

Notes

CHAPTER 2

1. The 2003 Securities and Exchange Commission Report, “The Implications of the Growth of Hedge Funds.”

CHAPTER 3

1. FINRA is the largest independent regulator for all securities firms doing business in the United States. According to its web site, it oversees nearly 5,000 brokerage firms, 173,000 branch offices, and 656,000 registered securities representatives. Its chief role is to protect investors by maintaining the fairness of the U.S. capital markets; as such, it regulates all mutual funds. Visit www.finra.org/index.htm for more information.
2. According to PerTrac.
3. Personal interview done by Richard S. Bookbinder, April 25, 2008.

CHAPTER 4

1. Google search, April 13, 2009: www.google.com/search?hl=en&q=hedge+funds&btnG=Google+Search&aq=f&oq=.
2. Regulation T, www.finra.org/Industry/Compliance/RegulatoryFilings/RegulationT/index.htm.
3. Regulation FD, www.law.uc.edu/CCL/regFD/index.html.
4. 2007 PerTrac Hedge Fund Database Study, March 4, 2008.
5. Ibid.
6. Ibid.
7. *New York Times*, “Company News: Bank of New York Acquires Ivy Asset Management,” August 10, 2000, sec. C, pg. 3. Management at Ivy and The Bank of New York refused to confirm or deny the rumors of the decrease in assets.
8. The Financial Services Executive Forum First Quarter 2008, American Banker and Greenwich Associates.
9. This number is taken directly from the Madoff investor list, which has been published on numerous news and information web sites.

CHAPTER 5

1. Federal Reserve Bank of New York web site, www.newyorkfed.org/about-thefed/fedpoint/fed02.html.

CHAPTER 6

1. Christine Williamson, "Top 1000 funds drop close to \$1 trillion," January 26, 2009, *Pensions and Investments*. www.pionline.com/apps/pbcs.dll/article?AID=/20090126/PRINTSUB/301269981/-1/PENSIONFUNDDIRECTORY.
2. ABP Statistics—ABP at a Glance, www.abp.nl/abp/abp/english/about_abp/about_us/abp_at_a_glance/default.asp.
3. PricewaterhouseCoopers, "Transparency versus returns: The institutional investor view of alternative assets," March 2008, www.pwchk.com/webmedia/doc/633422068336988144_fs_trans_vs_return_mar2008.pdf.

CHAPTER 9

1. This quote is from a meeting Daniel Strachman and Richard Bookbinder had with Schulman at Tremont's offices at 555 Theodore Fremd Avenue in Rye, NY, on November 5, 2007.

CHAPTER 10

1. John Greenwald, Massimo Calabresi, Thomas McCarroll, Sribala Subramanian, Jane Van Tassel/New York, and William McWhirter/Chicago, "The Secret Money Machine," *Time*, April 11, 1994, www.time.com/time/magazine/article/0,9171,980522-4,00.html.
2. Orange County Information, http://en.wikipedia.org/wiki/Orange_County,_California.
3. Alan Katz and Gregorary Viscusi, "Trader Turns Société Générale Report into a Nightmare," January 25, 2008, Bloomberg, www.bloomberg.com/apps/news?pid=20601087&sid=awdX2SvGEIgE&refer=home.
4. PricewaterhouseCoopers, "Transparency versus returns: The Institutional investor view of alternative assets," March 2008.

CHAPTER 11

1. Securities Exchange Act of 1934, Section 13F, www.law.uc.edu/CCL/34Act/sec13.html#f.1.
2. J.P. Morgan Research, "Sovereign Wealth Funds: A Bottom-up Primer," May 22, 2008, www.econ.puc-rio.br/mgarcia/Seminario/textos_preliminares/SWF22May08.pdf.

CHAPTER 12

1. Greg N. Gregoriou and Fabrice Rouah, "Large versus Small Hedge Funds: Does Size Affect Performance?" *Journal of Alternative Investments*, Winter 2002, Volume 5, Number 3.
2. Infovest21 White Paper, "Performance: Small/Emerging Managers vs. Large/Established Managers - Analysis and Compilation of Studies," January 2008.

CHAPTER 13

1. This quote is from a meeting Daniel Strachman and Richard Bookbinder had with Schulman at Tremont's offices at 555 Theodore Fremd Avenue in Rye, NY on November 5, 2007.
2. Our source of information is the Hedgefund.net database as of January 22, 2007 with YTD results through December 31, 2006. There are two indexes used: HFN Fund of Funds multi-strategy (HFN FOF) average with 1,781 reporting funds, and HFN Multi-Strategy (HFN MS) average with 358 reporting funds.

CHAPTER 14

1. 2007 PerTrac Hedge Fund Database Study, March 4, 2008.

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4. Ibid.
5. CNN World News, "In U-Turn, US Agrees to Global Warming Deal," December 15, 2007. www.cnn.com/2007/WORLD/asiapcf/12/15/bali.agreement/index.html.
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13. PointCarbon News, "Japan Earmarks \$16 Billion of Stimulus for 'Green' Measures," April 9, 2009, www.pointcarbon.com/news/1.1094390.
14. Climate Conference, Copenhagen 2009, December 6-18, 2009, www.erantis.com/events/denmark/copenhagen/climate-conference-2009/index.htm.

GLOSSARY

1. Some of the entries were previously printed in Strachman, D., *The Fundamentals of Hedge Fund Management*, Hoboken, NJ: John Wiley & Sons, 2007.