



C O N F L U E N C E

**FOR IMMEDIATE RELEASE**

**Media Contact:**

Robert Minicucci, Warner Communications, 603-488-5856, [robert@warnerpr.com](mailto:robert@warnerpr.com)

**Confluence Whitepaper Outlines Hedge Fund  
Reporting and Control Challenges**

**Regulatory and Investor Forces Creating A “Perfect Storm”**

**(Pittsburgh, PA – June 11, 2009)** Confluence, the global investment management industry’s leading provider of automated data management solutions, today announced a new whitepaper for hedge fund administration executives. Entitled “Hedge Fund Reporting: The Change Imperative,” the new whitepaper discusses why hedge fund administration stands on the forefront of radical change and outlines the forces that are driving it.

“Mandates from investors, regulators, and auditors are driving significant change in hedge fund back offices,” said Kirk Botula, Executive Vice President and Chief Operating Officer of Confluence. “Each group is demanding new levels of due diligence, transparency, and disclosure that are driving never-before-seen hedge fund reporting requirements. Technology and automation can improve processes and offer the speed, control and flexibility needed in this new reporting environment.”

A recent Rothstein Kass survey showed that 98 percent of hedge fund managers expect increased regulation of the hedge fund industry by the new administration—adding to burdens already imposed by FAS 157, FAS 161, and International Financial Reporting Standards. Indeed, the new administration has proposed additional regulations affecting hedge funds.

Along with regulatory mandates, investors are demanding holdings transparency, while auditors want greater control over reporting processes. And, asset managers are requiring that back-office staff and service providers demonstrate they have controls in place to manage new reporting demands – all while eliminating risks of errors, reducing costs, increasing scalability, and elevating service levels.

The whitepaper also provides practical advice to help ensure that reporting processes are sufficient to meet these heightened demands. It offers best-practice recommendations and includes a “Sample Checklist” to help administrators evaluate their operations, whether they rely on outside service providers or their own internal back offices.

To obtain a free copy of “Hedge Fund Reporting: The Change Imperative,” please visit [www.confluence.com/hedgefundradicalchange](http://www.confluence.com/hedgefundradicalchange).

## **About Confluence**

Founded in 1991, Confluence is a global leader in fund administration automation. Confluence helps investment management companies gain unprecedented control by automating every step of the fund administration process—including the collection, creation, confirmation, and delivery of investment product data. Results are lower costs, reduced risk, decreased reporting turnaround times, and the scalability to automate more processes without additional resources. Confluence solutions are used by 40 percent of the leading global investment managers, and more than 60 percent of US mutual funds. The Unity™ platform from Confluence addresses a wide range of problems from performance measurement to customized reporting for a full array of domestic and international managed investment products, including mutual funds, funds of funds, collective funds, separate accounts, and variable products, as well as hedge funds and other alternative investments. Major fund companies such as the Principal Financial Group®, T. Rowe Price, and Russell Investments; and service providers such as The Bank of New York rely on Confluence. Headquartered in Pittsburgh, PA, Confluence serves the international fund industry with key locations in London and Luxembourg. For more information, visit [www.confluence.com](http://www.confluence.com) or e-mail [info@confluence.com](mailto:info@confluence.com).

# # #