-friction and time consuming processes: LP fund subscriptions.

Taking the Pain Out of the Subscription Process

Flow's research into one critical aspect of fund operations – the subscription process – has proven that investor onboarding time can be reduced to under 15 minutes per LP, representing a massive leap forward in efficiency for a process that historically has taken weeks to complete.

LP onboarding is often a major pain point for funds, their service providers, and LPs alike. The process, which seems deceptively straightforward, often results in weeks of delay, back and forth between multiple parties, and clerical errors amid countless PDF documents and spreadsheets.

SS&C's analysis finds that only about 20% of subscription documents are completed successfully on the first pass using traditional methods⁵.

This low success rate can be traced to five key challenges or obstacles that are inherent in the process.

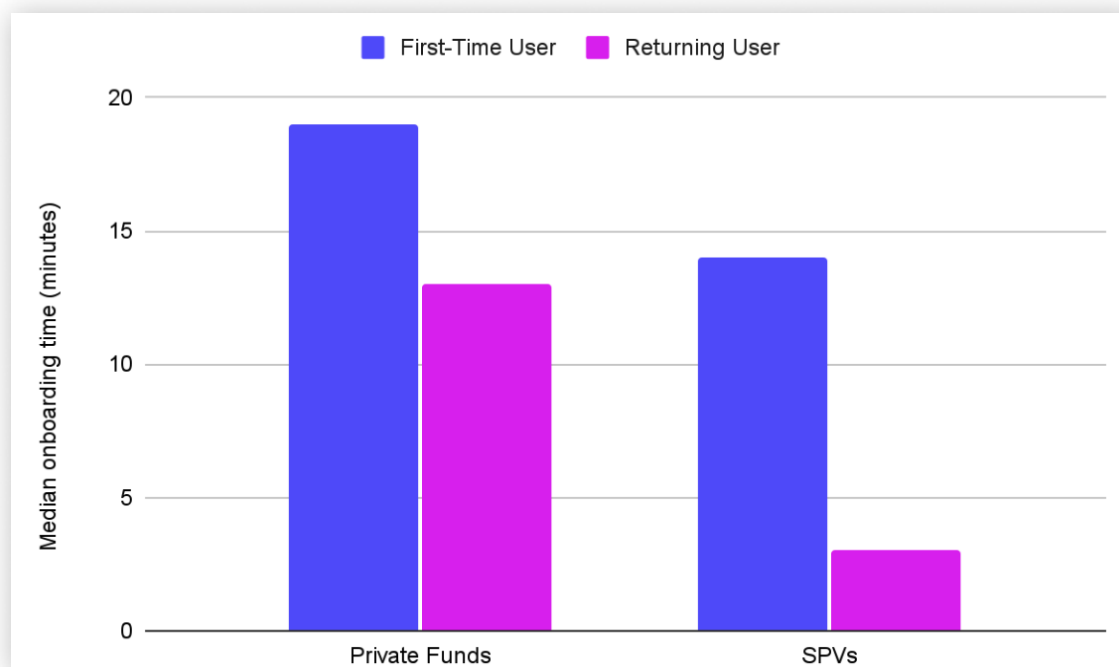
⁵ SS&C: "The top 5 challenges of investor onboarding and the need for digitization"

Five Key Challenges for Fund Subscriptions:

1. **Document complexity** - extends time to complete documents and increases likelihood of mistakes.
2. **Data completeness** - requires back and forth between multiple parties, slowing down the process.
3. **AML collection** - imposes additional data collection needs, adding to the back and forth communications.
4. **Signature collection** - entity investors with multiple authorized signatories can delay processing.
5. **Process transparency** - difficult to monitor investor progress; forced to send manual follow-ups.

This process can be dramatically improved through smart subscription technology.

A recent analysis of Flow customer data showed that the average LP took just 19 minutes to onboard onto a new fund; that number dropped to 13 minutes for return users (LPs who already have a profile on the Flow platform). Onboarding into SPV vehicles is even faster; returning LPs require just 3 minutes to complete the subscription process.



Proprietary analysis of Flow customer data



Flow's technology has proven that LP onboarding can be a simple, fast, and positive experience for LPs, asset managers, and service providers alike.

Complementary providers are making similar headway across other parts of the fund operations stack.

New technologies are transforming fund operations, driving better outcomes and superior user experiences for all stakeholders. Tomorrow's leading firms will be those that adopt these new technologies today to gain a long sought after competitive advantage built on operational efficiency.

About Flow

Flow is accelerating funds in the private markets.

The platform's flexible infrastructure connects asset managers with their limited partners and third-party service providers, helping VC & PE firms operate faster and more efficiently as they scale.

Universally compatible with all third-party providers, Flow offers smart subscription technology, a shared portal for fund documents and data, powerful tools for investor relations, and a public API.

For more information visit www.flowinc.com.