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Setting up a hedge fund in the US

A Hedgeweek summit report

Operational due diligence becomes a key step

Staying ahead of the game on fee structures

Capital raising challenges facing hedge funds

Steps to setting up a hedge fund in the United States

By James Williams, Managing Editor, Hedgeweek & Private Equity Wire

Recently, Hedgeweek hosted a one-day summit at the University Club in New York City on the key steps involved to successfully launch a hedge fund in the US.

The day was attended by a broad range of industry professionals looking to – or in the process of – launching their first hedge fund. Some 25-plus experts participated in a series of panel discussions to give delegates key insights into the dos and don'ts of bringing a fund to market.

The following report is a glimpse into what came out of the day's proceedings. Three sections are included herein:

- Operational due diligence
- Fee structuring
- Marketing & capital raising

For all those who participated on the panels, Hedgeweek would like to extend its thanks for finding time in their work schedules to make the event a highly engaged affair, befitting of its surroundings.

We hope this is the first of further events in the US as we seek to educate and inform the industry on achieving best practices and pushing the industry further down the road to institutionalisation. ■

Chapter 1

Investor ODD ~ key considerations

Operational due diligence has become a key step in the pre-approval process. A survey conducted by Deutsche Bank back in 2014 revealed that 65 per cent of respondents said they would not consider investing in a fund that they previously vetoed. First impressions matter.

It is rare that an ODD team would choose to veto an investment over one issue when appraising a manager. More generally it is a result of the manager failing an aggregate number of controls that the allocator wants them to have in place.

Before any manager can even expect to entertain being appraised by a potential investor they need to have the basics in place. That means having a third party fund administrator, a legitimate auditor and tax adviser.

Key traits of ODD practitioners

The best sort of ODD practitioners are the ones that understand a strategy and the specific risks associated with a given strategy. Whether it's direct lending, equity long/short, or someone trading futures, the best ODD practitioners have the capacity to understand the various nuances and are able to focus in on the risks associated with those strategies, while still doing comprehensive ODD.

From the manager's perspective, a good ODD person should already have a good understanding of the key risks and conflicts within the fund before they walk through the door. If they throw 50 questions within the first 30 minutes of the meeting, they probably haven't got a good grasp of the investment strategy.

A good ODD person is not someone who goes in to try and get as much information as possible from the manager, it is someone who has done their homework and who understands the value of a partnership.

Managers should not be afraid to ask ODD professionals questions as to what others are doing in the market. That information should be forthcoming. If not, that might cause one to consider their experience in the ODD field.

In short, the two key traits of a good ODD practitioner are: 1) Someone who understands the strategy and 2) Puts value in developing a relationship with the manager.

Manager red flags

From the ODD practitioner's perspective, one of the main things to look for is alignment, not just in terms of how the principals are invested in the fund but in terms of how the employees are paid, how LPs can invest and redeem in the fund and so on: alignment goes across the board. This is going to be top-of-mind before any investor decides whether to allocate to a manager.

Another red flag to look for is overconfidence in the manager. Most managers who fail ODD assessments tend to because of a variety of factors. It is usually a series of smaller issues that in aggregate add up to something that cannot be resolved on a short-term basis.

People are key to the organisation. They have to be impressive. An investor will want to walk away trusting that the key principals to the fund are going to make the right decisions when there's a problem in the organisation. That means business decisions, not just trading decisions.

This transition from being a star trader at an existing organisation to becoming the CEO and business owner of one's own hedge fund is the most challenging transition; can the individual demonstrate good business acumen? Will they be clear minded when making tough business decisions?

An ODD practitioner will want to see evidence that the manager can think outside the box and will make the right decisions when things go wrong.

Nothing lowers confidence more, from an ODD perspective, than someone who doesn't have a full command of the facts about their organisation. If the manager cannot answer questions about every facet of the organisational structure, why the choose certain service providers, why someone was hired or fired, it will raise serious concerns.

