candidates should be able to:

Demonstrate knowledge of the process of investing in funds of hedge funds. Including:

* Identify advantages that funds of funds have over direct hedge fund investments
* Understand funds of hedge funds as diversified pools
* Discuss empirical evidence regarding fund of funds returns and the potential for reduced biases in reported performance
* Recognize the varying investment objectives of funds of hedge funds
* Describe how funds of funds can act as venture capitalists