

Catella Hedgefond revises fee structure

Stockholm (HedgeNordic) – Catella has decided to revise the fee structure for its flagship hedge fund “Catella Hedgefond”, a press release states.

Having previously applied an annual reset of its high water mark, Catella has now chosen to implement a perpetual high water mark. The revised fee structure is a response to “changing market demands” according to Catella.

Catella highlights that the current fee structure was by no means unique when the fund started in 2004 and that the fund rules that regulate the fees charged were approved by the Swedish Financial Supervisory Authority.

Erik Kjellgren (pictured), Catella’s head of Swedish fund management operations, however recognises that the market practice has moved towards perpetual high water marks and see no reason to stick to the previous model:

“However, since market practice has since then gradually moved towards the use of a perpetual high water mark, we find no reason to retain this principle. It is important to emphasise that the model we have applied until now has been clearly communicated, is fully in line with current regulations and entirely in accordance with the fund rules approved by the Financial Supervisory Authority.”

The revision must be similarly approved by the Financial Supervisory Authority, and can then be applied immediately, the press release states.

“We believe in our fund management model and we naturally care about full transparency, including in our fee structure,” Erik Kjellgren concludes.