Decisions need not be final

There are two considerations to thinking about this; that of the external ODD practitioner who assesses managers on behalf of placement agents, FoHF managers, endowments, etc, and that of the internal ODD practitioner.

Regarding the former, if the ODD agent is doing work for a placement agent, the task is very clear: to help identify and uncover potential issues with a manager. If there are any red flags, the ODD agent will be forthright in its feedback and most likely, the decision will be final.

If the work is being done for an allocator, the feedback they receive might be open to a more considered judgment. Some allocators may want to share feedback, others may not and move on to another manager because they don't want to give the appearance of trying to help that manager run their business. It is a case-by-case basis.

If the ODD team is part of the asset owner's organisation, it is fair to say that decisions tend not to be final.

After all, the allocator is looking to develop a partnership. There are always going to be issues that they uncover, which most of the time can be fixed. It's the first test of what a potential partnership would look like.

Ultimately, if both parties cannot come to some sort of resolution then it would be final. The ODD agent wants evidence that the manager is listening to what they are saying and that they are not saying 'No' too often. Once that happens, and the reason(s) does not make sense, that's the end of it – the manager can't say No just for the sake of it, it has to be justified.

Finality will be arrived at much sooner when there is a lack of serious consideration of a concern that is raised. If the manager thinks the issue being raised is not a big deal... well, there's nowhere else to go.

Pre-meeting preparation

This is where the bulk of the manager's time will be spent. An ODD team is going to ask for a lot of up-front information including fund documentation, all of the marketing materials, regulatory documents, organisational documents, policies and procedures.

It needs sufficient transparency on the hedge fund manager to do the homework and avoid the earlier point of appearing unprepared, bombarding the manager with endless questions.

ODD experts estimate that 70 per cent of the time is spent on the manager review before they walk in the door, at which point it's really a verification of their understanding.

On the back-end, this will involve verifying the fund's key service providers. They will want to understand who the fund administrator, who the auditor is, if the manager is supposed to be registered they will want to see evidence of the fact. With respect to policies and procedures, these can serve to demonstrate that there is a culture of compliance with the fund manager.

The ODD test is, nevertheless, one that applies to both parties. The manager equally will want to feel comfortable that this is an investor they can partner with. It cuts both ways. If the manager has provided a plethora of information at the pre-meeting stage, and each question the ODD analyst asks is met with the response, 'You'll find the answer to that on Page 2 of the DDQ', they have failed in their task. And that should serve as a red flag to the manager.

Just as the manager has to be prepared and well organised, so too must the ODD analyst. He or she, for that particular day, has to be an expert on that business. Documentation is key. The industry has moved away from the notion of what's proprietary towards one of being more transparent about things in literature and documentation. That's really helpful in terms of making the ODD process more efficient.

Prepare a DDQ

Although it is not mandatory to prepare a DDQ internally, it can go a long way to making the ODD process more efficient. Without one, it simply means someone will be on site for longer.

Conceptually, a DDQ serves as a window into the inner workings of the hedge fund manager. It gives the ODD expert a good back story to consider. Most ODD practitioners will send their own proprietary DDQ to those who don't have their own internal document.

The purpose of this is to take away 50 to 100 questions that would otherwise need to be asked in the initial meeting. Questions around side letters, family relationships among employees and/or fund directors, whether any LPs are holding senior level positions in any of the fund's portfolio companies are the typical questions one can expect to answer.

How long does the ODD process take?

Expect it to be a multi-week process. An allocator using an external ODD specialist would say they've identified a fund and they would like to commence introductions over email. Next the ODD specialist might ask to get introduced to someone on the marketing or IR team before submitting a document request list. This will often take a few days to a week to receive and review. Then the meeting might happen a week later.

After this, the ODD specialist will reach out to the manager's service providers before doing an extensive write up. This alone can take a week or so.

All told, it is probably a three-week process from start to finish.

