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New Year, New Regulation

Partners at Dentons discuss the new crypto asset rules implemented in Germany

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NCP of India launches new permissioned blockchain system

The National Payments Corporation of India (NPCI) is set to introduce Vajra Platform, a distributed ledger technology (DLT) system for automated payment, clearing and settlement.

NCPI explained in its document entitled 'Vajra Platform', that a distributed ledger gives control of all its information and transactions to the users and promotes transparency.

Meanwhile, NCPI highlighted that a permissioned network will be set up so that only the parties who have been approved by the Network Administrator can be a part of the network.

Vajra is being developed for a payments processing industry so permission-less blockchain systems were not considered, NCPI added.

According to NCPI, node is a fundamental component of a DLT; the clearing house node, NCPI, participant nodes and UIDAI node (Notary node) will be treated as part of the DLT platform.

NCIP cited: "The Vajra platform will be accessed by multiple payment entities for performing transactions via web interfaces. The bank nodes will receive requests from the application programming interface and will process it on Vajra."

"The system will have self-executing contracts containing business rules. After successful processing of the requests, the on-chain data (for example, Hashes of the transactions) will be added to the ledger."

NCPI added: "Each participant node in the network maintains a ledger of their own. Off Chain database will be used to store information that is not published on the platform (transaction data which doesn't uniquely define the transaction). This data will be accessible only to the node."

NCPI is an umbrella organisation for all retail payments in India and was set up with the guidance and support of the Reserve Bank of India and Indian Banks Association.

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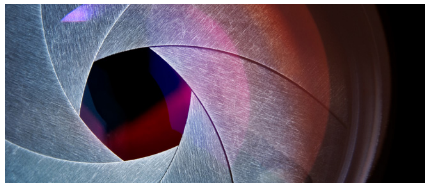

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UK stress testing results show 'resilient' banking system

The Bank of England (BoE) 2019 stress testing has found that the UK banking system is resilient to deep simultaneous recessions in the UK and global economies that are more severe overall than the global financial crisis, combined with large falls in asset prices and a separate stress of misconduct costs.

BoE explained that the UK banking system would, therefore "be able to withstand the stress and continue to meet credit demand from UK households and businesses".

Commenting on the UK banking system stress testing in advance of the results, Ben Saunders, vice president of consulting at Contino, an enterprise DevOps and cloud transformation consultancy, said: "Once again banks have been put through the ringer—forced to prove they can survive some of the most severe scenarios that could threaten the stability of the whole financial services industry."

Banking stress tests assess how banks can cope with severe economic scenarios. The BoE looks at a banks' resilience and aims to make sure they have enough capital to withstand extreme shocks and are able to support the economy.

However, according to Saunders, the pressure is coming from regulators to improve auditing and reporting processes.

Meanwhile, making sense of the flood of data that banks process on a daily basis requires the ability to access data at speed, analyse in real-time and uncover unknown patterns through data visualisation techniques, Saunders highlighted.

He concluded that banks cannot afford to 'rest on their laurels' now they have mastered stress testing, adding that regulators will continue to demand more.

"To be prepared to face up to the risks coming around the corner in the next decade, banks need to be able to use the data available to support day-to-day operations," Saunders stressed.

According to Saunders, from understanding risk posture, to capital planning and guiding strategic thinking, banks must use data to predict the future and stay on their toes.

BNY Mellon to support VFMC's data transformation

Victorian Funds Management Corporation's (VFMC) has selected BNY Mellon's Eagle Data Management product to underpin its comprehensive data and IT transformation strategy.

Eagle Data Management hosts a secure private cloud and managed service agreement to integrate, clean, enrich and validate multiple sources of investment data into one centralised location.

BNY Mellon explained that this will help the technology environment for VFMC on a going-forward basis.

Rohan Singh, Asia Pacific head of asset servicing at BNY Mellon, said: "For investment managers like VFMC to thrive in today's environment, it requires comprehensive technology solutions that allow investment professionals to focus on their core business, and not be weighed down by legacy systems. We're proud to welcome VFMC and build on our established team in Sydney by expanding our presence in Melbourne to support VFMC and continued growth in Australia and Victoria."

VFMC's CEO Lisa Gray commented: "It was essential for us to find a strategic partner who could enable and support an uplift in our investment decision making and insights. We wanted to centralise and enrich our data, uplift exposure intelligence and enhanced analytics, facilitate stronger governance and deliver enhanced reporting."

VFMC manages assets over $65 billion and delivers investment and funds-management services to 29 Victorian public authorities and related organisations.

