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JULY 30, 2008

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THE GRAPEVINE

Tim Maher, head of European capital-introduction at J.P. Morgan, quit yesterday to take a job at **Och-Ziff Capital** in London. Maher joined J.P. Morgan in London at the end of May, when the bank acquired **Bear Stearns** and its prized prime-brokerage business.

Merrill Lynch lost two prime-brokerage staffers in the past few weeks: **Martin Visairas** and **Julian Poodhun**. Visairas, who served as head of capital introduction for the Asia-Pacific region, is leaving Merrill's Hong Kong office on Friday to oversee product development at **Chilton Investment** of Stamford, Conn. At Merrill, Visairas reported to **Eddie Guillemette**, who co-heads the bank's

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Growth of Fund Assets Slowed in Past Year

An era of staggering growth for hedge funds is drawing to a close, according to new survey of administrators.

Administrators were handling \$4.7 trillion of assets for single-manager hedge funds and funds of funds at the end of March, up 31% from \$3.6 trillion a year earlier, according to an annual survey conducted by **CarbonBased Consulting** of New York (see administrator ranking on Page 4). But the same measure showed a 45% expansion for the year ended March 31, 2007, and CarbonBased is projecting that next year's tally will reveal only single-digit growth. Factoring in the dwindling amount of unadministered assets, the hedge fund universe may have grown by as little as 19% in the latest year.

The new figures show administrators handling \$3.4 trillion of single-manager fund assets (up 33% from the year before) and \$1.3 trillion of fund-of-funds assets (up 26%). CarbonBased estimates that 17% of the largest funds use in-house staff

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Convertible Shop Explains Early-July Losses

Fore Research & Management, a well-regarded convertible-bond trader, issued a mid-month mea culpa to investors after three of its hedge funds suffered severe losses in the first couple weeks of July.

Through July 17, the firm's Fore Multi Strategy Master Fund lost 17%, while its Fore Convertible Master Fund and Fore ERISA Fund each lost about 12%. But word is that the funds' performance improved in the two weeks since then.

The losses were out of character for the New York fund operator, which is run by **Matthew Li**. In the first half of this year, its convertible-bond vehicle was up 4.8%, following an 8.7% gain last year and a 20.7% gain in 2006. Fore's July setback puts the firm in line with its peers, and some larger competitors are performing even worse.

Meanwhile, the firm continues to attract capital from investors.

Fore, which had \$2.2 billion under management as of March 4, launched in

See LOSSES on Page 6

Old Hill Offering Pair of Credit-Crisis Funds

Old Hill Partners is marketing two vehicles designed to exploit opportunities created by the credit crunch, even as it unwinds a large fund that was battered by the crisis.

The Darien, Conn., firm has approached prospective investors about two offerings:

- PTY, a hedge fund that began trading in December with \$10 million. It is aiming to raise about \$50 million.
- TDC, a vehicle slated to launch in September with \$200 million to \$500 million.

The PTY fund makes small opportunistic bets on various asset-backed securities and asset-based loans that trade at discounts. TDC will target distressed asset-backed securities, including residential and commercial MBS.

Last March, Old Hill brought in **Jack McDowell**, a seasoned MBS market player,

See OLD HILL on Page 2

Hong Kong Firm Starts 2nd Vehicle

DragonBack Capital of Hong Kong is launching its second hedge fund.

Nearly 16 months after the establishment of its debut DragonBack Asia Pacific Equity Multi-Strategy Fund, the outfit has scheduled an Aug. 1 launch for its DragonBack VolAsia Fund.

In its marketing pitches, DragonBack has told investors the new vehicle has the potential to exceed its benchmark returns in down markets.

To take advantage of market volatility, the fund will apply three strategies to trade listed and over-the-counter options, along with volatility-index derivatives, mainly in Asia. The manager has amassed a healthy performance history trading single-stock volatility via its maiden fund and will now apply that to broader liquidity pools.

DragonBack Asia Pacific Equity, which launched in March 2007, runs some \$390 million. The fund gained 48% during its first year, with volatility trading by itself producing a gain of 17.8%.

Rob Lance, chief executive, will oversee the fund with help from DragonBack's investment chief, **Matt Barnett**.

Before setting up DragonBack in 2007, Lance worked at **Lehman Brothers** as a managing director and held multiple senior roles in Asia, including that as co-head of its Asia Pacific equity unit. Prior to that, he spent 11 years at **Deutsche Bank** in Asia and Australia.