The process might be faster if an internal ODD specialist is used as the investment team would have already identified the manager and are keen to invest. They want the ODD team to go in and make sure that there's no fraud going on; that's ultimately the objective. They are brought in at quite a late stage. More internal teams are employing technology in the due diligence process to help shorten the window and make a decision sooner, to support the investment team. This will, of course, depend on whether any red flags are identified and conflicts need to be resolved.

Deal killers

There are few deal killers but without doubt, the manager cannot self-administrate in today's world. They have to have a reputable auditor in place. And if the manager is inconsistent in anything they tell the ODD analyst, whether it's on paper or verbally, that will also be a deal killer.

Anyone who is looking to allocate money to the manager on a discretionary basis must able to trust what the manager is saying, both in writing and verbally. This is sacrosanct. Also, when it comes to background checks, it is best to be up front as early as possible. Share as much as possible. Take every potential concern that could arise as seriously as possible because one cannot know what an investor's operational risk appetite is until they say No. ■

Chapter 2

Fee structures ~ key considerations

Today's managers are trying to stay ahead of the game as fee pressures continue.

Those launching with USD100 to USD300 million are trying to be investor friendly by offering a founders class where management fees range from 1 per cent 2 per cent on a sliding scale, which moves as the fund's AUM grows, to attract early stage investors. Funds that reach USD500 million, USD750 million or USD1 billion thresholds would then look to scale down the management fee.

In terms of incentive fees within founders classes, these are being structured anywhere from 20 per cent down to 15 and 12.5 per cent. However, it all depends on the manager, the strategy, and the types of investors they are looking to attract.

What factors to consider when trying to attract new capital?

Securing a seed investor is a huge advantage to any new manager and will shape the way they think about fee structuring.

If the strategy is likely to be expensive to run because of the research costs, IT costs (if it's a quantitative fund), or perhaps the need to hire a big team, the manager will need to know that they have a minimum AUM confirmed before launching.

What is really important to the founders class is aligning interests with the investor as much as possible. Listen to the investor's requirements. Investors want to pay lower fees in the founders class, for sure, but at the same time they don't want the manager to run out of cash after Year 1.

As such, it is a balancing act between the expenses the manager has as a business and how much fee concession they are willing to give to an investor.

In truth, investors aren't too worried about paying a higher management fee when the manager is still small. They understand there are costs to running a hedge fund business and are often happy to lock up capital for two to three years to give the manager the confidence he has the finances to continue investing in the strategy and the technology to support it.

The time they do worry about it is when the manager has become well established and their returns are not that great.

As long as the manager has a niche, original strategy they can still expect to charge a 1.5 per cent management fee and focus more on doing creative work around the incentive fee.

There is plenty of scope for managers to come up with original fee structures as relate to incentive fees. Hurdles are a common tool and an effective way for the manager to closely align themselves with investors whilst ensuring proper incentives are in place.

A new manager might, for example, decide to take a 10 per cent incentive fee in Year 1 if the fund returns less than 10 per cent. In Year 2, if the fund exceeds the 10 per cent (net) hurdle, the manager can then receive a 20 per cent incentive fee.

Investors respond positively to this. Provided the fund is doing well, no investor is going to complain paying a 20 per cent performance fee. But if the manager is only making 4 or 5 per cent and still expects investors to give 1 or 2 per cent in performance fees, they are going to feel disgruntled. This misalignment of interests can be avoided at the founders class level.

Be careful using fee caps

Some managers might secure a seed investor and be confident of their ability to secure additional capital over the near term and as a result decide in the fund documents to cap the fee expenses in the fund.

This can sometimes backfire on the manager, leading to significant working capital pressure on the management company if the expected asset inflows fail to materialise. If the manager has set the fee cap too low, they might run into difficulties paying staff and keeping the business afloat.

As a rule of thumb, managers should expect to take twice as long to raise half as much capital. If you think you'll have another USD100 million coming in to the fund in 12 months, be prepared for it to be USD50 million after two years.

Reducing the management fee should not be done too aggressively precisely because it is a slow process raising capital. Being over-confident and setting aggressive fee caps can often be an expensive lesson to learn.

