



**Starting a Hedge Fund:**  
**Guide for Emerging Managers**



**AFFINITY**  
FUND SERVICES LLC

**Presented by:**

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Managing Member

Affinity Fund Services LLC

[www.affinitycpa.com](http://www.affinitycpa.com)



# Agenda

**Who We Are**

**Video I**

**Start-up Process**

**Video I**

Different Types of Investors

Video II

Capital Raising Strategies and Tips

Video II

Key Service Providers

Video III

Costs of Starting & Running a Hedge Fund

Video III



# Who We Are

**Amy Zhang, CPA** *Founder and Managing Member*

- Speaker at investment conferences/events
- Chair Financial Entrepreneur Forum
- Managed audits of more than 30 hedge funds and private equity firms
- Licensed CPA and member of the CFA Institute



# Who We Are (Cont)

## Affinity Fund Services LLC

Your destination for hedge fund administration and accounting.

Website: [www.affinitycpa.com](http://www.affinitycpa.com)

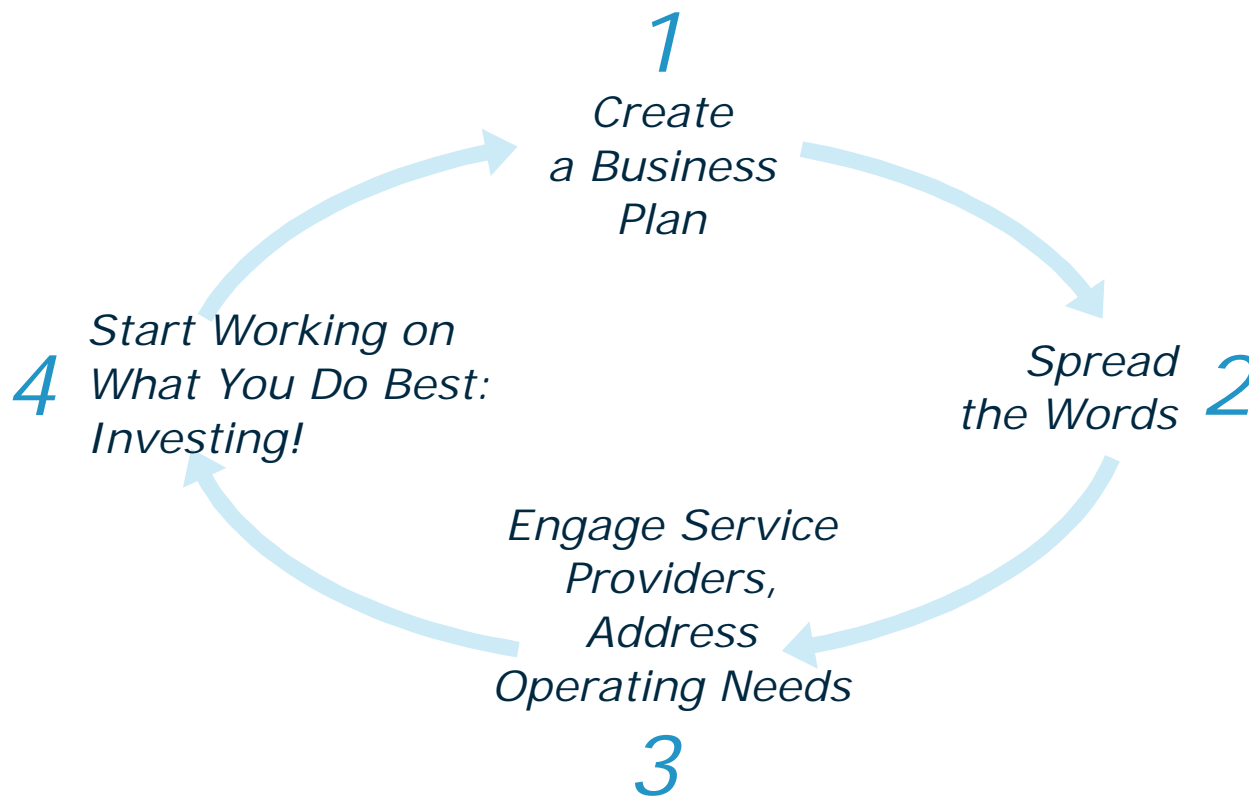
Phone: 415 370 6208

Email: [amy@affinitycpa.com](mailto:amy@affinitycpa.com)



# Start Up Process

Running a hedge fund is very similar to running any small business: capital raising, cost control, and then delivery of products/services - the alpha for your investors!