Barnett, meanwhile, has worked for **Credit Suisse**, **J.P. Morgan** and **Macquarie Bank**. **Phil Tye** is DragonBack's operations chief. He previously worked as the finance chief of Hong Kong-based hedge fund firm **PMA**.

Other key executives include senior portfolio managers **Adam Lavis** and **Anthony Bongiorno**, as well as **Darron Mitchell**, who is head trader and until recently ran the Asian convertible-bond book for **Morgan Stanley**. All told, DragonBack employs 17. ❖

Lisbon Bank's Affiliate Gets Rolling

A hedge fund startup backed by **Banco Espirito Santo** of Portugal has begun soliciting outside capital.

Nau Capital of London launched its maiden global-macro hedge fund in March with €200 million (\$310 million) of seed-capital and operational support from Lisbon-based Banco Espirito Santo. Having amassed nearly a six-month track record, Nau has started approaching selected investors, mostly institutions. In the first round of marketing, it is targeting those in its home country and Spain. Its goal is to attract €500 million in the first stage of its fund-raising campaign.

Foreign exchange and interest-rate bets comprise the core of the fund strategy, which can also invest in commodities, credit products and stocks. While developed markets are the fund's mainstay, trades in emerging markets can make up around a third of the portfolio.

Joao Poppe and **Rodrigo Franca** are in charge of the fund's

portfolio. The two men previously worked together at Banco Espirito Santo, where Poppe coordinated proprietary trading, structuring and sales for corporate clients while Franca led a 10-member proprietary trading team. Franca's team covered credit derivatives, equities, foreign exchange and interest rates.

Joao Rato, an alumnus of **Goldman Sachs** and **Lehman Brothers**, oversees risk management and sales for Nau. **Charles Grant** is its operations chief. He previously held a similar role at fixed-income firm **Whitebeam Capital**. At Nau, Grant is assisted by **Deutsche Bank** alumnus **Mustafa Walji**. ❖

Meriwether's Ex-Staffers Prep Startup

Two of **John Meriwether's** longtime staffers have set out to start their own fund-management outfit.

Steve Cain and **David Ko** are looking for investors to seed their global-macro shop. They plan to launch their first hedge fund under the **Kurtosis** banner in early 2009.

The fund would invest primarily in the currency and fixed-income markets by trading options and futures.

Cain and Ko previously worked for Meriwether's current firm, **JWM Partners**, and before that for Meriwether's **Long-Term Capital Management**, whose storied collapse in 1998 caused a widespread disruption in the financial markets. They left JWM earlier this year.

Cain and Ko are coming to market at a good moment, when investors have taken a shine to global-macro shops. However, the team will have to answer questions about the losses suffered by JWM Partners during the first three months of this year. JWM of Greenwich, Conn., had \$1.6 billion of assets under management earlier this year. It was set up in 1999. ❖

Old Hill ... From Page 1

to work on TDC. He joined from his former employer, **Carrington Capital** of Greenwich, Conn.

In September, **John Howe**, who runs Old Hill, decided to unwind his Footbridge vehicle before the end of 2009. That fund, which invested in asset- and mortgage-backed securities, was forced last year to limit investor withdrawals after losses caused investors to seek their money back. Howe, known as an aggressive investor in esoteric bonds, has been unwinding the illiquid securities in Footbridge, which once had more than \$1 billion of assets, including leverage.

Other fund operations hit hard by the plunge in ABS and MBS values have also been working to raise capital for distressed-asset vehicles. Carrington is among them. At one point last year, **Ellington Management**, another well-known player in mortgage bonds, was also marketing such a vehicle. ❖

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AIG Fund to Drop SEC Registration

After falling short of its capital-raising hopes, **AIG's** fund of funds has decided to cut the vehicle's expenses by converting to a private partnership from a publicly registered investment company.

The company noted in a public filing that its AIG Strategies Hedge Fund of Funds has only \$82.3 million from four investors. Shareholders must vote in favor of the conversion at a meeting scheduled for Aug. 26.

The cost of maintaining SEC-registered vehicles can be prohibitive for small funds. Startup costs can be about \$150,000, and that's in addition to the ongoing costs associated with complying with **SEC** reporting requirements.

Registered funds of funds were all the rage several years ago as managers hoped to tap into a rapidly growing pool of capital from retail investors and public pension plans. Fund managers hoped at the time that SEC registration would be a selling point with which brokers could comfort investors new to hedge funds.

