



## Hedge Fund Tune-up

**Don't stall when you try to hit the gas**

**"What have we got?"**

At start-up things are stressful and there is pressure to get going and take investor money in. Things then settle into a pattern, the fund performance progresses and thoughts turn to **growing the investor base**. Now it's time to ask the question "What have we got?" to ensure that the product that you are going to market with is fit for purpose. Ever more demanding potential investors look for a manager to demonstrate their true understanding of their **fund offering, operating model and governance model** in addition to their ability to deliver superior returns.

**The Tune-up is aimed at reducing the gap between investor expectations and the actual fund "management"**

### Draycliffe Tune-up

#### **Validating the fund offering:**

After "signing on the dotted line" to get their fund up-and-running, few managers step back and assess if their product is fit for purpose...until it is too late. Two-years in, looking to raise institutional money, they find out that their offering has fundamental weaknesses that institutional due diligence teams identify and the opportunity with that investor is lost.

The first stage of the Tune-Up is to produce a gap analysis to highlight weaknesses that need to be resolved both within and between the numerous offering and legal documents that together form the fund product.

#### **Validating the operating model:**

Once the fund offering is refined it is time to check if the manager is delivering on all the obligations that are embedded within the numerous product documents. With deep fund structure knowledge, third-party services insight, top institutional investor presentation experience, fund director and governance background and senior operational management expertise, Draycliffe can undertake an effective end-to-end review to produce a second gap analysis between the current state and investor expectations/legal obligations:

### Meaningful Deliverables

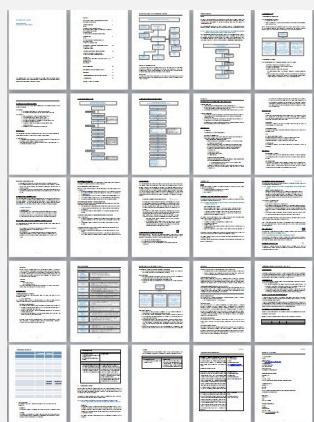
#### **Gap analyses**

Clear presentation of all findings with recommended remedial action plans. Complete hands-on support to put the plans into action.

#### **Company Manual – Organisation, Process and Risk**

The creation of a user-friendly "Company Manual" that can be given to prospective investors documenting all structural relationships, outline processes, the governance model and risk control overview.

**The manual fits between the "pitch book" and the due diligence questionnaire. It is designed to be an accessible reference document, demonstrating that the Fund Manager maintains a "joined-up", insightful and respectful control over the operations of its funds business on behalf of its investors.**



One-size does not fit all so please contact Draycliffe to discuss your circumstances and aspirations. Draycliffe can also work in tandem with your marketing initiatives to assist in the preparation of coordinated and informed materials to present to prospective investors.