The management fee should not be viewed as something that the manager should be getting rich off of.

As the fund AUM grows, the percentage of the management fee needed to sustain the business falls away. It becomes much easier to reduce the management fee when you're running a USD500 million fund: 1.5 per cent of USD500 million goes a lot further than 2 per cent of USD50 million.

Tax considerations

In terms of fund performance, from a tax perspective the GP is getting a slice (say 20 per cent) of long-term gains in the form of dividends. But if the manager is located in New York, for example, it might make more sense for the management company to take an incentive fee as opposed to the GP taking a dividend.

If the fee is paid to the management company, it will pay Unincorporated Business Tax (UBT) for the privilege of doing business in New York which is set at 4 per cent. This can be tax deductible for the GP. Also, if they are a New York resident they will get additional tax credit. In very approximate terms, they might only end up paying 2.2 per cent on that income.

Conversely, if an incentive allocation is paid to the GP, rather than a fee paid to the management company, this will be subject to net investment income tax which is 3.8 per cent, for which there is no there's no tax credit or deduction.

Therefore, assuming it's a short-term

trading strategy, the manager is resident in New York, and he doesn't have any foreign investors owning part of the management company, might decide that it makes more sense to take a fee, rather an incentive allocation. If, however, the manager is resident in Connecticut, they may not go this route as the income tax rate is higher in New York.

Expenses applied to the fund

Expenses and fees are two sides of a coin. Controlling expenses is a good way for any investor to generate operational alpha. Get prior consent from investors before applying any expenses to the fund. Be on top of the detail. Investors will want to know up front exactly what expenses will be charged to the fund i.e. research payments.

Some larger legacy funds might have a lower headline fee but when one digs deeper the reality is that the manager is pushing a lot of expenses, unbeknownst to investors, through to the fund. Provided everything is transparent, and there are no hidden surprises, investors will likely not object to fund expenses.

That need for transparency is especially important given that expenses are close to the top of the list in SEC Examinations. The SEC will pull out the financial statements and draw a dotted line to the offering documents to make sure each and every expense is being legitimately charged to the fund.

At the end of the day, don't cut corners. Hire the right people, think about the bigger picture for where you want to be in five years time and don't impose a fee cap, no matter how confident you might be for raising capital. ■

Chapter 3

Capital raising ~ key considerations

The biggest challenge managers face today is the amount of information that now saturates the marketplace. Fact is, the hedge fund industry is no longer some exclusive club. It is a huge and highly competitive one. A start-up manager with grand design on building a successful hedge fund business cannot think they can go out and talk to 100 allocators and confidently expect to receive tickets from five or 10 of them; rather, they have to go out to the market and build awareness across 1,000 allocators.

This means committing to a long-term marketing strategy to build that awareness and give allocators a reason to put them on their short list, as opposed to looking for a reason at any opportunity to say 'no thanks'.

This industry has reached a point in its lifecycle where it is so competitive. This is primarily because there is no more structural incremental demand for hedge funds; many institutional investors are now invested, to some extent, in the asset class as compared to a decade ago.

Combine that with the fact that the novelty for most hedge fund strategies has worn off, and it creates a challenging and competitive environment for a new manager to get their story in front of allocators. Back in 2001, one still had to explain to an investor what a hedge fund was. Many were hearing the difference between a quantitative market neutral strategy and an equity long/short strategy for the first time.

That is no longer the case. The gold rush is over. Now it is case of who has the best equipment to mine for depleting gold reserves in the right areas.

When it comes to finding prospective investors, there is really no mystery involved. There are plenty of data services providers and research providers, such as Preqin, whose comprehensive databases list global investors. The bigger, more salient challenge, is for a manager to find investors who have an investment window of opportunity, and who just so happen to be interested in that manager's strategy type; the stars have to be aligned. And even if they do have that window of opportunity, the manager has to get their attention.

