

Allenbridge HedgeInfo

Leading independent alternative investment consultancy



BEST HEDGE FUND INVESTMENT ADVISORY FIRM 2010

**Institutional
Investor**

FINALIST HEDGE FUND CONSULTANT OF THE YEAR 2010

Authorised & Regulated by the FSA

Member of NAPF

Member of AIMA

Allenbridge
HEDGEINFO

Allenbridge Group Plc

A brief history of Allenbridge Group Plc

- **1984:** Established by Anthony Yadgaroff to provide independent research on fund managers and portfolio advice to clients
- **1989:** Allenbridge started advising and investing money in hedge funds
- **2000:** Allenbridge HedgeInfo established first Hedge Fund Ratings Agency focusing on Hedge Funds and Funds of Hedge Funds, and to provide independent & conflict free research on alternative investments.

Today

- 5 business activities: **HedgeInfo**, **Allenbridge EPIC** (Institutional Advisory & Governance), **Discretionary Wealth Management** (small multi-strategy FoF with UK Unit Trusts & UCITS Hedge Funds), **Tax Shelter** (VCTs, EISs and tax relief products) and **Retail** (ISAs and Personal Investments in UK Regulated Funds)
- Covering a wide range of financial customers, from small and large retail clients up through the HNW market, and institutional & banking investors. Common thread across all business activities: high quality research & advice

Hedge Info Team

- | | |
|---|---|
| – Chairman: | Ian Morley (Founder of AIMA) |
| – Director of Research & Senior Consultant: | Alex Pigault (Member of AIMA Research Committee) |
| – Analysts & Junior Consultants: | Ketan Thakrar, Sunil Kumar |
| – Junior Analysts: | Marisol Hernandez, Ryan Ward |
| – External Senior Consultants: | 1x Operational Due Diligence, 2x Investment Due Diligence |

HedgeInfo Clients: institutional investors, private banks and family offices.

Allenbridge Group Senior Team

Anthony Yadgaroff MSI

Allenbridge Group Managing Director

Anthony is Group Managing Director of Allenbridge Group. Anthony began his career in the City in 1966, as an investment analyst. He cut his teeth assessing financial markets for Far Eastern clients, and developed an early interest in hedge funds. He founded Allenbridge in 1984, to provide independent research and performance analysis on investment managers to high net worth clients and institutions. From these beginnings also emerged a tax-shelter business specialising in research on VCTs and EIS funds, and, later the HedgeInfo subsidiary, providing a respected rating and consultancy service on hedge funds. He is a non-executive director of Anglo-Pacific Plc and serves on the boards of several charities and non-profit organizations.

Alan Saunders, MA (Cantab)

Allenbridge Group Chairman of the Investment Committee & Economist

Alan Saunders graduated from Cambridge University with a double first in Economics in 1970. During his 30 year career in financial markets and international industry he has been a stockbroker and partner at Simon and Coates, Chief Economist for Royal Dutch Shell, Investment Director for Lazards and Deputy to the Chief Executive and overall Head of Discretionary and Advisory Investment Management of UBS Private independent adviser to Dorset County Council pension fund and chairs the Investment Committee of Hays Group plc Bank in London. He is also an independent trustee of the ICL Fujitsu pension fund. Outside the world of pension funds, he is the Senior Investment Director of the JP Morgan Emerging Markets Investment Trust and sits on the Client Board of ING Real Estate Asset Management.

Allenbridge HedgeInfo Team

Ian Morley MSI

Chairman, Allenbridge HedgeInfo

Ian Morley was the founding Chairman of The Alternative Investment Management Association (AIMA). He was formerly Director of Olympia Capital Management (UK) and Head of Derivatives and Quantitative Fund Management at AIB Govett, Managing Director of Rudolf Wolff Fund Management, and European Director of Managed Futures at Lehman Brothers. He works closely with trade and regulatory organisations and has on managed derivatives and Hedge Fund industry. An economics graduate of the LSE, Ian has also published numerous articles, and has lectured throughout the world.

