May 4, 2010

# FINANCIAL TECHNOLOGY PARTNERS LP FTP SECURITIES LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to



in its strategic alliance with



Financial Technology Partners

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Focused Exclusively on Financial Technology
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### CITCO

# **OpHedge Enters into Strategic Alliance with Citco**

FT Partners Advises on OpHedge's Strategic Alliance with Citco Fund Services

#### **Transaction Overview and Rationale**

#### Overview

- On May 4, 2010, OpHedge Investment Services ("OpHedge") announced it has entered into a strategic alliance with Citco Fund Services ("Citco")
- OpHedge is a full-service fund administrator to some of the largest hedge funds in the world with over \$38 billion in assets under administration ("AUA") and is known for its tailored middle and back office solutions that provide complex hedge funds a complete consultative service
- OpHedge is owned by two leading industry participants, Soros Fund Management LLC and Platinum Grove Operations Holdings, L.P.
- Citco Fund Services is a leading global full service hedge fund administrator with \$550 billion in AUA and is a subsidiary of The Citco Group, a worldwide group of independent financial service providers, comprised of international banks, trust and fund services companies

#### Significance of Strategic Transaction

- Mutually beneficial partnership that allows the combined business to leverage both OpHedge's and Citco's best-of-breed capabilities to enhance the service offering to their existing and new clients
- OpHedge's current locations in Rye Brook, NY and Shanghai will add further capacity to Citco's existing 18 fund administration locations worldwide

#### FT Partners' Role

- FT Partners teamed with OpHedge to identify and explore multiple strategic alternatives for the company
- FT Partners served as exclusive strategic and financial advisor to OpHedge and its Board of Directors

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# **Key Company Information**

#### **OpHedge Investment Services**

Founded: 2005

Headquarters: Rye Brook, NY

Additional Offices: Shanghai, China, Cayman

Islands

Employees: ~200

#### **The Citco Group**

Founded: 1939

**Headquarters:** Amsterdam, Netherlands **Additional Offices:** Offices are located in over 37

countries with 18 fund administration locations

worldwide

Employees: 4,000+

#### **Business Description:**

- OpHedge is the 19th largest hedge fund administrator globally, and the 7th largest independent fund administrator<sup>(1)</sup>
- OpHedge processes highly complex financial products across multiple asset classes and currencies with services that encompass the entire transaction life cycle
  - Services include trade capture and processing, corporate actions, settlements, collateral management, reconciliation, valuation, and daily, weekly and monthly profit and loss and net asset value
- OpHedge also offers comprehensive middle office services including lifecycle management of OTC products, daily NAV production, daily P&L attribution by portfolio, strategy and position, independent enforcement of individual client's pricing and valuation policy, and complete collateral management capabilities
- The Company's fund administration offering includes innovative operational risk management services to meet the demands of investors and regulators, including real-time monitoring of metrics and task completion
- OpHedge also offers support for tax and financial statement preparation and is known for expertise handling bank loan and distressed debt instruments

#### **Business Description:**

- The Citco Group provides niche financial services in hedge fund administration, custody and fund trading financial products, and corporate and fiduciary solutions
- Citco's customers include hedge funds, private equity and real estate firms, institutional banks, Global 1000 companies and high net worth individuals
- Citco operates in five segments: Banking, Corporate and Trust, Financial Products, Fund Services and Transparency Platform
- Citco Fund Services is the world's largest full-service hedge fund administrator with \$550 billion in AUA
  - Offers a full range of fund administration services to hedge funds, funds of hedge funds, private equity funds and real estate investment funds
- Citco's fund administration services include fund accounting and net asset value calculations, investor relations services, antimoney laundering compliance, corporate & legal services, and various other ad-hoc services such as tax reporting and financial statement preparation