Years back, when institutional demand was still on the rise, this was an easier task. There was an order of magnitude fewer managers to compete with. Fund raising today has become a specialist art form. Managers have to stand out, they have to cut through the noise – allocators are bombarded with hundreds of emails a week.

One way to find investors is to discover those who have been invested with a manager who has decided to shut down their fund and return external capital. Or those who have had an investment with somebody who hasn't performed well and they are thinking about redeeming.

Either way, start-ups need to have a marketing plan that helps to determine which investors to go out and target.

Marketing experts like Meyler Capital do a great job of driving the manager's message continuously so that when there is a window for a buying opportunity, the manager is primed and in a position to act.

The key these days is to be in constant communication with investors. You have to do it more frequently than your competitors, you have to do it better, and you have to do it face-to-face. All those are challenges that didn't necessarily exist 10 years ago. Make sure you are speaking with the right people.

If you're a USD50 million fund and you're trying to reach out to state pensions or institutional-focused consultants, you're not helping yourself and it'll likely be a fruitless task. Therefore, think about right-sizing the

fund to the most appropriate investors – think about who you should be speaking to over six months, 12 months and laying the foundation for capital raising.

If you're hiring a sales person that you want to help connect the fund to family offices, make sure you hire someone that has previous experience working with family offices, and with a strategy like yours. As you get into more institutional fund raising, if you have a private credit sales expert showing an allocator a long/short sector fund, it's going to fall on deaf ears.

When building the marketing pitch book, try to use evolutionary language that has power and impact that is going to get you noticed. Make it succinct. And try to say something in your pitch book that goes beyond the tried and tested language, such as 'outsized returns', or 'risk mitigation'; it's a hedge fund so risk mitigation is kind of the point. Why say what thousands of others have already said before?

You can't do any of this without technology. It is impossible to manually understand when someone is ready to allocate capital. Pitch books needn't be just powerpoint slides. Use embedded video content too. Anything that can help to build audience. You're not competing to prove your validity, you're competing for time.

You first have to get someone to pay attention to you. Only then can you transition into the sales process. Video is the easiest way for an allocator to sit and get information. More importantly, when the start-up manager sends that video, there are various technology tools that can be used to provide analytics on who is engaging with that video.

That allows you to profile investor interest and develop a more targeted campaign. If the investor happens to be a seed firm, take the money. Give up some equity in the business. It'll take a couple of years to break even. Secondary capital is still going to be difficult to get. Most people a manager meets will make them feel positive and upbeat after the initial meeting.

It's very common to go around and have meetings with 20 investors, think each meeting went well and for the manager to get carried away and think if each one were to allocate USD20 million they'd be set. No more need to churn away, delivering pitch after pitch.

The reality is, the manager is unlikely to get capital from any of those 20 allocators. Don't let that positive sentiment fool you at the start. Have an outstanding differentiated strategy. Have a future vision for the business. One red flag might be if the manager is putting an entirely new team together, as investors will fear that things don't work out a year or two down the line. Try and put together a team where the majority have worked together in the past and know each other's strengths and weaknesses.

It is key to clearly articulate the strategy. If you can't articulate your strategy you certainly cannot rely on other people to articulate it for you. Investors are maturing. They've seen thousands of hedge funds, so they're smart.

One point worth remembering, for any start-up manager is this: you don't need to be the best manager that ever walked the earth, you just need to be committed more than anybody else to getting in front of people.

That marketing effort is not commonly applied well in this industry. Managers don't always commit enough capital to marketing yet they expect investors to part with tens of millions of dollars. Marketing budgets matter. Marketing risk matters. Commit a percentage of capital to create engaging content. Talk about your losers more than your winners – build an interesting narrative.