EBA Clearing shares specifications of R2P solution

EBA Clearing, the provider of pan-European payment infrastructure solutions, has delivered its specifications for its pan-European request to pay (R2P) infrastructure solution, which is set to go live in November 2020.

PMC Fund Services selects PFS-PAXUS

PMC Fund Services has chosen Pacific Fund System's PFS-PAXUS fund administration system for its third-party fund administration business operations.

PFS-PAXUS will provide PMC with a complete back-office fund accounting, portfolio valuation, fund pricing and transfer agency solution for the administration of their clients' investment funds.

Asia-based PMC offers assistance and advice on all aspects of fund structure and setup, in addition to a comprehensive range of fund administration solutions, including middle and back-office functions, and corporate governance services.

Paul Kneen, CEO of PFS, said that he is "delighted to welcome PMC Fund Services as a new client".

Request to pay is considered a key element in an evolving payments landscape, EBA Clearing explained.

The specifications of EBA Clearing's R2P solution have been created with the support of 27 financial institutions from 11 countries, which are funding the development of the solution.

These specifications will be made available to the wider community of future users of the solution and to the technical service providers and solution providers supporting them.

According to EBA, request to pay services built on top of a messaging infrastructure that can increase certainty, transparency and convenience of payment processes, for instance by speeding up the end-to-end process, reducing risk and easing reconciliation.

EBA Clearing highlighted that a pan-European request to pay solution will be an enabler for payment service providers (PSPs) and their customers to realise the full potential of instant payments.

The development of the solution will 'fully align' with the request to pay scheme that is currently being delivered by the European Payments Council (EPC).

The payment schemes developed by the EPC are used by thousands of payment service providers in Europe to facilitate some 39 billion transactions each year.

A pan-European request to pay approach, according to EBA, is seen as the missing piece of the puzzle for market players to create innovative payment products and services for their customers.

Erwin Kulk, head of service development and management, EBA Clearing, commented: "We are very pleased to share the specifications of our Request to pay solution with interested payment service providers and their suppliers almost a year ahead of the go-live of the service. With the speedy delivery of these specs and the open and transparent approach for sharing them, we hope to further

Nordic investment manager selects Northern Trust

Storebrand Asset Management, the Nordic investment manager, has selected Northern Trust to provide asset servicing to its alternative investment fund and UCITS funds domiciled in Luxembourg. Northern Trust will provide global custody, fund administration, transfer agency, depositary, and company secretarial services for the Storebrand funds in Luxembourg.

According to Storebrand, the UCITS umbrella fund will operate a number of sub-funds, which will particularly focus on Storebrand's environmental social and governance (ESG) and selected SKAGEN value-based investment strategies.

Jan Erik Saugestad, CEO, Storebrand Asset Management, commented: "Storebrand Asset Management has led the way by investing sustainably at scale for over 20 years, but the need to address global environmental and social challenges has never been greater."

Saugestad continued: "In Northern Trust, we have found a partner with a strong cultural fit that understands who we are—and has a local presence in the Nordic region combined with significant expertise in Luxembourg."

Clive Bellows, head of global fund services, Europe, Middle East and Africa, Northern Trust, added: "Northern Trust is increasingly supporting Nordic asset managers with their expansion plans by offering our distribution expertise across Europe's major fund domiciles in combination with our front, middle and back-office solutions."

"We are delighted Storebrand has selected Northern Trust to help reach its target investors around the world. Our track-record of administering all types of asset classes, of ensuring speed-to-market and supporting investment managers' operations means we are ideally positioned to assist Storebrand as it executes its distribution strategy."

Northern Trust has worked in the Nordic region since 1991 and first opened its Stockholm office in 2009.

contribute to the creation of a forward-looking pan-European payments ecosystem taking full advantage of real-time messaging."

Kulk added: "PSPs and payment operators across Europe have put in a lot of effort to create both critical mass and pan-European reach for instant payments and request to pay will be a crucial tool to leverage these rails for innovative and sustainable end-user solutions."

State Street launches digital asset pilot with Gemini

State Street has launched a new digital asset pilot with the cryptocurrency exchange and custodian, Gemini Trust Company.

The pilot builds on ongoing research and development in the digital asset space to combine Gemini Custody with State Street's back-office reporting.

According to State Street, the pilot is the first of its kind and performs reporting scenarios on a user's holdings within Gemini Custody.

Initially, the pilot will report holdings of two cryptocurrencies chosen for liquidity reasons, State Street explained, but it can also be adapted to report on holdings of other assets including security tokens.