Alexandre Pigault

Director of Research, Allenbridge HedgeInfo

Alexandre Pigault has over 14 years experience in Alternative Investments and is an experienced consultant in qualitative manager research & due diligence, quantitative analysis and portfolio asset allocation. Alexandre headed the Alternative Assets Research at Kleinwort Benson, focusing on funds of hedge funds, private equity funds, and niche alternative investments. Previously, Alexandre worked at Blue Oak Capital (a fund of hedge funds), as Head of Research and Asset Allocation, and Barclays Private Bank as Head of Quantitative Research. Alexandre started his career in 1996 at Paribas Asset Management's first fund of hedge fund team, as a Quantitative Analyst. Alexandre has a Master's Degree in Computer Sciences.

Ketan Thakrar, MSc

Hedge Fund Analyst

Ketan Thakrar gained a first in Economics before going on to complete his Masters in Finance and Economics at the London School of Economics. Ketan trained as a Chartered Accountant before joining Allenbridge as a Fund Research Analyst and specialises in Econometrics and Regression Analysis. He is a member of the UK Society of Investment Professionals and holds the Investment Management Certificate.

Sunil Kumar, MBA

Hedge Fund Analyst

Sunil Kumar joined Allenbridge HedgeInfo in 2002 as a hedge fund analyst. Sunil is primarily responsible for maintaining the proprietary hedge fund database and for performing due diligence on hedge funds and funds of hedge funds. With over seven years experience of performing research on hedge funds, Sunil has developed a broad and deep knowledge of the industry. Sunil earned an MBA (Finance) from the Webster University, London campus (Regent's College) in 2003 and a Bachelor of Commerce (B.Com) in 1996 from Guru Nanak Dev University, India.

Marisol Hernandez, MSc

Junior Analyst

Ryan Ward

Junior Analyst

Our Attributes

Our people demonstrate a rare combination of characteristics

Experienced

- Over 20 years experience at providing independent & unbiased hedge fund research, as well as due diligence, asset allocation & corporate consultancy services.
- Senior Consultants have at least 10 years experience in research, due diligence, asset allocation & risk management.
- We have a unique & extensive network of industry specialists.

Strongly Risk Averse

- We analyse & understand all the forms of risk: investments (markets, exposures, concentration, style drift), people (ethics, skills, & motivations), structural (terms, leverage, liquidity), operational (processes, contingency, systems), and legal (jurisdiction, conflicts of interest).
- There is no business nor investment without risk. It is all about capital & reputation preservation, and how risks are analysed, understood, managed or systematically monitored.

Sophisticated & Analytical

- We are inquisitive & do not assume anything: we cross check facts and consider the past holds some information about people and their future behaviour.
- We use the most sophisticated & detailed research techniques, such as psychological profiling or non-traditional quantitative style analysis techniques.
- We are both very qualitative and very quantitative.

Conflict Free & Flexible

- 10 years reputation at providing independent & unbiased hedge fund research, as well as due diligence, asset allocation & corporate consultancy services.
- We do not market funds, nor get paid by them for promoting to clients.
- We adapt to our industry and to our clients: no “one fits all “ approach.

Our Services

Advisory & Consultancy

- Governance / 2nd Opinion / 3rd party assessment: business, team, investment & risk management processes, portfolios of funds, etc
- Client Risk Profiling, Portfolio Asset Allocation & Risk Budgeting
- Fund Research & Selection
- Solutions Implementation: Commingled Products (incl. UCITS) , Managed Accounts

Due Diligence & Monitoring

- Investment Due Diligence
- Operational & Legal Due Diligence
- Periodic Monitoring & Reporting

Quantitative Analysis

- In-depth Top-Down & Bottom-Up Style Analysis (Selection, Allocation, Risk Management & Hedging Skills)
- Peer Group Analysis
- Portfolio Analysis, Simulation, & Stress Test

Public Ratings & Awards

- Hedge Funds & Funds of Hedge Funds Ratings
- Media & Publications
- Hedge Fund Awards