# Start-up Process – Create a Business Plan

1. Economic Feasibility
2. Costs
3. Investment Program



# Start-up Process – Create a Business Plan

## 1. Economic Feasibility

- Investors and capital raising
- Investing your own money
- Fee structure (2:20?)
- Contingency plan



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## 2. Costs

- Fees to services providers
- Trading costs
- Operating expenses





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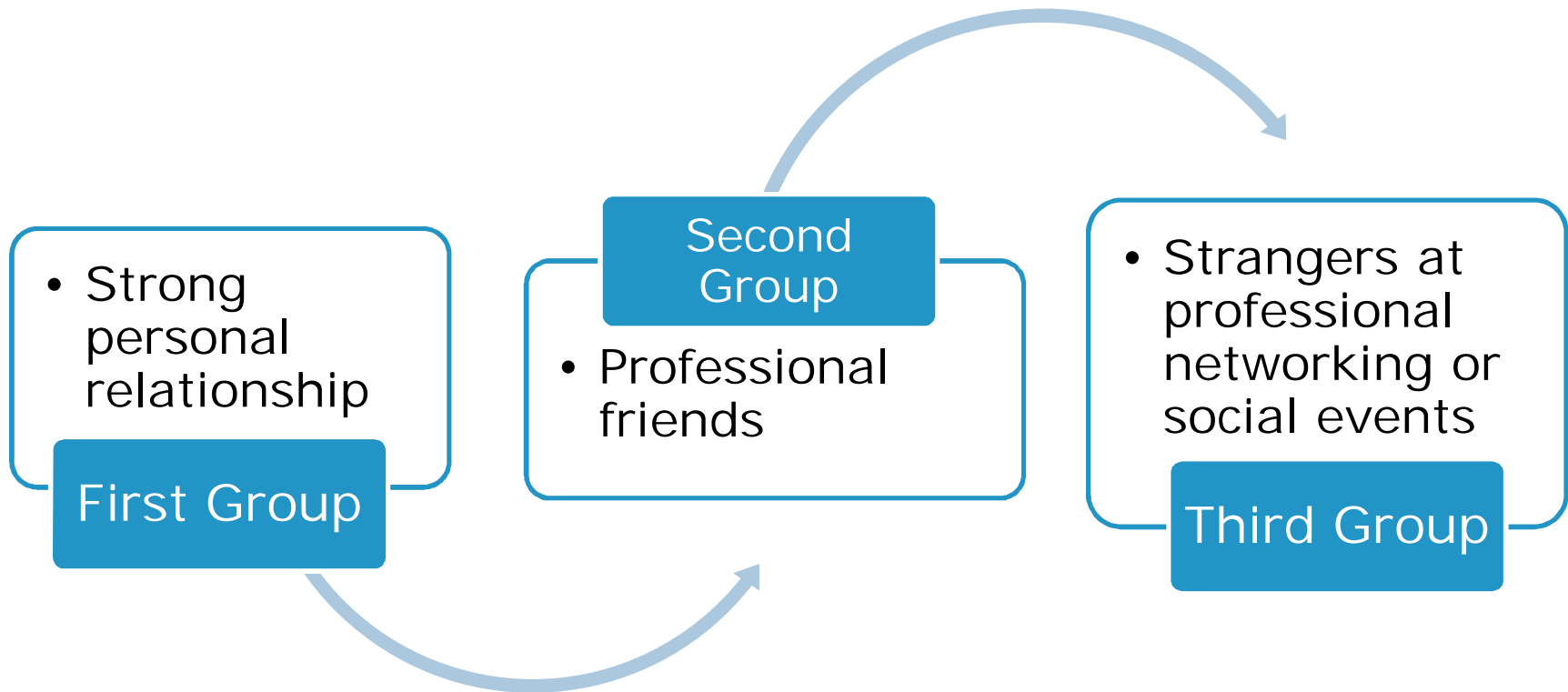
- Fees to services providers
- Trading costs
- Operating expenses

