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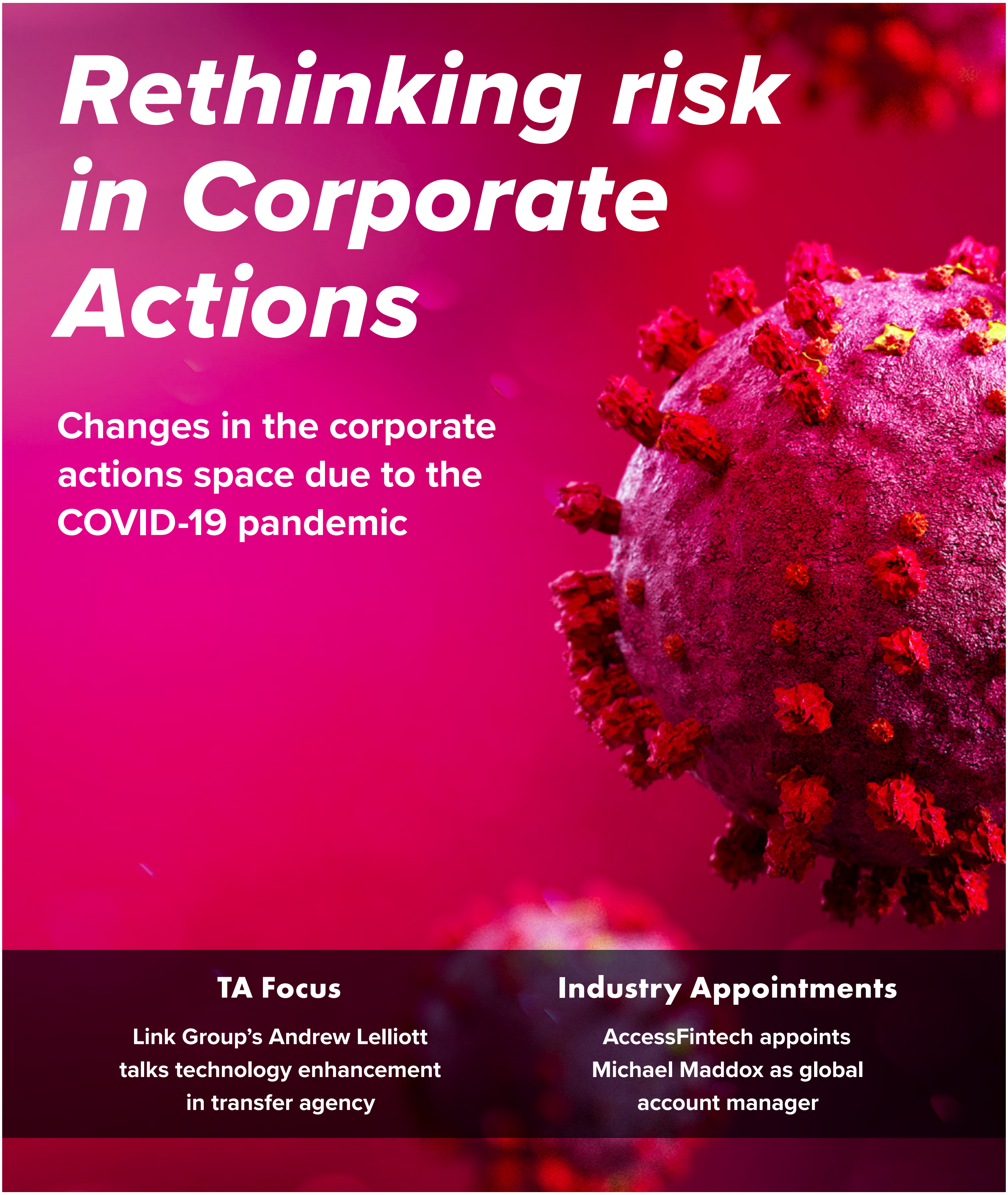

Rethinking risk in Corporate Actions

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TA Focus

Link Group's Andrew Lelliott talks technology enhancement in transfer agency

Industry Appointments

AccessFintech appoints Michael Maddox as global account manager

Standard Chartered Hong Kong to acquire RBC Investor Services Hong Kong

Standard Chartered Bank Hong Kong (SCBHK) is to acquire RBC Investor Services Trust Hong Kong Limited, subject to regulatory approval.