At the same time, funds of funds used the SEC registration as a way to skirt pension-plan regulations that otherwise would have compelled them to take on greater fiduciary responsibilities.

With the exception of a handful of funds of funds run by brokerage firms with large distribution networks, the registered vehicles have not sold well.

Lawyers report that their fund-of-funds clients are increasingly asking them to deregister vehicles. Reason: On the retail side, some financial advisors have struggled to sell diversified hedge fund products to clients, who often prefer riskier single-manager vehicles. And many funds of funds have found it easier to attract pension-plan capital than they originally expected because they have become comfortable taking on the added fiduciary responsibilities required by ERISA pension-plan regulations. ❖

Ex-Goldman Partner Staffs Startup

The private equity firm started by **Mark McGoldrick**, former co-head of special-situations at **Goldman Sachs**, has been staffing up a team to make hedge fund-style investments.

Since it was established a few months ago, New York start-up **Mount Kellett Capital** has hired **Kir Kahlon** and **Karanjit Singh**, among others. Kahlon, who was a director at New York hedge fund **Icahn Associates**, joined McGoldrick's firm as a

managing director.

Singh, who served as an analyst at event-driven hedge fund shop **Halcyon Asset Management**, signed on at Mount Kellett as a senior analyst this month.

One of McGoldrick's colleagues in Goldman's Asian special-situations group, **Jason Maynard**, is also on board. **Alicia Syrett**, formerly the chief administrative officer at San Francisco hedge fund **Farallon Capital**, has joined Mount Kellett in the same role in New York. And **Brian Lippey**, formerly of **Trigram Capital**, a Greenwich, Conn., fund firm, is now Mount Kellett's marketing chief.

Mount Kellett is employing a private equity structure for its fund, requiring a longer capital-lockup period than a typical hedge fund would.

McGoldrick, who was a partner at Goldman, resigned from the investment bank at the beginning of 2007. He had been based in London but spent most of his career in Asia. He replaced **Peter Briger** as head of Goldman's special-situations investments in Asia in 2000, when Briger left the region. Briger left Goldman in 2001, and in 2002 he joined **Fortress Investment** in New York. ❖

Booming Minneapolis Firm Adds Staff

Emboldened by stellar returns, convertible-bond shop **Waterstone Capital** has increased its staff by five members, or 45%, over the past month and a half.

During the week of July 21, the Minneapolis firm hired **Kevin Becker** as credit analyst from Chatham, N.J., hedge fund **Chatham Asset Management**. At Chatham, he held a similar post.

In June, Waterstone brought in another credit analyst, **Jon Kreidler**, who arrived from Minneapolis investment bank **Piper Jaffray**.

Also in June, **Erik Bender** joined Waterstone as director of business development and marketing. He moved to Minneapolis from New York, where he had a similar post with **CL Capital Markets**, an asset-management arm of Australia-based **Colonial Life Insurance**.

The new staff, plus two more junior recruits on the operations side, boosts Waterstone's roster to 16, nine of whom are investment professionals. Founded five years ago by **Shawn Bergerson**, a former chief investment officer at **Deephaven Capital**, Waterstone has been racking up solid returns while most of its competitors are in the red this year. The fund specializes in trading convertible bonds and employs other strategies.

Waterstone Market Neutral, Bergerson's only hedge fund, was up 25% for the year through the third week of July. That performance is dramatically better than the 8% loss that all convertible-bond arbitrage players were averaging over the same period, according to the HFR Convertible Arbitrage Index.

Waterstone was founded five years ago by Bergerson, whose fund surpassed the \$1 billion-asset milestone this month. He has averaged nearly 15% a year for the past eight-and-a-half years, a track record that includes his time at Deephaven.

The fund employs multiple strategies with a primary focus on convertible-bond securities. ❖

Glossary of Hedge Fund Terms

The next time you're stumped by alternative-investment jargon, clear up your confusion by visiting the "Glossary" link in The Marketplace section of HFAlert.com. You'll find scores of plain-English definitions for most key terms in the hedge fund business.

Growth ... From Page 1

to administer another \$337 billion to \$438 billion of assets. Even at the low end of that range, the administered and unadministered assets in the hedge fund arena would total just over \$5 trillion, up from \$4.2 trillion a year ago.