## 3. Investment Program

- Investment objective
- Investment process
- Differentiation



# Start-up Process – Getting the Words Out





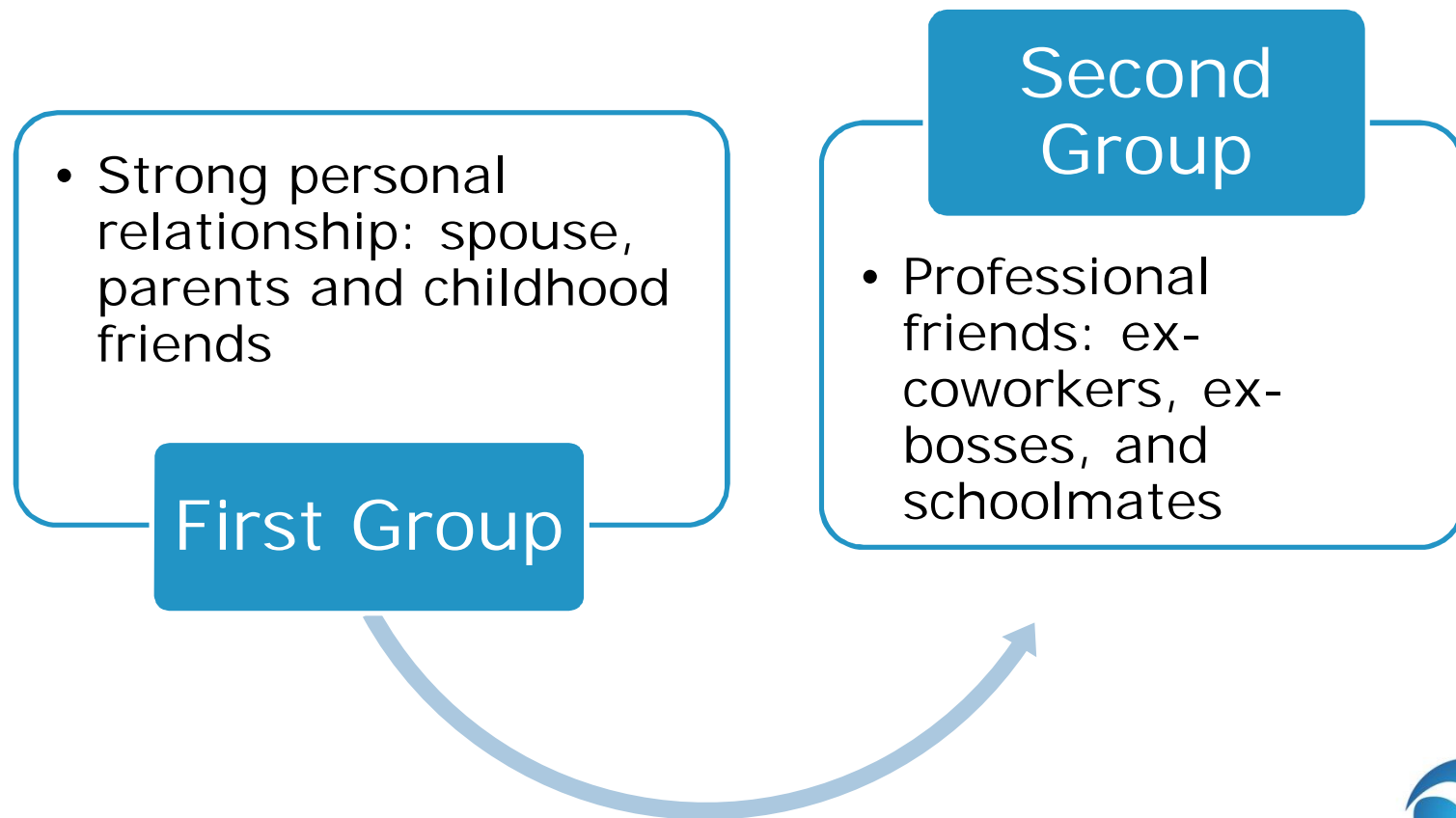
# Start-up Process – Getting the Words Out

