

## Theta Capital expands individual account offering and ceases fund of funds management

Theta Capital Management, the hedge fund investment boutique, announces that it will cease to manage publicly offered fund of hedge funds. In a strategic reorientation it will focus on managing individual, customized portfolios of hedge funds for large investors. To this aim, Theta has come to an arrangement with Banque Privée Edmond de Rothschild (BPER) from Geneva to gain access to its extensive fund-selection and research platform. Investors in the current Theta funds-of-funds are offered the opportunity to transfer their holdings into a selection of the Prifund Alpha Funds managed by BPER. This way, improved liquidity and economies of scale are achieved for these investors now and safeguarded in the future.

Theta Capital's Tjeerd de Vries "While currently our funds still have sufficient scale, investors have become increasingly wary of the size of the funds. Participants in fund-of-funds, mainly retail investors, are looking for more liquidity by preferring big, multibillion dollar funds. This and the regulatory changes in the way hedge funds can be distributed to individual clients have caused us to take this step. By pro-actively changing our business with the changes in the industry, we believe we act timely and in the best interest of investors in our funds."

Theta sees increasing demand from sophisticated investors for individual hedge fund solutions in order to have full control over their holdings and to express their preferences of investment horizon, risk profile and reporting. Theta has been offering customized solutions for over 10 years, and has decided that going forward it will fully concentrate on and expand these activities.

Theta Capital's Ruud Smets: "The cooperation with Edmond de Rothschild will provide us with the necessary scale in hedge fund due diligence and access to a broad universe of hedge funds. On this basis we can focus on our core competence of customizing separate accounts for investors, offering a more tailored approach to specific risk and return objectives, taking into account the economic outlook, asset allocation preferences, risk appetite and other investment parameters. We believe we can offer a unique service to investors by combining the scale and hedge fund relationships of Banque Privée Edmond de Rothschild with the individual, tailor-made approach of Theta Capital."

BPER is one of the most reputable participants in the hedge fund industry, a pioneer in the fund of hedge funds business, being the first to apply the strategy in 1969. Today, BPER is one of the leaders in the industry with over \$11 billion invested in over 200 hedge funds and the manager of some of the most successful fund-of-funds on offer. By working with such a leader in manager selection and due diligence, Theta believes it will strengthen its position as a leading independent party in the Netherlands to provide hedge fund solutions to large investors.