

Alternative Investment Services

Expert management of hedge funds' administrative needs

Count on Citi for industry-leading administrative services for hedge funds, funds of funds, derivative-based

portfolios and other alternative investment vehicles. We provide integrated onshore and offshore teams and services for a variety of registered and unregistered fund structures to support multiple jurisdictions – freeing you to focus on your core businesses: investment management and distribution.

Accurate, timely services

With Citi® hedge fund services, you receive consistent, accurate, and timely services integral to the successful operation of your funds. We offer professional management of operational and administrative activities in a single, coordinated package. We also support all fund requirements and provide fully integrated services to funds domiciled in all major jurisdictions.

A comprehensive offering

With more than 20 years of experience, we are uniquely suited to service a full spectrum of fund structures, including master-feeder arrangements and investment styles, including fund of funds, single and multi-strategy funds, from our main service centers in Bermuda, Canada, the U.S., Singapore, Ireland, Cayman Islands and Hong Kong.

Portfolio accounting

We provide independent portfolio accounting and valuation, including:

- Capturing daily trade and holdings data via automated interfaces
- Maintaining tax lot detail
- Reconciling holdings and valuations across data sources
- Accruing income
- Processing corporate actions

- Applying third-party vendor pricing
- Obtaining pricing of non-quoted portfolio holdings, including f/x, credit, interest-rate, and equity derivatives
- Calculating portfolio NAV

General ledger accounting and investor services

Our experience in multiple incentive fee calculations and methodologies enables us to provide a flexible service that offers either standardized or customized reporting. Among our capabilities are:

- Capturing banking data and booking and reconciling cash movements
- Downloading and reconciling all trading activities on a daily basis
- Booking capital transactions
- Calculating management and incentive fees
- Managing and adjusting expense accruals
- Capturing and tracking investors' subscriptions, redemptions, and holdings
- Delivering fund-level reports via our secure Web reporting platform.

Benefits at a Glance

- Support for multiple jurisdictions, strategies, and structures, including master-feeder, funds of funds
- Industry leading technology architecture
- Support for daily, weekly or monthly NAVs
- Independent valuation of equity, fixed income, f/x, credit, interest-rate derivatives, bank debt, and other complex securities using best-of-breed third-party pricing vendors and sources
- Robust Internet reporting tools for managers and investors
- Complete investor servicing, to support investor demands for data reporting and transparency
- Safekeeping of corporate records
- Downloadable and customized reports
- Secure electronic environments

Statements and reports

Our reporting helps you satisfy investor demands for data and transparency. We provide statements for investors and deliver them through their preferred delivery method including the Internet (CitiDirect™), fax or mail. We draft complete financial statements in accordance with all requirements of fund auditors.

Trade order management

Developed for hedge funds of any size, OpenPrimesm, our open architecture trade order management solutions, provides secure end-to-end capabilities – including trading, order and portfolio management and accounting, powered by Linedata's Beauchamp, the premier provider of front-to-back portfolio management technology.

Custody for fund of funds

- Execute subscriptions and redemptions into the underlying fund of funds
- Obtain most recent valuations of hedge fund assets
- Report settlement confirmations and position holdings
- Process corresponding subscription and redemption wire transfers
- Automate manager instructions on subscription and redemptions into underlying hedge funds through CitiConnect™

Tax accounting

We have a dedicated professional tax team with extensive experience in servicing U.S. partnerships. We track and allocate income and expenses by tax characteristic. We also identify, analyze and calculate book-to-tax differences, and prepare forms for multi-jurisdiction tax treatments. Additional tax services include K-1S and PFIC reporting for U.S. taxable investors in offshore funds as well as 5500 reporting for ERISA funds.

Corporate secretarial services

Working with local regulatory bodies to expedite processes, our staff ensures accurate safekeeping of corporate records. We:

- Maintain corporate records and directors, officers and shareholders registers
- Prepare and file annual declaration and government fees
- Safekeep original contracts, agreements, board minutes, etc.
- Prepare and circulate notices, agenda and other board materials
- Attend director's and shareholders' meetings and prepare minutes

Other administrative services

Among the other administrative services we offer are:

- Receive invoices and other payments of expenses
- Full cash management services including sweep vehicles and short-term investments
- Facilitate your company listing on the BSX or ISE
- Assist in fund set-up and legal document review

The strength of Citi

By entrusting your funds' administration to Citi hedge fund services, one of your primary advantages is the power of Citi. We bring together Citi's global product resources to service a broad range of hedge fund requirements, including prime brokerage, custody, cash, loan facilities, and related product areas. These resources enable us to deliver uniformly integrated services when your needs span multiple markets.

For more information about Citi's hedge fund services, please contact Relationship Management or visit our Web site at www.transactionservices.citigroup.com

Global Transaction Services
www.transactionservices.citigroup.com

Trade Order Management services are provided by Citi Global Capital Markets. All other services are provided by Citi Global Transaction Services.

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