

# HFMWEEK

13/01/2011 Author: Elana Margulies

## **BREAKING NEWS: Ospraie Services Group spins out to form new entity**

Ospraie Services Group (OSG), Ospraie Management's middle and back office services team, has spun out to form a new entity, *HFMWeek* has learned.

According to investor documents, the former OSG personnel have set up ParkRiver Fund Solutions as an independent business focused on providing middle and back office services to Ospraie and other alternative investment managers.

"We expect the spin out of this business to benefit both the fund investors and Ospraie, by providing the firm access to a robust middle and back office team with resources that exceed what Ospraie would otherwise retain at this time, at a reduced fee level," an investor letter stated.

"Given the increasing complexity of today's regulatory environment and investors' heightened due diligence requirements, we see a unique opportunity to partner with alternative asset managers to build strategic, mutually beneficial long-term relationships."

Hedge fund investors are increasingly seeking third party validation at funds. ParkRiver aims to meet this need. According to the firm the new structure will provide, "access to an experienced team of professionals that includes specialists in each of our core service offerings and significantly reduces the time commitment, risk and cost that would be required to develop such resources internally,"

Among some of the services ParkRiver will provide include financial reporting; fund accounting; investor relations, marketing support and legal and regulatory services.

© Copyright HFMWeek 2011