The acquisition aims to enhance SCBHK's securities services capabilities and client base as part of a wider effort to grow its custodian and fund servicing business.

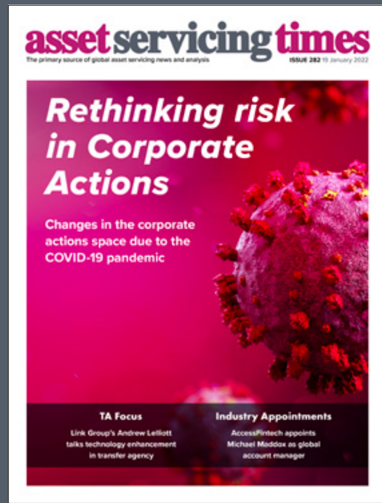
SCBHK also aims to expand into the Mandatory Provident Fund (MPF) and Occupational Retirement Schemes Ordinance (ORSO) schemes trusteeship business in Hong Kong.

RBC Investor Services Trust Hong Kong is an indirect subsidiary of Royal Bank of Canada, and an approved trustee authorised by the MPF Schemes Authority.

It provides a full suite of services, including trustee, fund administration, custody and transfer agency services to MPF and ORSO schemes, as well as other Hong Kong and offshore investment funds.

Commenting on the acquisition, Mary Huen, CEO of Hong Kong, Standard Chartered, says: "Hong Kong is a key market to Standard Chartered. We remain highly confident in the outlook as Hong Kong continues to grow as an international financial centre. The acquisition demonstrates our commitment to investing in growth areas, enhancing our client offering, and supporting the development of the retirement planning industry."

Francis Jackson, CEO of investor services, RBC Investor & Treasury Services, comments: "Our strategy is to focus on North America and Europe — our key markets of growth. We thank our colleagues and clients in Hong Kong for their partnership, and remain committed to supporting each of them during the transfer." ■



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United Fintech obtains stake in Athena

As a first step in a multi-stage acquisition, United Fintech has obtained a 25 per cent stake in US-founded Athena Systems, aiming to obtain another 26 per cent in two years, and the remaining 49 per cent in three years.

Founded by Luis Otero, Steano Guarnieri and Scott Sykowski, Athena services asset managers and hedge funds worldwide through its solution, Athena Spark.

Athena Spark provides front- and back-office functionality to managers and prime brokers with a full lifecycle of software planning, development, implementation and training.

The platform has portfolio analytics, risk, compliance, order management and accounting capabilities that supplies security, control, and integration.

Athena operates with offices in New York, Boston, Madrid, Austin, Texas, Mexico City, Ho Chi Minh City, and Málaga.

United Fintech was established in November 2020 by Danish-born Christian Frahm who sold his first fintech firm CFH Group to British-listed Playtech in 2016.

Commenting on the acquisition, Frahm says: “Making Athena part of United Fintech felt like a great match from day one, and we are convinced we can scale the company globally and together become leaders in the space within the next three to four years.”

He adds: “The financial services industry is waking up to a reality demanding not only that they digitise, but also help their clients digitise to survive.” ■

TMF Group expands into Latin America with fund administration acquisition

TMF Group has acquired Paraty Capital, a Brazilian fund administration platform specialising in private equity, infrastructure, venture capital and private debt funds.

As a provider of independent third-party fund administration services, Paraty Capital has more than BRL$15 billion in assets under management.

Under the terms of the acquisition, TMF Group will provide administration services to regulated Brazilian funds. It will also administer more than €160 billion of assets on behalf of fund manager clients across several jurisdictions, including Brazil, Cayman Islands, Guernsey, Luxembourg, Singapore, Hong Kong, China and the US.

The acquisition is part of TMF Group’s strategy to expand its global fund services offering, particularly in the Americas, having most recently acquired fund business Venture Back Office last year.

Acadia and Transcend form Collateral Validation Service

Acadia and Transcend have partnered to deliver an automated Collateral Validation Service to support firms in complying with Uncleared Margin Rules (UMR) Phase 6 requirements. This service allows the buy-side and broker-dealers to manage the growing complexity and volume of margin activity driven by UMR. It is designed to ensure all end-of-day collateral balances held by third-party and triparty custodians meet the required criteria, including collateral eligibility, sufficiency, concentration, and wrong-way risk according to the requirements defined in their related collateral agreements.