This allows the user to consolidate the reporting of their digital assets serviced by Gemini, an independent digital asset custodian, with their traditional assets serviced by State Street.

Ralph Achkar, managing director, digital product development and innovation at State Street, commented: "Given State Street's leadership position in asset servicing, this project felt like a natural extension of those services as we continue to explore and evaluate opportunities to provide innovative solutions to our clients."

Achkar explained: "There is small, but growing demand from our clients for solutions of this type and many technical, operational, regulatory, and legal considerations to be addressed. That is why we have opted for an open model and started a pilot with Gemini as an established, regulated player in the digital asset space."

Gemini's CEO, Tyler Winklevoss, added: "Working with State Street is a major milestone for Gemini and digital assets as a mainstream asset class. With trillions of dollars in assets under management, State Street will never compromise on security—and neither will we. Traditional investors will more seamlessly be able to allocate capital in their portfolio to digital assets through trusted and regulated financial institutions—helping us build a better bridge to the future of money."

State Street expands ETF servicing arrangement with VanEck

State Street has expanded its servicing arrangement with VanEck, to provide exchange-traded fund (ETF) services for almost $40 billion of its clients' assets.

As part of this arrangement, State Street will provide a variety of back-office services, including accounting and certain administrative functions, for more than 60 VanEck funds.

John Crimmins, chief financial officer, mutual funds and ETFs, at VanEck, said that the new ETF servicing arrangement with State Street "will enhance our ability to service shareholders and will allow us to focus on creating new and innovative ETFs".

Frank Koudelka, global ETF product specialist at State Street, added: "We continue to devote significant resources to servicing the ETF structure and continually seek to improve our proprietary, core platform as well as providing strategic advice to our clients."

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J.P. Morgan renews custody services mandate with superannuation fund

J.P. Morgan has renewed its contract to provide custody services to the Australian superannuation fund, Local Government Super (LGS). According to LGS, growth and structural changes to its offerings prompted management to conduct an independent tender process to access the offerings in the market, with J.P. Morgan coming out on top.

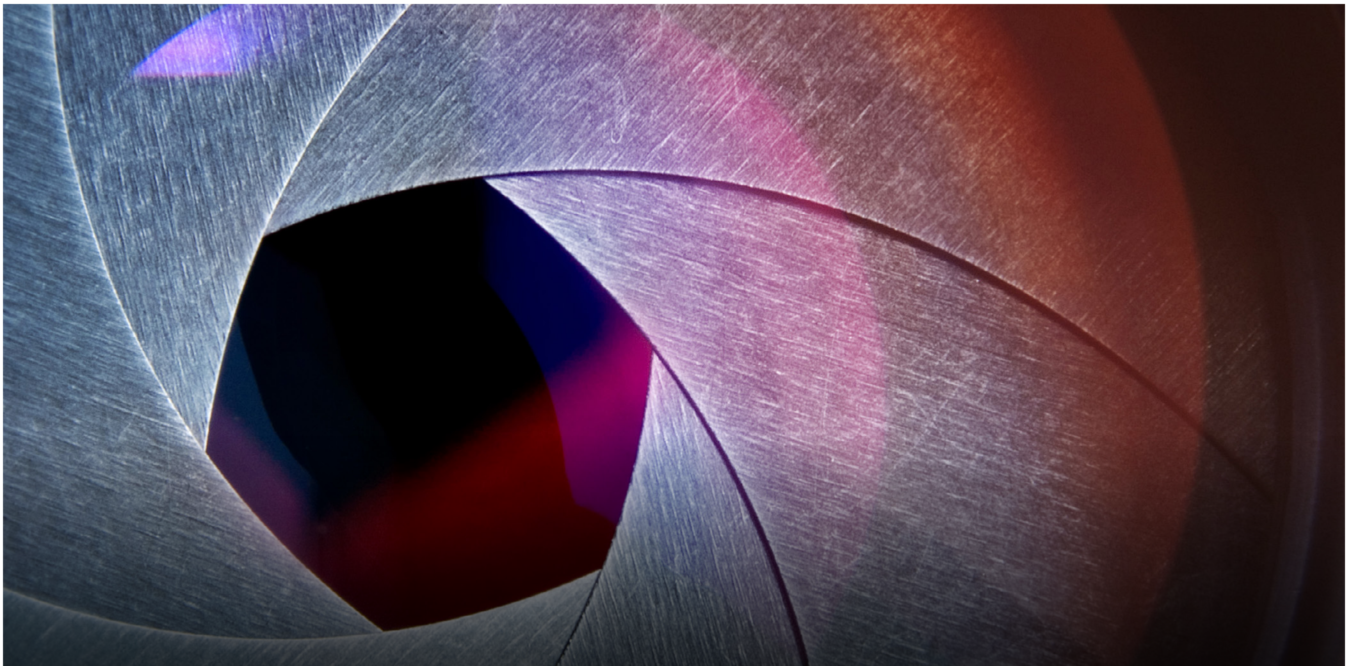
The bank has been providing LGS with custody services since 2003 and the new contract will see the mandate continue for a further five years.