CarbonBased lowered its estimate of self-administered assets from last year's range of \$634 billion to \$761 billion. **Brian Shapiro**, the firm's chief executive, said many fund managers are employing outside administrators for the first time. In some cases, he said, as investments are redeemed out of older, unadministered funds, new investments are channeled into administered versions of those vehicles.

Some managers are also moving investments into administered vehicles and leaving only investments from employees,

their friends and family in the unadministered entities. For example, **James Simons' Renaissance Technologies** self-administers its multi-billion-dollar Medallion Fund, which is closed to outsiders and manages only the money of insiders.

The findings reported by CarbonBased are based on responses from 103 administrators, up from 74 a year earlier. Among the administrators reporting for the first time was **Morgan Stanley**, which launched its administration business in 2005. The bank held a 2% share of the hedge fund market on March 31.

As has been the case in the past, the combined asset size of single-manager funds reported by CarbonBased is more than \$1 trillion greater than those reported by other research firms. **Hedge Fund Research** pegs assets under management

See GROWTH on Page 5

Hedge Fund Administrators

Assets under administration reported by administrators of single-manager funds and funds of funds

Name	3/31/08 Assets (\$Bil.)	Market Share (%)	3/31/07 Assets (\$Bil.)	Market Share (%)	'07-'08 Change (%)
1 Citco	\$664.0	14.2	\$527.0	14.7	26.0
2 Citigroup	414.1	8.8	250.6	7.0	65.2
3 State Street (IFS & IB&T)	326.8	7.0	372.5	10.4	-12.3
4 Fortis	325.6	6.9	260.0	7.3	25.2
5 HSBC	324.5	6.9	259.2	7.2	25.2
6 Bank of New York (DPM Mellon)	248.0	5.3	159.1	4.4	55.9
7 UBS	228.4	4.9	223.0	6.2	2.4
8 CACEIS	205.4	4.4	123.1	3.4	66.9
9 Goldman Sachs	201.8	4.3	157.3	4.4	28.3
10 SEI	173.0	3.7	96.0	2.7	80.2
11 SS&C	140.0	3.0	100.0	2.8	40.0
12 PFPC	120.9	2.6	106.0	3.0	14.1
13 GlobeOp	109.5	2.3	125.3	3.5	-12.6
14 Morgan Stanley	91.5	2.0			
15 J.P. Morgan	83.9	1.8	60.2	1.7	39.4
16 EURO-VL (SGSS)	65.7	1.4	60.9	1.7	7.9
17 Butterfield	62.0	1.3	99.4	2.8	-37.6
18 Custom House Administration	59.2	1.3	30.3	0.8	95.4
19 RBC Dexia	57.9	1.2	46.8	1.3	23.7
20 Northern Trust	44.4	0.9	25.8	0.7	72.1
21 BNP Paribas	42.3	0.9	34.3	1.0	23.3
22 Heritage International	40.0	0.9			
23 Admiral Administration	34.6	0.7	30.0	0.8	15.3
24 OpHedge	34.5	0.7	30.0	0.8	15.0
25 NAV Consulting	31.0	0.7	30.0	0.8	3.3
OTHER	561.0	12.0	378.1	10.5	48.4
TOTAL	4,690.0	100.0	3,584.9	100.0	30.8

Source: CarbonBased Consulting

Growth ... From Page 4

by single-manager hedge funds at around \$1.9 trillion. The **Lipper Tass** estimate is \$1.8 trillion.

The mutual fund industry, with \$12.3 trillion under management, still dwarfs the hedge fund business, according to the **Investment Company Institute**, a trade group. But mutual fund assets grew only 9% during the 12 months ended March 31, slower than the hedge fund industry.

CarbonBased expects growth in hedge funds and funds of funds to slow down in the current year, to 8-9%. Shapiro cites poor performance as the main reasons for the growth slowdown.

The top 25 administrators were handling about 88% of all administered assets, about the same as last year, according to CarbonBased. **Citico Fund Services** remained the biggest administrator, overseeing a combined \$664 billion for a 14% share of the market — virtually the same percentage as last year. It was the biggest administrator of single-manager hedge

funds with \$472 billion under administration. **Fortis Prime Fund Solutions** was the biggest administrator of funds of funds, with \$197 billion.

Citigroup Fund Services leapfrogged past **State Street**, Fortis Prime Fund Services and **HSBC Alternative Fund Services** to take second place with \$414.1 billion under administration and an 8.8% share. In May 2007, Citi acquired **Bisys Group**, the fifth biggest administrator by assets under administration. At that time, Bisys administered about \$250 billion of hedge fund and fund of fund assets.