Integrating Transcend's triparty and custodian connectivity and collateral validation analytics along with Acadia's margin, collateral and agreement management products, the service provides validation capabilities in accordance with client agreements and communicates results daily. The service will be hosted on Acadia's platform independent of a client's existing collateral management workflow.

Speaking on the announcement, Bimal Kadikar, CEO at Transcend, says: "Our Collateral Validation Service empowers firms to respond to the new and existing margin requirements. As we formally extend Transcend's offerings to the buy-side, we are excited for the many opportunities ahead with Acadia and look forward to expanding our capabilities in new, transformational ways."

Mark Demo, head of business development at Acadia, adds: "By partnering with Transcend, we continue to ensure that our clients benefit from a more streamlined and automated approach to UMR compliance." ■

Commenting on the group's regional expansion, Michael Seligman, head of Iberia and Latin America, explains: "The Latin American market is particularly important for the group due to its strong links to the US market and its global growth potential.

"Paraty's local expertise, as well as our global reach and increased presence in the US, looks set to make this region a key area for significant growth in 2022."

Citco updates Citco Data Services

Citco has enhanced its Citco Data Services platform to enable clients to receive data directly via their own cloud provider. The new service is for the range of alternative asset investment classes Citco serves, including private equity, real assets, hedge funds and fund of funds, and covers the relevant data sets across these asset classes. The data can be sent to multiple different public and private cloud services.

The upgrade means users of Citco Data Services — the group's web-based data

integration and reporting platform — will now receive their data when and how they want via their own cloud providers. The data can be sent to multiple different public and private cloud services. It is the latest upgrade for Citco Data Services, which was launched in 2020 to empower Citco's clients by improving transparency through actionable data.

The cloud delivery feature removes a number of steps for clients wishing to access their data, speeding up the process for users and putting them in control of their data, says Citco.

Clients using Citco Data Services have automatically received this new cloud delivery capability, while any new clients will also receive the service in future.

The upgrade follows Citco's successful migration of US$1 trillion worth of assets under administration onto the newest version of Æxeo running on Amazon Web Services (AWS).

Citco has moved all its clients using Æxeo – its straight-through, proprietary front-to-back office solution – from its physical data centres to AWS over the past 18 months.

Diligent acquires analytics provider Insightia

Diligent, the Software as a Service solutions provider, has acquired Insightia, an analytics data provider specialising in proxy voting and corporate governance.

The acquisition bolsters Diligent's data, analytics and environmental, social, and governance (ESG) offerings to drive better decision-making in shareholder activism, proxy voting and corporate governance.

Formed from the 2020 merger of Activist Insight and Proxy Insight, Insightia offers a single source of global public company information to a range of global investment banks, law firms, proxy solicitors, and other corporate advisors.

Bringing together Diligent's leading governance, analytics and ESG solutions with Insightia's offerings will give clients access to organisational risk assessments and data tools in areas spanning board composition, executive compensation, supply chain due diligence, and ESG standards and frameworks.

Brian Stafford, CEO of Diligent, says: "We are so pleased to bring onboard Insightia's deep experience and market-leading intelligent analytics, particularly against the backdrop of a marketplace where shareholder engagement is rapidly evolving."

Kerry Pogue, co-founder and CEO of Insightia, comments: "Combining our capabilities with Diligent's governance, analytics and ESG solutions is a compelling next step as we look to scale our offerings globally for the benefit of our clients." ■

NAFAA to close after four-year run

The North American Fund Administration Association (NAFAA) is to close after four years. Established by industry veteran Chris Meader, the association aimed to address the requirements and goals of investors and allocators while enhancing and improving both the reputation and understanding of the North American fund administration industry.

As a voice for the administration industry, NAFAA provided a forum where professionals and regulators could share and implement ideas for progression. The association's members included Apex, Ultimus Fund Solutions, Centaur Fund Services, Circle Partners, Horseshoe, IPS, Basiz and Sudrania Fund Services, among others.

Speaking exclusively to Asset Servicing Times, Meader says: "Unfortunately, the industry did not embrace the concept of collaboration to the extent I thought they would, though most administrators had some interest in joining and liked the ideas and concepts. But financially, it was not viable to continue."

Meader began his role as senior vice president at Sudrania Fund Services last January. He has also held other senior roles at State Street, SS&C Technologies and J.P Morgan.