Key services include the physical safekeeping of assets, and account and administration services such as unit pricing, compliance and securities lending for LGS' more than $12 billion in superannuation assets under management.

LGS CEO, Phil Stockwell, commented: "LGS and J.P. Morgan have worked closely together for a number of years to support our strategic objectives across our custody, fund administration and securities lending services."

"Ongoing access to the expertise and capabilities of J.P. Morgan ensures we continue to provide strong outcomes for our members."

Meanwhile, Nadia Schiavon, head of securities services, Australia and New Zealand, J.P. Morgan, added: "In addition to custodial services, J.P. Morgan will also provide performance reporting to support LGS' responsible investment strategy, partnering with the fund to ensure the right infrastructure is in place to support complex investment strategies."



Innovating with focus

Andy Schmidt of CGI highlights global progression in the payments sphere as well as his predictions for the future of real-time payments

Maddie Saghir reports

Do you think the last 12 months have been positive for the payments industry? What progression have you seen?

It's been positive. Payments are moving along on a couple of important fronts. Firstly, there's greater adoption of standards; so that we can have a common payments language, at least at a technological level, because there's no competitive advantage to having proprietary protocols. If proprietary protocols add anything, it's friction and costs, which is why a deeper adoption of ISO 20022 is very important.

Secondly, another point of progression towards greater success is a further acknowledgement of the value of real-time in terms of payments. In mandated areas, such as the UK, or Australia, for example, the value is not the issue, the need to comply is the issue—it's the need to do what the regulator has asked you to do in terms of making real-time payments a reality.

In markets where it is not such a strict regulatory requirement, the value is a little more suspect because of challenges in terms of monetising this type of service. As an industry we should accept that the move to real-time payments is inevitable, whether by mandatory mandates or through market forces and work to turn real-time investment into ongoing revenue streams. That's the consistent language that I hear from banks around the world.

Do you think there is a need for more collaboration in the payments industry?

If we have the technological capabilities to move funds and settle in real time, or something close to it, why don't we? It's because in markets where real-time is optional and where the regulator is not requiring it, it is more difficult to justify the journey because of the costs involved.

We have seen a number of bank customers go to other banks or competitors if real-time is not available. It is important that banks work with partners to analyse how they can create services that sit on top of a real-time network.

There is an increased willingness to have discussions between banks and fintechs to analyse how they can serve the market better. The fintechs certainly have cutting-edge thinking and very specific technologies that answer individual questions extraordinary well. The banks have the reach, as well as the technological capabilities in terms of uptime, security, and compliance.

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> *There's no end to the technology advancement or the number of payments offerings year after year, but it can always be improved because not every idea is a good one*

The financial services industry needs to devote more attention to these types of partnerships to enable banks to meet the needs and requirements of their customers, their regulators, and their shareholders. In terms of collaboration, knowing where to start can be the biggest problem and knowing your customer base is also extraordinarily difficult.

Our research on the consumer side indicates that consumers don't always value loyalty reward schemes. What they are looking for is advice on how to spend less, save more, and how to repay debt more quickly. Solving individual use cases like that is where banks and the fintechs really need to focus.

What is CGI working on in terms of payments?

On the services side, we are working with a fintech named OrdoPay to provide real-time request to pay capabilities. We're able to go to market as a trusted party, and help financial institutions' business cases and understand the value of these types of offerings in a real-time world because the banks are paying for the infrastructure, and it is incumbent upon them to figure out how they are going to profit from it. That may sound negative, but any organisation has the right to earn an appropriate fee from the services they provide. Quite frankly if they are providing good services and figure out the best ways to leverage and monetise these services then this could be the best solution. These are also the types of services the regulators are looking for—services that meet market needs at a reasonable price.

On the infrastructure side, we have our payment hub offering- and this market is maturing right now. In the last few months, we've been seeing a number of banks that have started the payment hub journey question the value of their investments.