FINANCIAL NEWS

HEDGE FUNDS
REVIEW

EUROPEAN
HFM WEEK
awards

MAR HEDGE

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Our Universe

Funds of Hedge Funds

- Focus on UK-based, Europe-based, Specialists Strategies, but also some US and Global-based Funds of Hedge Funds.
- While Diversified FoHFs are enhanced (alpha) HF index plays, the specialists FoHFs can bring real value diversification to investors portfolios

UCITS / Managed Accounts

- Both Absolute Return and Hedge Fund strategies. Can be compared on an investment & structural basis versus the offshore fund version of the strategy.
- Only some UCITS funds carry acceptable risks for investors and are truly liquid at low tracking error.

Offshore Hedge Funds

Mostly “specialist” & “value-adding” offshore strategies that deliver alpha & diversification:

- by style: Macro, CTA/Systematic, Arbitrage, Market Neutral, Small Cap , Activist, etc.
- by assets: commodities, FX, derivatives, specialist credits [micro, RMBS/CMBS, CLOs/CDOs], direct lending, energy/shipping contracts, litigation cases, real assets, etc.
- by region: Asia, China, India, Japan, Latin America, Africa, Eastern Europe, Canada, etc.

Investible Indices & Replicators

- Both broad indices and specialist HF indices, these invest in dynamic portfolios of liquid fund managers or instruments that are representative of, or that “replicate” hedge fund investment styles.
- More or less diversified, they are alternative liquid means to have an exposure to Hedge Funds.

Private Equity

- Both Funds and Funds of Funds, in particular specialist strategies.
- Strong focus on value investments.

What is a good fund manager

The perfect fund manager does not exist: there is always a form of risk to monitor

Robust Structure

- An outperforming track which reflects the strategy
- An appropriate fund structure, fees & liquidity terms
- Quality 3rd party providers
- An efficient, fair and transparent valuation process

Robust Business

- Clean business history and key individuals (backgrounds & self-investment)
- Relevance of experience and efficiency of the team organisation
- Robust Infrastructure & appropriate IT Systems
- Solvable & sustainable accounts
- Stable & diversified client base

Appropriate Process

- Appropriate investment and portfolio management process
- Appropriate risk management approach & controls (including use of leverage)
- Robust operational infrastructure
- Full transparency

Right Team & Minds

- Experienced, stable, hard working, & humble about past mistakes
- Ethical, innovative & willing to add-value to the industry
- Focused on what they do well

We don't like

- Un-justified illiquidity, misleading reporting, and "bones under the carpet"
- Greed, over-confidence or complacency
- Dubious ethics, conflicts of interest, or lack of transparency

Disclosures & Policies

Risk Warnings

Past performance is not necessarily indicative of future results, and should not therefore form the basis of a decision whether or not to purchase investments or financial instruments or to participate in any particular trading strategy ("Investment") mentioned herein.

The nature of the any investments mentioned herein involves certain risks and may involve investment techniques (such as leverage) which may carry additional risks. There can be no assurance that the investment objective will be achieved and investment results may vary substantially over time. An investment therefore carries substantial risk and is suitable only for persons who can assume the risk of losing their entire investment. Prospective investors should consider, among others, the following factors:

- The Investment is speculative and involves a high degree of risk
- An investor could lose all or a substantial amount of his or her investment
- There may be no secondary market for the investments
- There may be restrictions on transferring investments
- The investment may be leveraged
- The Investment performance may be volatile
- The Investment has fees and expenses that will reduce returns
- Investors should refer to the Fund Prospectus or the Investment Manager for a more complete set of factors

Important Notes

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Allenbridge Wealth Management clients and/or Allenbridge staff may be invested in investments mentioned herein.

Ratings have been commissioned by the Fund Manager and reflects the results of the Allenbridge HedgeInfo due diligence process.

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**Institutional
Investor**

NOMINATED AS HEDGE FUND CONSULTANT OF THE
YEAR 2010