

For Immediate Release

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HEDGEBAY LOOKS TO REVOLUTIONISE SECONDARY MARKET WITH LAUNCH OF ELECTRONIC SETTLEMENT SERVICE

Hedgebay Trading Corporation, a pioneer of the secondary hedge fund market, has launched a first of its kind electronic settlement service for the hedge fund secondary market. The new electronic functionality will be available on Hedgebay's website and will assist in the settlement process, significantly enhancing the transaction experience for users.

Hedgebay's newly launched **Electronic Settlement Service** is expected to initially reduce overall trading time by up to an estimated 20%. Currently, secondary market participants rely on a manual trading and settlement process. Typically, a transaction takes at least 90 days to close.

Hedgebay believes the new service should provide significant follow-on benefits to the overall secondary market and its participants. Chief among these, in Hedgebay's view, are the likely reduction in deal break risk (generally, the longer a deal takes to close, the less likely it will close), reduction of operational costs (generally, less time spent trying to close), increase in efficiency of back office personnel, increase of bandwidth to handle more transactions, and substantially less frustration. All of these benefits should accrue to the market as a whole and Hedgebay believes they could lead to a greater number of participants and improved secondary pricing and more importantly, liquidity. The service is likely to be a boon for sellers in particular. Decreases in the time it takes to close will typically mean greater value to sellers as they will get paid that much faster.

Trading of hedge fund shares using secondary platforms and providers has become increasingly popular in the last five years. Since the credit crisis, investors from across the investment spectrum have used the secondary market as a liquidity tool – with many now considering secondary platforms as a vital part of their investment process.

Hedgebay believes that simplifying the settlement process, thereby making trading more efficient and more cost effective, could lead to significant increases in the volume of trading on the secondary market. Furthermore, the service should also encourage an influx of new users to the secondary hedge fund market. Significantly, Hedgebay and its authorized agents have already provided a highly customized version of the settlement service to an international private banking group and its customers.

Hedgebay will continue to develop the service to improve its effectiveness and believes that, in the near future, its electronic settlement service can ultimately reduce the overall trading time by as much as 40%-50% from the current method.

The service, which is built on Hedgebay's proprietary technology, has been in development for more than a year. While its launch is a significant step for the market in its current form, Hedgebay believes that it heralds even more exciting developments in the secondary market to come.

Jared Herman, Founder of Hedgebay, commented:

"The ultimate endgame of this progression is being able to complete secondary trades in a single day. That is what Hedgebay is working towards. That point may be a while away, but the launch of the Electronic Settlement Service is a massive step in that direction. This is a glimpse into the future of the secondary trading industry."

The service will be available to Hedgebay's - and its authorized agents' - entire user base, which is made up of hedge funds, funds of funds, pension funds, insurance companies, family offices and banks.

Jared Herman continued:

"Since launching the industry in 1999, we've continued to spearhead its development. This is a watershed moment in that development. I believe the long term success of the market depends on it evolving. As much as the new settlement service is a stride toward the industry's future, it's also a really exciting prospect for its present. Faster, more efficient and therefore more cost effective settlement for buyers and sellers should bring new users into the market – as well as making life much easier for those who use it already!"

– ENDS –

Notes to Editors

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About Hedgebay Trading Corporation

Founded in 1999, the Nassau-based Hedgebay Trading Corporation through its authorised agents and www.hedgebay.com help match sophisticated buyers and sellers of hedge fund interests and other illiquid alternative investment assets. International users include funds of hedge funds, family offices, banks, pension funds, insurance companies, endowments, foundations and sovereign wealth funds. Billions of dollars of secondary market transactions have been settled through the platform, providing comprehensive insight into price discovery and market value of illiquid alternative investment assets.