From our experience and knowledge of the industry, this may be because they haven't changed their back-end processes to adapt to the capabilities of that infrastructure or because they haven't taken full advantage of what the technology available can do. I chair our Advanced Analytics Working Group and as part of that effort, I am helping banks to take advantage of all the rich information that is already in the payments data to help them answer key questions around new product opportunities, as well as address operational issues like liquidity concerns. The goal is to start small–understand what question you are looking to answer, and then deliver a proof of concept to better understand what can be done to create value for the organisation.

Are financial institutions looking at cybercrime prevention enough? Should there be legislation in place around cybersecurity for financial institutions and the financial services industry?

In financial services, you're safeguarding the assets and identities of millions of customers. Trust is your primary stock and protecting that customer information is key to creating and preserving this trust. In the banking world, the bigger you are, the more attractive a target you are. The good news is that larger banks also have more resources to devote to cybersecurity, allowing this to focus on activated ranging from creating an effective cybersecurity programme to applying patches and testing network applications for vulnerabilities.

One of the questions that keeps coming up is "should we have legislation, or are standards enough?" Standards, like the ones that the National Institute of Standards and Technology (NIST) and others have created clear guidance on the steps that should be taken to protect organisations from cyber threats. And, these standards could well serve as the foundation for legislation, just as ISO 20022 provided much of the technical underpinnings for SEPA.

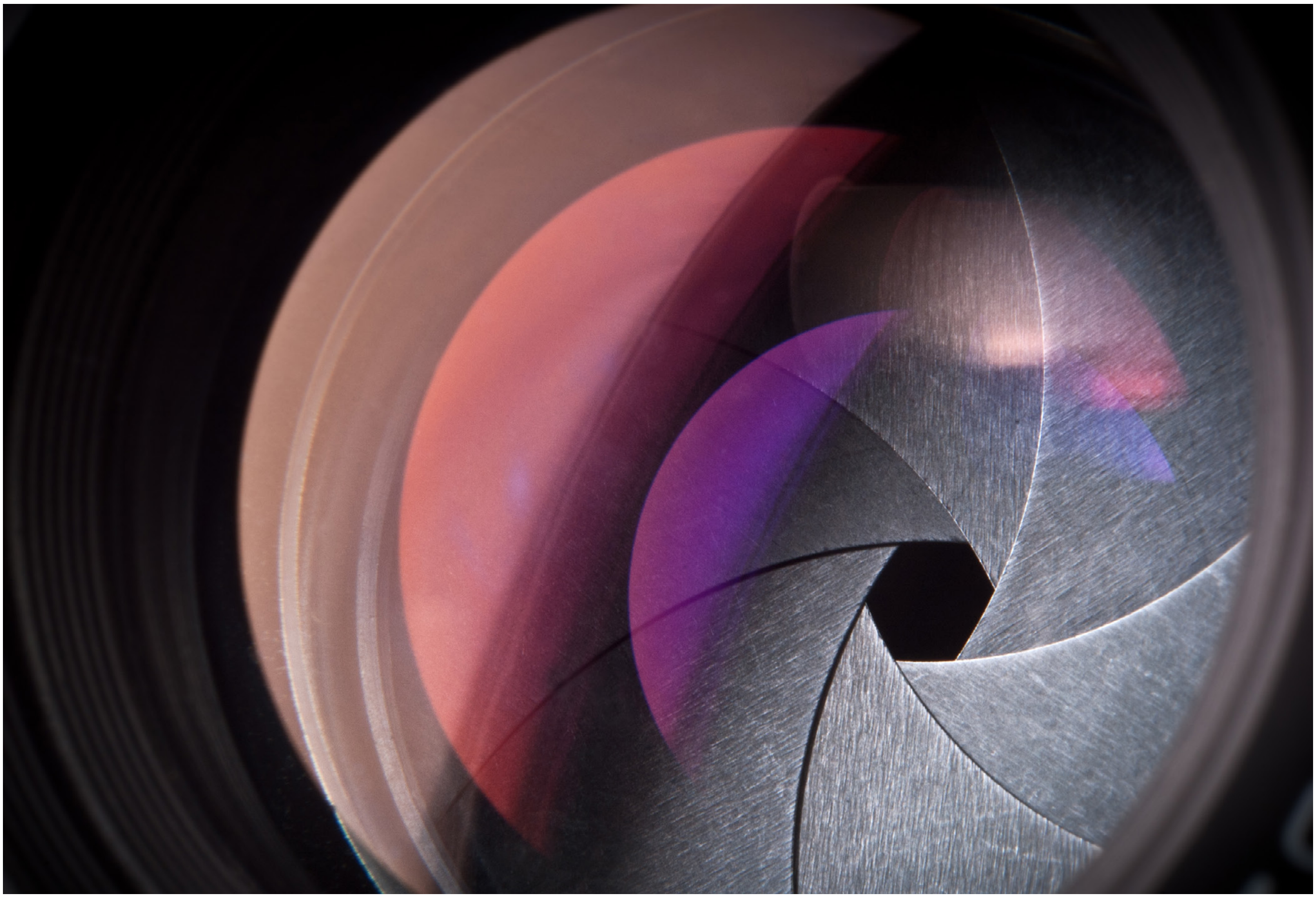
However, truly "global" legislation has always been a challenge. The more likely approach is that local legislation, or even regional legislation could seek to create minimum standards for financial services institutions to adhere to. The good news is by and large the local regulators have cybersecurity as part of their exams and audits, to make sure there is at least some form of governance in place on this topic.