### CITCO

# **OpHedge Enters into Strategic Alliance with Citco**

# Fund Administration and Related Transactions – 2002 to Present

Date	Acquirer / Investor	Target	Enterprise Value (\$ in mm)
May-10	Credit Suisse	Fortis Prime Fund Solutions (PFS)	NA
Feb-10	Bank of New York Mellon	PNC Global Investment Servicing	\$2,310
Jan-10	Undisclosed Investors	Cortland Capital Market Services	NA
Jan-10	Asset Management Service	SGR Servizi	NA
Dec-09	State Street	Mourant International Finance Administration	NA
Sep-09	Undisclosed Investors	MadisonGrey Holdings	NA
May-09	UMB Financial Corporation	J.D. Clark	23
Mar-09	SS&C Technologies (Carlyle)	Evare	4
Feb-09	Credit Agricole	CACEIS (35% stake)	2,389
Nov-08	European Fund Administration	SGR Servizi	NA
Nov-08	GBST	Coexis	35
Aug-08	Fulcrum Group (3i)	Butterfield Fund Services	NA
Jun-08	NEA-IndoUS Ventures	Basiz Fund Service	NA
Jun-08	BNP Paribas	Bank of America (Prime Brokerage Business)	300
May-08	ALPS Fund Services	Price Meadows	NA
May-08	Equity Trust	Custom House Fund Services	NA
Apr-08	CACEIS	Natixis, Institutional Securites Services	NA
Feb-08	Société Générale Securities Services	Unicredito Italiano (Securities Services Business)	285
Jan-08	Deutsche Bank	HedgeWorks	99
Jan-08	Maitland International	Maitland Fund Services (15% stake)	NA
Jan-08	XL Capital	Equinoxe Alternative Investment Services	NA
Nov-07	PNC Financial Services	Albridge Solutions	NA
Aug-07	Ditikeni Investment Company	Maitland Fund Services (10% stake)	NA
Jul-07	CACEIS	Olympia Capital International	NA
Jun-07	3i Group	Fulcrum Limited	NA
Jun-07	IFG Group	Northern Trust International Fund Administration Services	6
May-07	TD Ameritrade	Fiserv Trust Business	325
May-07	Citi	Bisys	1,581
Apr-07	BNP Paribas	RBS International Securities Services	231
Feb-07	State Street	Investors Financial Services	4,459
Dec-06	BNP Paribas	Baloise-Holding, Custody and Fund Management Business	NA
Jun-06	Capita Financial Group	Sinclair Henderson	NA
Mar-06	Fortis	Hedge Funds Services (HFS)	NA
Feb-06	J.P. Morgan Securities	Paloma Partners, Middle And Back Office Operations	NA
Jul-05	The Carlyle Group	SS&C Technologies	1,008
Jul-05	Management Buyout	The Citco Group	NA
Feb-05	SS&C Technologies	Eisnerfast	25
Oct-03	SS&C Technologies	Amicorp Fund Services (Fund Administration)	2
Oct-03	TA Associates	GlobeOp Financial Services	NA
Oct-02	Bank of New York Mellon	International Fund Administration	NA

Source: Capital IQ

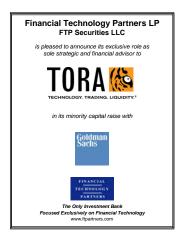
# OpHedge

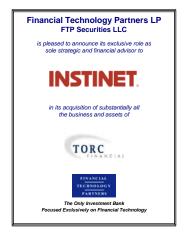
CITCO

# **Overview of Selected FT Partners Transactions**

FT Partners is the Leader in Financial Technology Investment Banking

FT Partners
serves as the sole
strategic advisor
to some of the
most prominent
financial
technology
companies



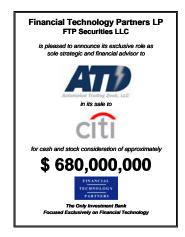






FT Partners has deep experience in the Securities and Capital Markets Technology Sector









# OpHedge

### CITCO

# FT Partners Named "Dealmaker" and "Investment Bank" of the Year

### The "M&A Advisor" Selects FT Partners for M&A Industry-Wide Awards

#### **Awards Overview**

- FT Partners consistently receives top honors and recognition from national association:
  - Financing Dealmaker of the Year (2008)
  - Dealmaker of the Year (2007 and 2009)
  - Investment Banking Firm of the Year (2004 and 2006)
  - Financing Professional of the Year (2006)
  - Product of the Year IPO Advisory (2006)
  - Deals of the Year (2005, 2006 and 2007)
- 2008's top ranked investment banker named on Institutional Investors annual "Online Finance 40" ranking
  - Consecutively ranked for 3 years (2008, 2007, 2006)
- Founder and Managing Partner, Steve McLaughlin, lauded highest honors as both "Dealmaker of the Year" and "Financing Professional of the Year"
- Top award winning Investment Bank collecting 10 separate awards for outstanding performance and client results
  - FT Partners has received over 40 award nominations across an unprecedented array of categories
- FT Partners "IPO Advisory" service as demonstrated in one
  of the most successful Payments IPOs in history, VeriFone –
  received its third industry award in 12 months for Product of the
  Year
  - Previously recognized in our 2006 Financing Professional of the Year award and 2005 Deal of the Year



# Dealmaker of the Year Investment Bank of the Year

#### Selected Transactions:

- The \$680 million sale of ATD to Citigroup
- The \$250 million minority capital raise for Liquidnet
- The minority capital raise for Tora Holdings with Goldman Sachs
- The \$35 million capital raise for MarketAxess
- The \$200 million sale of Wombat Financial Software to NYSE Euronext
- The \$230 million cash acquisition of The MacGregor Group by Investment Technology Group
- The sale of 35% minority interest in Forex Capital Markets (FXCM)
- The \$125 million sale of LatentZero to Fidessa
- The acquisition of TORC Financial by Instinet