If you can show how smart you are by using real life examples of how you are managing the investment strategy, it will go a long way to gaining investors' confidence. ■

Ron Geffner, Partner, Sadis & Goldberg

Ron Geffner is a member of the firm's Executive Committee and also oversees the Financial Services Group. He regularly structures, organises and counsels private investment vehicles, investment advisory organisations, broker-dealers, commodity pool operators and other investment fiduciaries. Ron also routinely counsels clients in connection with regulatory investigations and actions. His broad background with federal and state securities laws and the rules, regulations and customary practices of the SEC, Financial Industry Regulatory Authority, Commodities Futures Trading Commission and various other regulatory bodies enables him to provide strategic guidance to a diverse clientele.

Ariane West, Partner, Walkers Global

Ariane West is a Partner in the corporate and finance practice at Taylors, a full service law firm which works in exclusive association with Walkers and provides advice on all aspects of Bermuda law.

Ariane advises Bermuda-based and international clients on a range of corporate and transactional matters, with a focus on structured risk products, including insurance linked securities (ILS) and catastrophe bonds, private equity and investment funds.

Prior to returning to Bermuda, Ariane was a Vice President at Goldman Sachs in New York and a member of the bank's Structured Products Trading Group.

Jeffrey Rosenthal, Partner, Anchin, Block & Anchin LLP

Jeffrey Rosenthal, CPA, CGMA, is the Partner-In-Charge of Anchin, Block & Anchin LLP's Financial Services Practice. Jeffrey specialises in providing accounting, tax, and business advice to a wide array of financial services entities including broker/dealers, investment partnerships (domestic and offshore), funds-of-funds, mutual funds, private equity funds, and investment advisors. He has extensive experience advising newly formed entities and assisting with start-up considerations.

Jason Cholewa, VP Business Development, ALPS Alternative Investment Services LLP

Jason Cholewa joined ALPS in 2004. As a Vice President, Jason heads up business development for ALPS Alternative Investment Services on the East Coast. Prior to his current role, Jason was instrumental in opening ALPS' Boston office where he was responsible for overseeing all administration services and operations on the East Coast for hedge fund, fund of fund, and private equity fund clients.

Kenneth Turchin, VP, Alternative Investment Products, SS&C

Kenneth Turchin joined SS&C in May 2007 and has over 20 years experience in alternative investments and fund administration services. Prior, he was a manager with KPMG LLP. He specialised in providing assurance and business advisory services to mutual funds, domestic and offshore hedge funds, commodity pools, private equity funds, venture capital funds, funds-of-funds, and the advisors that manage these vehicles.

Frank Napolitani, Director, EisnerAmper LLP

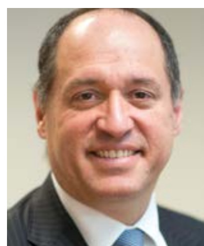
Frank Napolitani is a director and national head of business development of the financial services practice at EisnerAmper LLP in New York. Frank has enjoyed a successful 19-year career with a diverse background having worked at a fund of funds, family office and prime broker covering hedge funds.

Maura Harris, Head of Operational Due Diligence, Bostwick Capital

Maura Harris is a thought leader in operational due diligence with experience that includes overseeing the function at a leading global multi-manager organisation. She has designed, implemented and managed ODD programs for over 10 years. Today, she brings 25 years of experience in accounting, operations and due diligence to Bostwick Capital.

Michael Merrigan, Founder, Shadmoor Advisors

Prior to founding Shadmoor in March 2014, Michael Merrigan was a Managing Director at Gottex Fund Management, a fund of hedge funds with assets under management exceeding $5bn, and a member of Gottex's Investment Committee. As Global Head of Operational Due Diligence at Gottex, Michael led a team that conducted the operational due diligence on over 150 hedge funds.



William Jones, Co-Founder & Senior Partner, ManagementPlus Group

William Jones is the founder of ManagementPlus Group which provides directorship and management company services from Luxembourg, Cayman Islands, Singapore, New York and Geneva. William has 24 years' experience in the hedge fund industry and has held senior positions with Goldman Sachs Asset Management International and Bank of Bermuda/HSBC.