It could be better but the information security world tends to do a very good job of sharing information amongst institutions because it is a common goal, if not a requirement, at a regulatory level or bank mandate level to protect the customer and their assets and therefore protect the brand.

Do you think there is a lack of innovation within the payments sector? If so, what can be done to improve this?

There's no end to the technology advancement or the number of payments offerings year after year, but it can always be improved because not every idea is a good one. Effective innovation is a lot more than just bringing in a new shiny object—it's about creating value. However, many institutions are uncomfortable with innovation because they're not sure exactly how to utilise it, so they don't necessarily use it well. That can be a true tragedy as there are a lot of opportunities that are missed as a result.

Innovation, especially on the corporate side, has been bred out of financial services because they've been told to create short



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payback periods rather than take risks, and innovation is all about risk, albeit risk that can be managed effectively. It's all about trying out new things. It's learning to walk again, or at least learning to walk differently.

To make it work, you need to put guidelines in place with purpose and governance, questioning the business model– "is this what we're supposed to be doing? Can this help us in any way, shape, or form? What are we going to learn and can we monetise it? What can we learn from ourselves?"

It's important to keep records of what you've actually done. You can learn from what you've done in the past—learn from your mistakes—to make it better, faster, learn what to do, and what to avoid. Keeping those records helps identify long-standing problems and codify proved approaches to recurring problems. Articulating what problems you're looking to solve helps put a layer on top of innovation to give it meaning, to give it purpose and put it in the right direction.

It takes some work—it takes pushing everybody out of their comfort zone. Getting a bright, young developer to talk about the business application of specific technology can be just as challenging as asking a long-time bank executive to articulate the next trend in Person to Person and how they are going to make money out of it.

These types of conversations are often generational and go across departments and responsibilities. Being able to capture and leverage the information shared in these conversations is very important.

What are your predictions for the next 18 months in the payments sector?

Making sure that innovation continues even at a time of geopolitical struggle is going to be very important because the banks that can continue to innovate when times are bad are going to be in a much better position to take advantage of those ideas and projects that flourish when times are good. Banks can teach discipline and market focus to the fintechs but the fintech can teach resource constraint to the banks. From the point of view of resource constraint, the question is: how much can I squeeze out of a minimal investment that would make everyone more creative and outcome-focused?

Innovation without focus is expensive, innovation with focus can be income. If a bank applies focus to their innovation efforts, they are much more likely to succeed.

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New year, new regulation

Partners at Dentons discuss the recently adopted legislation on crypto assets in Germany

On 29 November 2019, the German legislator adopted new rules on crypto assets. The new rules have been adopted as part of the implementation of fifth Anti-Money Laundering (AML) Directive of 30 May 2018. Under the fifth AML Directive, the domestic law of EU member states has to provide that custodian wallet providers are subject to AML requirements. In this context, "custodian wallet providers" are defined as entities that provide services to safeguard private cryptographic keys on behalf of their customers, to hold, store and transfer virtual currencies. Rather than amending the German AML Act (Geldwäschegesetz (GWG)), the German legislator has decided to take a much broader approach. The new law contains, among others, changes to the German Banking Act Kreditwesengesetz (KWG), which states that:

- Crypto assets qualify as financial instruments
- Trading with crypto assets and the custody of crypto assets as a service for others require a license from the German Federal Financial Supervisory Authority (BaFin) as a bank or as an investment firm
- Entities that provide no other financial services than custody are exempted from certain rules that apply to other investment firms

Crypto assets qualify as financial instruments

Whether or not crypto assets qualify as financial instruments have a significant impact on the applicable regulatory framework. If crypto assets qualify as financial instruments, entities trading with such assets or providing custody services with respect to them may require a license as a bank or an investment firm. Banks and investment firms must also comply with regulatory requirements such as capital requirements and AML requirements.