While Citico is the world's most active fund-administrator, it isn't the dominant player outside North America and the Caribbean. In Europe, where CarbonBased ranks administrators based on clients served, according to Lipper Tass data, Citi led with a 22% share of the market. HSBC was second in Europe with 16%, and Citico took third with 11%. HSBC's Hong Kong origins have also helped the bank dominate the Asian marketplace, with a 46% share. Citico's 24% share took second place in Asia, where **Goldman Sachs** came in third with 7%. ❖

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Losses ... From Page 1

February 2003 after Li spun off from **TD Securities USA**, where he ran that company's convertible-bond arbitrage trading desk from 1996 to 2003.

July has been disastrous for many hedge funds, which were whipsawed by severe price movements, particularly in financial stocks.

But in a July 18 letter, Li offered investors an unusual glimpse into the thinking behind the tactics that led to the big losses — positions meant to insulate Fore's investors from swings in broad-based stock-market indexes.

Li wrote, "In pursuing this strategy, we viewed a scenario where large-cap financials could suffer substantially wider spreads and non-financial credits could remain relatively unaffected as highly unlikely." He lamented, however, that "This scenario occurred last week."

Fore's funds were hit hard despite Li's long-held negative outlook for the U.S. economy. He also continues to believe that junk bonds and leveraged loans are rife with risk because economic downturns are especially challenging for highly leveraged companies. For this reason, his funds maintained large short positions in high-yield and leveraged-loan indices, as well as positions in select single-name credit-default swaps and equity-hedged convertible bonds. Meanwhile, the firm maintained long positions in large-company financial stocks that Li described as "seemingly 'too big to fail,'" as well as non-financial equity-hedged convertible bonds.

Li added that despite a negative outlook on government-sponsored mortgage giants **Fannie Mae** and **Freddie Mac**, the 40-50% decline in the value of their preferred shares over the first two weeks of July hurt the firm's positions in other finan-

cial preferreds, which went into a "state of shock" as the entire financial-services sector plummeted in value. Li suggested his holdings of large financial-institution stocks were unjustifiably battered relative to the stocks of Fannie and Freddie. Meanwhile, a Treasury rally produced losses for the funds' interest-rate hedges.

Li has reduced leverage and exposure to financials "in recognition of the extreme volatility and dislocations." The moves weren't forced upon him. Li emphasized that his funds still have access to high levels of margin debt, with excess margin of more than 45%.

On July 15, just as the stock market was hitting lows, Li was selling off \$25 million to \$100 million of convertible bonds issued by such institutions as **AIG**, **Wachovia** and real estate investment trust **ProLogis**, according to an industry source. A source close to Fore dismissed as untrue a rumor that the firm was forced to sell those bonds to meet a redemption request from an investor in a managed account.

Li insisted that his difficulties were due to technical pressures and a contagion of fear, rather than fundamental realities. He maintained in his letter that his outlook will win out in the end. "Investing during these times carries a measure of risk, but we believe our strategy will pay off over the long term," he wrote. ❖

Correction

An item in The Grapevine on July 23 incorrectly described the employment status of **Inna Koehler**. She remains head of client management at **Drake Management**. The item incorrectly reported that she was on her way to **Satellite Asset Management**. ❖

CALENDAR

Events in US

Dates	Event	Location	Sponsor	Information
Aug. 6	Hedge Fund Indices/Replication	New York	Infovest 21	www.infovest21.com
Sept. 7-8	Private Equity Summit	Scottsdale, Ariz.	Opal	www.opalgroup.net
Sept. 8	HedgeAnswers 2008 Tour	Chicago	Hedge Answers	www.hedgeanswers.com
Sept. 8-9	Emerging Managers Summit West	Scottsdale, Ariz.	Opal	www.opalgroup.net
Sept. 8-10	Hedge Fund Survival Conference	New York	Tonkin	www.tonkincorporation.com
Sept. 8-12	Portfolio Management	Chicago	Univ. of Chicago	www.chicagoexec.net
Sept. 10	Preparing for Your Hedge Fund's Audit	New York	FRA	www.frallc.com
Sept. 10	HedgeAnswers 2008 Tour	San Francisco	Hedge Answers	www.hedgeanswers.com
Sept. 10-12	Future of Commodities Now for Institutional Investors	San Francisco	Tonkin	www.tonkincorporation.com
Sept. 11-12	Derivatives in Latin America Summit	Miami	Euromoney	www.euromoneyseminars.com
Sept. 12	HedgeAnswers 2008 Tour	Dallas	Hedge Answers	www.hedgeanswers.com
Sept. 15	HedgeAnswers 2008 Tour	Boston	Hedge Answers	www.hedgeanswers.com
Sept. 15	Manager Search & Selection Forum-West Coast	San Francisco	FRA	www.frallc.com
Sept. 15-16	Integrated Wealth Management Forum	New York	Institutional Investor	www.iievents.com
Sept. 15-16	Marketing & Advertising Compliance Forum	New York	FRA	www.frallc.com

