

HEDGE FUNDS

DENISE DEPAOLA, FUNDADMINISTRATION INC.

First, can you give us some back ground on Fundadministration (FA) – how it developed into the company it is today?

FA was founded in 1999 as a boutique administration firm. I joined the company in 2005, however, I've spent the last 3 years re-branding the company, implementing state of the art technology and focusing on helping my clients grow their businesses.

Why did you choose to merge your firm with MAI?

I have been approached by several companies in relation to potential deals but I turned every one of those offers down. When I met Byram Johnston, the CEO of MAI, there was something that felt very different. I felt like I was talking to myself - in a male version and on the other side of the world. There were so many synergies, like-mindedness and parallels to the way we run our respective businesses. He puts his clients and his employees above all else and that is what I do too.

What was the strategy behind the merger?

There were several strategic initiatives behind the merger. There are so many benefits we now have as a publicly held company that allows us to provide even more value to our clients. We have offices around the world and hold licenses in several jurisdictions. We have larger insurance policies, bigger backing, more stability and opportunity for growth. As a public company on the ASX, clients and investors can have complete visibility into the company and its operations. Our clients' institutional investors can simply "check the box" when performing due diligence on us. MAI and FA even use the same technology to provide hedge fund administration to our clients.

What makes this merger different than others?

The most important aspect for me was that nothing would drastically change for my clients and my team. It was imperative that we maintain our identity, my team's employment wouldn't be at risk and, I could continue to run the company as I have in the past, emphasizing client service and value. I have heard of several mergers that resulted

in unhappy clients and staff. My goal was to make sure everyone involved would benefit from this transaction. In fact, I asked my staff for their approval before committing to the deal.

What differentiates FA from competitors?

I don't see any real competition in our space. There isn't a firm that I know of that can compete with the quality of my staff and the service my clients receive. We go out of our way to partner with our clients as if their business was our own. I am always looking for ways to help clients save money, raise assets, make introductions, and invite them to seminars and events we sponsor. I keep my clients informed on regulations and trends in the industry and/or something specific to their particular asset class. It doesn't start or end with cutting an NAV. We become trusted advisors and friends with our clients.

What contribution has FA made to the hedge fund industry?

FA has spent 17 years exceeding our clients' expectations and providing additional value wherever possible. There are many firms that take advantage of hedge fund managers by ripping them off and providing the absolute minimum services, making promises they don't keep, changing teams constantly and not being responsive to their every need. The success of my team and our business is based on strong values, which we have in common with MAI. This is the reason why we make such a great team.

If you could offer a golden nugget to the readers, what would you want them to know?

Changing administrators does not have to be a nightmare. If you choose the right company, the work will be done for you at no cost or in some cases with significant savings. Your investors will thank you for being proactive in making the change to provide them a better experience. If you want to find out if changing administrators is right for you, I will take calls now through December 15 and guarantee to get your fund transitioned seamlessly to our platform as of Jan 1, 2017.



Denise DePaola is the CEO of Fundadministration, who recently merged her firm with MainstreamBPO, Ltd. (MAI). Denise oversees operations in North America and the Caribbean and here she talks about the recent merger.



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