The qualification of crypto assets as financial instruments was disputed in the past. The BaFin took the view that utility tokens did not qualify as financial instruments. However, according to the BaFin, investment tokens qualify as securities, which fall under the definition of financial instruments pursuant to the German Banking Act. The BaFin also took the view that currency tokens qualify as "units of account" (Rechnungseinheiten), which also falls under the definition of financial instruments pursuant to the German Banking Act. A decision by the district court (Kammergericht) of Berlin dated 19 October 2018, opposed this view and held that payment tokens did not qualify as financial instruments; however, this decision had no impact on BaFin's administrative practice.

The new rules also include a licensing requirement for the safeguarding, the administration and the securing of crypto assets as a service for others

The new law defines crypto-assets as “the digital representations of a value that has not been issued or guaranteed by any central bank or public authority and that does not have the legal status of currency or money, but which is accepted as a means of exchange or payment or for investment purposes by any person or entity on the basis of an agreement or according to market practice, and which can be transmitted, stored and traded electronically”.

This definition is rather broad and can include utility tokens, investment tokens, payment tokens, as well as hybrids thereof.

Licensing requirements for the custody of crypto assets

The new rules also include a licensing requirement for the safeguarding, the administration and the securing of crypto assets as a service for others. According to the legislative reasoning, “safeguarding” means that the service provider saves crypto assets of the customers in a collective account to which the customers have no key. The “administration” of crypto assets means the exercising of rights arising from the crypto-assets (such as voting rights). The ‘securing’ of crypto assets include the securing of the private key of the customers as well as the securing of physical media on which such keys are recorded. This does not apply to the mere offering of storage capacity (such as web hosts or cloud storages), provided that such storage space is not explicitly offered for the securing of private keys. Thus, custodian wallet providers will be subject to license requirements if they offer their services in Germany. According to German banking law, the offering of services “in Germany” does not require a physical establishment in Germany.

Any activity by which an entity incorporated or resident outside Germany solicits business from persons in Germany is regarded as the offering of services in Germany. Only if the German customer contacts the service provider without having been solicited to do so, the service provider will not be deemed to conduct the custody business in Germany (so-called “reverse solicitation”). If services are provided on the Internet, there is often only a thin line between soliciting customers in Germany and reverse solicitation.

Requirements for a license for the crypto asset business

Entities that require a license only for the crypto asset business, but not for any other type of banking business or financial service, will have to comply, inter alia, with the following requirements:

- An initial capital of €125,000
- The management must have sufficient experience and be reliable
- The firm must have a proper business organisation (this includes the rules applicable to outsourcing and risk management as well as IT security which apply to banks and other investment firms)
- Certain notification requirements (i.e. if the capital falls below certain thresholds or if managing directors resign or are appointed)

Entities that provide no licensable services other than the custody of crypto assets are exempted from a number of regulatory requirements that generally apply to investment firms. This mainly applies to certain requirements related to capital buffers and liquidity and regulatory capital requirements under the Banking Act and the CRR.

Entities that provide no licensable services other than the custody of crypto assets are exempted from a number of regulatory requirements that generally apply to investment firms

Further licensing requirements

Since the legislator has now clarified that crypto-assets qualify as financial instruments, any banking business or financial service relating to financial instruments will require a license if such a banking business or financial service is conducted or provided in relation to crypto-assets.

For example, the operation of a multilateral trading system (MTF) that brings together multiple third-party buying and selling interests in financial instruments according to non-discretionary rules, qualifies as a licensable investment service. Depending on their specific set-up, it is likely that some crypto-asset trading platforms may qualify as MTFs.

Firms that provide custody services with respect to crypto-assets or other services related to crypto-assets are advised to consider the implications of the new rules, in particular, whether they need to obtain a license

In addition, the purchase and sale of financial instruments as an agent for others qualifies as a licensable banking business or financial service. Thus, if such activity is conducted with respect to crypto-assets, the service provider will have to obtain a license as a bank or investment firm.

Pure proprietary trading, which is not provided as a service for others, does not qualify as a licensable business. However, it should be noted that own account trading that is conducted with a view to purchasing and selling crypto assets to customers does not qualify as proprietary trading and may, therefore, be subject to licensing requirements.