To view the complete conference calendar, visit TheMarketplace section of HFAAlert.com

LATEST LAUNCHES

Fund	Portfolio managers, Management company	Strategy	Service providers	Launch	Equity at Launch (Mil.)
PTY Domicile: U.S. and Cayman Islands ← See Page 1	John Howe Old Hill Partners. Darien Conn. 203-656-3004	Fixed-income	Prime broker: Deutsche Bank Law firm: Pepper Hamilton Auditor: BDO Seidman Administrator: SS&C, Grosvenor Fund Administration	Dec. 2007	\$10
TDC Domicile: U.S. and Cayman Islands ← See Page 1	John Howe and Jack McDowell Old Hill Partners, Darien, Conn. 203-656-3004	Distressed mortgages	Prime broker: Deutsche Bank Law firm: Pepper Hamilton Auditor: BDO Seidman Administrator: SS&C, Grosvenor Fund Administration	Sept. 2008	\$200-500

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THE GRAPEVINE

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prime-brokerage operations in Asia and runs sales, capital introduction and consulting in the region. A few weeks ago, Poodhun, a director of prime-brokerage sales in New York, left Merrill to join **Fidelity's** prime-brokerage unit in London.

Robert Incorvaia, the former head of high-yield bond sales at **Goldman Sachs**, is joining \$16.2 billion **York Capital**. He starts work at the New York firm in about a month and a half, following a gardening leave. Incorvaia will report to **Alan Cohn**, who is portfolio manager for the credit funds at York, an event-driven fund manager.

Capital Z Asset Management's president, **Elizabeth Flisser**, is planning to leave the firm and apparently does not have another job lined up. As president, Flisser helped build Capital Z's hedge fund seeding platform and was in charge of sourcing and evaluating new funds. She joined Capital Z from

Goldman Sachs in 1999 and was promoted to the role of president in January. Capital Z's seeded funds have about \$12 billion of assets, and it runs a \$1 billion fund of funds.

Meanwhile, **Jim Marrone** joined **Capital Z Asset Management** in New York as chief marketing officer today. Marrone previously worked at **Bear Stearns**, where he led corporate institutional sales in the bank's asset-management group until Bear was taken over by **J.P. Morgan** in May. Marrone will help market the funds seeded by Capital Z as well as the firm's future seeding vehicles. Capital Z received all of its funding from **Zurich Financial** until January, when the unit's management teamed with San Francisco private equity firm **Paine & Partners** to buy Capital Z's stake in the business.

John Pagli has joined **Walter Raquet's WR Capital** to head marketing for the Stamford, Conn., hedge fund firm. Pagli, who joined WR Capital at the end of June, was previously head of strategic business development at **Pursuit Partners**, a Stamford firm he left in April. WR Capital operates

multi-strategy and market-neutral funds.

Geoff Doyle left his job last week as director of research for fund-of-funds operator **Auda Advisor Associates** to take a position with **Safra Asset Management** of New York.

Mark Haas, head of business development for **Deutsche Bank's** global prime brokerage, is taking a sabbatical. He's due to return to his New York post in March. Haas was promoted to his role in March 2007 to develop Deutsche's prime-brokerage strategy, reporting to **Barry Bausano** and **Jonathan Hitchon**, co-heads of global prime brokerage.

Stephen Jacobs joined fund operator **Spectrum Group** this week as chief operating officer and general counsel. Jacobs' duties include oversight of operational and compliance activities for the New York firm, which manages investment vehicles that trade distressed debt, undervalued securities and newly originated high-yield loans. Jacobs was previously a partner at **Kramer Levin**, a New York law firm.

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