- Strong personal relationship: spouse, parents and childhood friends

First Group

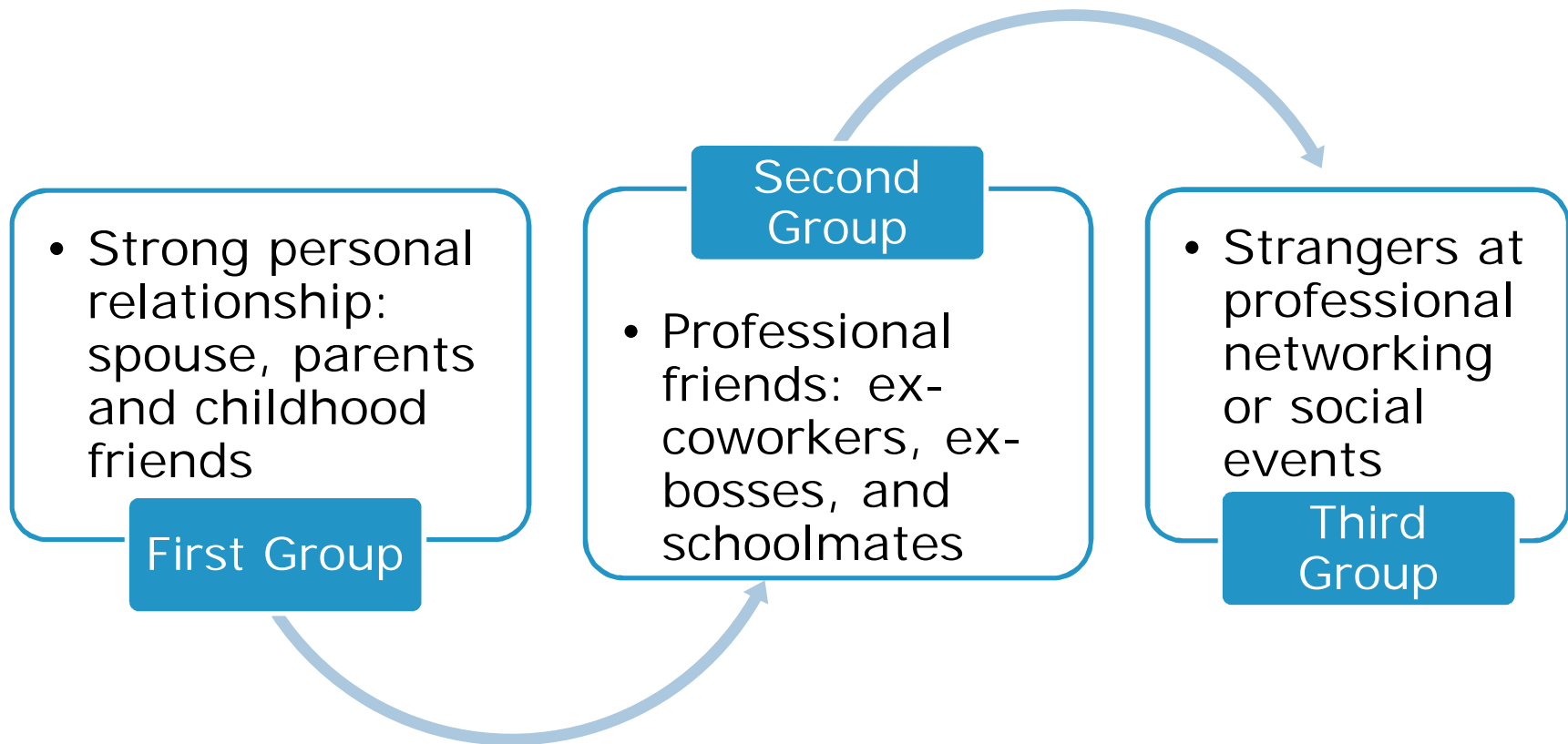


# Start-up Process – Getting the Words Out





# Start-up Process – Getting the Words Out





# Start-up Process – Service Providers & Operating Issues

## Service providers

- Visit [www.affinitycpa.com/service\\_providers](http://www.affinitycpa.com/service_providers)
- Talk to local professional associations
- Go to third video for more information



# Start-up Process – Service Providers & Operating Issues

## Service providers

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## Operating issues

- Office space
- Firm website
- More!



# Start-up Process – Investing!

Find the money and use it wisely!

Continue watching video II: different investors, fundraising strategies and more; and video III: different service providers and costs of starting and running a hedge fund.

[www.affinitycpa.com/how\\_to\\_start\\_a\\_hedge\\_fund](http://www.affinitycpa.com/how_to_start_a_hedge_fund)

Input: [www.affinitycpa.com/input](http://www.affinitycpa.com/input)





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