Changes in comparison with the draft rules

A draft version of the new rules provided that entities that hold a license for the custody of crypto assets may not provide any other licensable business. This would have meant that, for example, an entity that holds a license for the operation of an MTF would have been excluded from offering the custody of crypto assets. This was mainly based on IT security considerations. The legislator was concerned that custodians of crypto assets would often be a target of hackers and that in case of a successful hack, not only the custody business but also other businesses of the same entity may be affected. However, this strict separation rule was abandoned in parliament.

Transition periods

The new law came into force on 1 January 2020, subject to certain transition periods. Entities which require a license for the custody of crypto assets, or which require a license due to the extension of the definition of “financial instruments”, may notify the BaFin on or before 31 March 2020, of their intention to obtain a license. In such a case, the license will be deemed to be awarded on a preliminary basis, provided that they will submit a complete application for a license no later than 30 November 2020.

Firms that provide custody services with respect to crypto-assets or other services related to crypto-assets are advised to consider the implications of the new rules, in particular, whether they need to obtain a license. Please note the deadline of 31 March 2020, for indicating the intention to obtain such a license to the BaFin.

Please also note the deadline of 30 November 2020, for the submission of a complete application for a license.

Although about one year from now, it should be noted that the preparation of a complete application may require a considerable amount of time and effort.

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Comings and goings at Intertrust, State Street and more

Intertrust has named Edwin Chan as director of head of UK business development for its funds division, based in London.

In his new role, he will help to build and maintain strong relationships with prospects and intermediaries and developing new opportunities for the firm. He will be responsible for driving the funds sales activity in the UK.

Chan joins Intertrust with more than 20 years of experience, across banking, governance, sales, private capital funds, hedge funds and asset management.

Previously, he worked in roles including senior vice president of business development for Europe, the Middle East and Africa (EMEA) for Northern Trust, and senior director at SS&C GlobalOp.

He has also served at Wells Fargo Global Fund Services and HSBC Alternative Fund Services in Hong Kong.

Patrick O'Brien, global head of funds of Intertrust, said: "I am delighted to announce the appointment of Edwin Chan to our funds team. He has significantly proven his ability to devise and drive business development initiatives for private equity, private debt, real estate and the infrastructure funds sector across the EMEA region, and his in-depth understanding of the regulatory environment and private markets funds make him ideally suited to the role."

Eduardo Gramuglia Pallavicino has taken on the role of senior vice president and country head of State Street in Luxembourg.

In his new role, Gramuglia Pallavicino will be responsible for business strategy and governance.

Gramuglia Pallavicino has been working at State Street for just over four years. Most recently, he was responsible for business development, relationship management, client onboarding and change.

Additionally, he was an authorised manager and a member of the State Street Bank Luxembourg S.C.A. management board.

Prior to State Street, Gramuglia Pallavicino held several senior management roles at ABN Amro, BNY Mellon and Brown Brothers Harriman in Luxembourg, where he was head of sales and relationship management.

In total, Gramuglia Pallavicino has over 20 years of experience in the asset servicing and capital markets industry.

According to State Street, this includes experience within custody, client services, securities lending and foreign exchange, relationship management and operations management.

In addition, he also had general management responsibilities, including oversight of central administration for Luxembourg funds.

Meanwhile, Gramuglia Pallavicino is also an active member of the Association of Luxembourg Funds Industry and contributes to the work of several of its working groups.

Motive Partners has appointed Blythe Masters and Richard Lumb as industry partners.

The private equity firm specialises in providing innovation services to technology-enabled financial and business services corporations.

In their new roles, Masters and Lumb will assume responsibility for strategy development, technical due diligence and value creation plans, and deal origination and execution for Motive Partners' portfolio clients.

Masters previously served as CEO of Digital Asset for three years, before stepping down to a strategic advisor role in December 2018 for personal reasons. In her past leadership positions, Masters cultivated experience in enterprise software, specifically distributed ledger technology.

Lumb joins Motive Partners from Accenture, where he had a 35-year career that most recently included the role of group chief executive for financial services, encompassing the banking, insurance, and capital markets industries.

Commenting on the appointments to the industry partners team, Rob Heyvaert, founder and manager partner of Motive Partners, said: "Our industry is complex, and to be the best we can be as sector-specialists requires an intense focus on talent acquisition."

"I am delighted to welcome Blythe Masters and Richard Lumb to the Motive family, as two leaders I have greatly admired throughout my own career in the industry and who I know will add much value to our platform and those we serve."

Masters added: "I am delighted to be joining the Motive Partners platform, which will allow me to add value while spending time on my areas of expertise and passion. I look forward to working with the talented team on the future phases of the firm's development."