



**FOR IMMEDIATE RELEASE**

## **Viteos Delivers SEC Form PF Solution to Hedge Funds**

*Regulatory Mandate Now Part of Next Generation Advanced Offering*

**(New York and London: September 14, 2011):** Building on its already robust product suite, today Viteos, a leading global hedge fund service provider, announced an expansion in services to assist clients with U.S. SEC Form PF reporting requirements. Viteos is offering its solution to Fund Administration and Shadow Accounting clients, as well as to middle office clients to whom it delivers outsourced operations.

Form PF imposes new and significant operational and reporting burdens on registered fund managers. Depending upon fund size, Form PF filings are due either fifteen days after the end of each quarter or on an annual basis. In the current draft, the SEC estimates that Large Private Fund Advisors that are Hedge Funds firms will require approximately 75 hours to prepare the initial filing. This is likely understated considering the amount of data that must be delivered in aggregate and in a manner not typically tracked by organizations.

The Viteos solution, built on its advanced technology platform, works to solve the complex problems associated with both preparing for the initial report and for the ongoing filings.

Said Shankar Iyer, Viteos CEO: "We believe very few fund administrators have either the flexibility or complete data set to meet the requirements of the filing. As a next generation fund administrator, we are in a unique position to provide clients comfort around the availability and integrity of data. For a manager there is no 'off the shelf' solution and it's concerning how few managers who qualify are preparing for the January filing."

Chitra Baskar, Viteos COO, adds: "Overall, we feel that the alternative investment industry has been slow in waking up to Form PF and its requirements. The filing requires a whole host of information including among other data: Performance Attribution; Position Information; Exposures; Leverage; and Counterparty and Collateral exposures to AUM, NAV and Investor Level performance information. Given the specific data requirements, investment managers may even need to restructure the way they collect and maintain their data. Our end-to-end service model combined with a smart and robust technology platform and qualified resources allows Viteos to provide structured, accurate, and timely reporting for Form PF."

Viteos has invested significantly in building technology and assembling a platform that can accommodate market structure changes and regulatory requirements globally. Currently, Viteos is well equipped to provide clients with everything they need to meet the tight deadlines involved.

Given the deadlines for filing, managers will rely heavily on their fund administrator to deliver on time, accurate information. Each data element can possibly derail the process. For example, late NAVs will have more dire consequences if a manager cannot submit on time. As Viteos' platform provides daily processing and does not rely on spreadsheets for calculation, it has, since inception, delivered daily, weekly, and monthly reports to clients with no exceptions. This capability will have increasing importance in the new regulatory reporting environment.

Managers who feel they do not qualify for the quarterly reporting should note that qualifying AUM includes leverage and that the threshold applies to 'as of close of any business day' in a quarter, not the end of the quarter. This is across all funds, including all managed accounts. The challenge will be further exasperated in situations where different funds are administered by more than one administrator or Managed Accounts are not supported by an administrator.

"Consequences of error are significant and these are some of the issues that a manager needs to address today," adds Venkat Srinivasan, Head of Fund Accounting, "Even with the requirements in draft, preparedness is absolutely critical."

Some of the specific areas managers need to consider in the Form PF environment are:

- Volume of additional attributes they need to track
- Normalization in the way these attributes are classified by the report (vs. each individual business)
- Industry default classifications may not apply
- Mapping of attributes can be 'many to one'
- Managers with strategy based bifurcations will now be required to do extensive reporting on such strategies
- Collateral and counterparty exposure reporting requirements
- Affiliation between beneficial owners will need to be tracked

Said Mr. Iyer: "Given the complexity and myriad problems managers will now deal with, our approach frees them to focus on their core business – investing – secure in the knowledge that this operational concern, as with all of the operational concerns we address on their behalf, has been dealt with and it will quickly become a routine matter."

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## **About Viteos Fund Services**

VITEOS is the one, bespoke solution to outsourcing and fund administration services for hedge funds. Offering a full suite of services encompassing: middle and back office outsourcing; operational support; fund administration; software implementation and other consultative services. VITEOS' strength is in its progressive, consultative approach, creating customized solutions tailored to the needs of our clients.

VITEOS is the one service provider applying best thinking to best practices, with a singular platform designed to deliver daily post trade processing and real time reporting to our clients. VITEOS is changing the way fund managers rely on their administrator for operational support and reporting to investors.

### **For additional information, contact**

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