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### **Kleinwort Benson wins mandate for US\$150 million fund**

[Kleinwort Benson](#) has been appointed fund administrator for a market-leading Guernsey domiciled fund, with a launch value of US\$150 million.

Kleinwort Benson (Channel Islands) Fund Services Limited has helped [Prosperity Capital Management Limited](#) to successfully launch its fourth Guernsey domiciled closed ended fund, Prosperity Quest II Unlisted Limited, demonstrating Guernsey's position as a robust jurisdiction of choice for innovative global fund managers.

Prosperity Capital Management has been investing in Russia and the CIS since 1996, with a long-only, activist philosophy. With around \$4bn of assets under management, it is the largest, independent portfolio manager of international money in the region, and continues to manage the most successful Russia-focussed funds of the last 10 years.

The investment strategy of the Prosperity Quest II fund is to invest in medium and small Russian companies, acquiring significant minority investments and increasing the value of the underlying company through shareholder activism.

In line with their flexible approach, Prosperity has accepted subscriptions in specie, with underlying assets, such as companies, not simply monetary subscriptions. This has amounted to approximately 20% of the subscriptions.

“We are still in a very difficult market for fund raising, particularly for investing in Russia and other emerging markets,” said Joe Truelove, Head of Channel Islands Business Development for Corporate Clients at Kleinwort Benson.

“The fact that Prosperity Capital Management has managed to raise \$150 million for a new fund in the current environment is a testament to their strong reputation and expertise in the Russian market. Adapting the subscription to allow investors to invest in specie was a particularly innovative solution.”

Kleinwort Benson administers Prosperity’s other three Guernsey domiciled funds, which are all closed ended vehicles.

“We are pleased to have attracted new investors in this challenging environment, and to have worked with Kleinwort Benson in Guernsey on this successful fund raising,” said Liam Halligan, Chief Economist, Prosperity Capital Management.

Katherine Ashton at [Debevoise and Plimpton](#) acted as English legal counsel on Prosperity Quest II Unlisted Limited, Caroline Chan from [Ogier](#) acted as Guernsey legal counsel, [KPMG](#) has been appointed as auditors. The Directors of the fund are Patrick Firth, Trudi Clark and David Jeffreys.

**Release Ends**