David Nissenbaum, Senior Partner, Schulte Roth & Zabel

David Nissenbaum is co-head of Schulte Roth & Zabel's Investment Management Group and a member of the firm's Executive Committee. David advises on fund structuring, fundraising, management company partnerships, compensation plans, succession plans, seed and strategic investments and spinoffs of investment teams. His work includes counseling clients on finding practical solutions to regulatory and compliance requirements, including the Volcker Rule, and managing conflicts of interest with an emphasis on reducing legal risk to the business.

Michael Ruggeri, Partner, PwC

Mike Ruggeri is a partner in PwC's Alternative Investment Funds practice who recently returned to the firm. While away from the firm, Mike was a Managing Director at Siguler Guff & Company, an approximately $11bn alternative asset manager, and served as the firm's Chief Financial Officer. Mike specialises in serving clients in the alternative investment industry where he has been the global engagement partner covering numerous multi-billion dollar hedge fund and private equity fund clients. Mike also provides audit, accounting and consulting services to a variety of clients within the asset management business and leads business development efforts focused on alternative asset management clients for PwC.

Maxine Alexis, Head of Dedicated Managed Account Structuring at HedgeMark Advisors LLC

Maxine oversees all matters relating to the structuring, legal documentation and regulatory support of institutional investor hedge fund managed accounts at HedgeMark, a subsidiary of BNY Mellon. Maxine has 18 years of experience in structuring hedge funds, having previously worked as a senior legal counsel at Deutsche Bank for 10 years and prior to that as an associated at Sidley Austin LLP.

Gary Berger, Partner, KPMG

Gary Berger is an audit partner at KPMG. Based in the Firm's New York office, he is extensively involved in the Firm's Financial Services practice and has over 25 years of experience serving domestic and offshore hedge funds, private equity funds and fund of funds. He provides advice on fund start up issues including organisational structure, economic and tax issues and general business consultation. Gary's recent experience includes serving as a senior vice president at a large global administrator. Gary is a frequent speaker at financial services conferences and seminars.

Ryan Rosen, Associate Director, PAAMCO

Ryan Rosen, CFA, is a member of the Portfolio Solutions Group, focusing on custom client portfolios and portfolio construction. He also focuses on research, due diligence, and risk monitoring across a number of PAAMCO hedge fund strategies, and he works on the development and implementation of new business initiatives for the firm. Prior to joining PAAMCO, Ryan was a supervisor in the research department at William O'Neil & Co.

David Meneret, Chief Investment Officer, Mill Hill Capital

Prior to establishing Mill Hill Capital in 2015 and launching the Mill Hill Credit Opportunities, David was a Senior Managing Director and Senior Portfolio Manager in charge of Securitized Debt and Corporate Financials Trading at Macquarie's Credit Nexus Fund from 2012 to 2015. He was Head of Securitized Debt Trading at Macquarie's Credit Principal Trading division from late 2008 to early 2012. Prior to this he was a senior trader on the Structured Products Proprietary Trading Desk at UBS.

Jack Seibald, Managing Director, Global Co-Head of Prime Brokerage, Cowen Prime Services

Jack Seibald has accumulated a broad range of experience in the investment business since joining the industry 34 years ago. After starting his career in investment research he became a partner in a boutique brokerage that offered trade execution and back office support services to institutional investors and hedge funds. He subsequently co-founded and operated an investment management firm that managed several long/short equity hedge funds and separately managed accounts for institutional investors, funds of funds, family offices, and high net worth individuals. In 2005 he and his partner returned all assets to investors and refocused their efforts on providing the prime brokerage offering. After growing that business under the Concept Capital brand for a decade, Cowen acquired it in 2015.

Sean Inggs, Fund Director, IMS

Sean Inggs is a resident in the Cayman Islands and is a qualified Attorney with a background in corporate and investment funds and holds the Accredited Director qualification. Sean is a Professional Director in the Cayman Islands registered pursuant to the Directors Registration and Licensing Law 2014 and serves as an independent director on a range of corporate boards including: investment fund structures; investment holding companies; operating companies and their subsidiaries; licensed investment manager companies; real estate investment companies.

Jorge Hendrickson, SVP, Head of Sales, Opus Fund Services

Jorge Hendrickson is based in the New York office. Prior to joining Opus in February 2013, he worked in Prime Brokerage Sales and Capital Introductions at Concept Capital Markets (now Cowen Prime Services) starting in 2010. From 2009-2010 Jorge worked at Bay Head Capital allocating seed capital, managed accounts and infrastructure services to launch managers. Prior to this, he also held a variety of operational, trading and marketing roles at Intrepid Capital Management and Bridgewater Associates.

Yohan Kim, President & COO, RFA

Yohan Kim is an IT veteran with more than 15 years of experience working in the financial industry. As RFA's President and COO, Yohan ensures that the vision of the firm is supported with a proper foundation of controls, strategy, and efficiency. Prior to his current role, he served as the Systems Engineer for several top hedge funds and managed Systems Engineering and Service Desk teams.

Christopher Riccardi, Partner, Seward & Kissel

Christopher Riccardi joined Seward & Kissel in 2000 and has been a partner in the Investment Management Group since 2010. Christopher works with sponsors and managers of various private investment funds and other pooled investment vehicles, including private equity funds, hedge funds, funds of funds, commodity pools, and various hybrid funds. In particular, Christopher focuses on fund formation and structuring, the offering of interests by private investment funds, and the negotiation and documentation of such investments.

Thomas Walek, Founder & Managing Partner, Peaks Strategies

Thomas Walek is an award-winning pioneer in financial and capital markets communications and founded Walek & Associates in 1998. Tom began his career as a financial journalist covering the global development and expansion of derivatives and capital markets from the trading floors of the Chicago Mercantile Exchange.

Tom is a member of The National Press Club in Washington, DC, the Alternative Investment Management Association (AIMA) and the University of Colorado College of Media, Communications and Information Advisory Board. He served on AIMA's Communications and Global Communications committees from 2006-2014. He served on the Managed Funds Association Communications Advisory Forum.

Eli Combs, Founder, Axis Global Advisory

Eli Combs has over 20 years' experience in the investment management business. Prior to founding Axis, Eli was a founding partner of MeehanCombs where he sourced and closed all of the investment capital as the President, COO and CCO. He was also a member of the Investment Committee and the only internal board member. Prior to this, Eli was a founding member of Alden Global Capital.

Scott Froehlich, Head of Hedge Fund Origination, Eaton Partners

Scott Froehlich leads Eaton's Public Markets Origination effort where he focuses on sourcing, building and strengthening Eaton's relationships with top Hedge Fund and Long Only managers. He has 20 years of financial services experience, 8 of which have been spent directly allocating to hedge funds and marketing single strategy hedge fund products.

Kyle Dunn, Founder, Meyler Capital

In forming Meyler Capital, Kyle Dunn set out to change how asset managers, companies and individuals think about marketing, and how placement agents perceive the process. Prior to founding Meyler Capital, Kyle acted as the Director of Business Development for Playground, the EVP of Sotheby's International Realty Canada, the EVP of Blueprint Global Marketing, and the VP of Investor Relations for Second City Capital.

James Williams, Managing Editor, GFM

James joined GFM in 2010 where he reports on key developments spanning fund performance and strategy, legal and regulatory issues, technology and risk management. In addition, James has contributed articles on the hedge fund industry to the *FT*, *Dow Jones Financial News* and *Citywire Global* as well as writing white papers for SEI and Misys on technology and operational developments.

Meghan McAlpine, Director of Strategy & Product Marketing, Intralinks

Meghan McAlpine is responsible for the go-to-market strategy and driving the growth of Intralinks' Alternative Investments solution. Prior to joining Intralinks, Meghan worked in the Private Fund Group at Credit Suisse. While at Credit Suisse, she raised capital from institutional and high net worth investors for domestic and international private equity firms.