Commenting further on the closing of NAFAA via LinkedIn, Meader says: "Wishing all of you a Happy New Year and sharing that I have made the difficult decision to close NAFAA. I want to first thank all of the member firms for their time, effort and commitment towards the association over the past four years and also thank all of you who supported me and the concept of a trade association for our industry."

Digivault sees 30-fold increase in assets under custody in 2021

Digivault, the digital asset custody business within EQONEX Limited, achieved a 30-fold increase in assets under custody in 2021, reflecting the strong demand for accredited and regulated crypto industry service providers.

The company securely stores the assets of customers including investors, family offices, fund managers and also law enforcement agencies and governments through its partnership with Asset Reality, the London based asset manager.

In December, it also added XRP to its assets under custody — a digital asset that is native to the XRP Ledger, an open source and decentralised blockchain technology.

Digivault developed the capabilities to support XRP in response to surging customer requests to provide custody for the digital asset. Digivault now supports more than 50 digital assets, including Bitcoin and Ethereum.

Robert Cooper, CEO of Digivault, says: "The value of digital assets along with the technology infrastructure that it supports can no longer be ignored, as reflected in the landmark increases in cryptocurrency participation we saw in 2021. But this increase in participation also puts the spotlight on the risks of security breaches and hacks."

He adds: "In the year ahead, we will maintain our focus on lifting the industry standards, driving greater awareness of ways to safely participate in the marketplace and protecting our customers by continuing to expand the list of assets we are able to securely store for them."

ZEDRA acquires PTL

ZEDRA has acquired pension trustee and governance services provider, PTL.

Founded in 1994, PTL acts for both defined contribution and defined benefit

GECKO Governance and TopRiver Partners partner for SFDR

GECKO Governance and TopRiver Partners have partnered to combine GECKO's RegTech solution with TopRiver Partner's environmental, social and corporate governance (ESG) knowledge to meet the standards of the EU Sustainable Finance Disclosure Regulation (SFDR).

Based in Ireland, GECKO Governance is a data-driven platform built to meet the needs of the financial services and funds industry globally.

Also based in Ireland, TopRiver Partners is an independent directors' and consulting office.

The collaboration represents a change in the way both businesses address the needs of greater transparency for ESG by deploying a more forward way of thinking and a sustainable approach for the future.

Commenting on the partnership, Michelle McGuire, CEO of GECKO Governance, says: "At GECKO, our ethos is to build technology that will address our clients' current and future needs, and ESG regulation is at the forefront of everyone's mind right now. By partnering with TopRiver Partners, we ensure that our product offering is best in class, as we are bringing together both technology and ESG expertise to address the market need."

Muiris O'Dwyer and Jonathan McKeown, co-founders of TopRiver Partners, comment: "There is an ever-growing and significant burden arising out of ESG regulation which together we will be best positioned to support our clients. We will be releasing our first product together early next year, which will support the EU's Sustainable Finance Disclosure Regulation alignment while generating great efficiencies for clients." ■

Funds raised by AST Industry Excellence Awards buy life-saving defibrillator for junior club

Asset Servicing Times (AST) has donated a life-saving defibrillator to Kent-based Beckenham Town Junior Football Club from proceeds made at its first Industry Excellence Awards, held last November. The proceeds for the defibrillator came from the money raised at the Industry Excellence Awards' silent auction.

Mental health charity Mind benefitted from 85 per cent of the funds raised, while the remaining 15 per cent was used to benefit local children's charities and football clubs, including Beckenham Town Juniors.

An automated external defibrillator is a portable life saving device that can give a casualty's heart an electric shock when it has stopped beating normally in a sudden cardiac arrest. By using a defibrillator before an ambulance arrives, the chances of someone's survival significantly increases.

Justin Lawson, managing director of Black Knight Media and publisher of AST, says: "Supporting and encouraging children to participate in sport is something I have personally always been very keen on. Having volunteered and coached teams for over 12 years, I see the benefit it brings to so many lives. I asked the club what I could do to help with the funds raised and they decided that a defibrillator was needed."

Clyde Pullen, head coach at Beckenham Town Junior Football Club, adds: "We would like to thank Justin and his business for their generosity and support. The junior football club is a big part of the community and it needs the support of local businesses like Black Knight Media to survive."

"This is an amazing gift which could mean the difference between life and death if it ever has to be used." ■

pension schemes, group life trusts and healthcare trusts.

This acquisition, which follows the acquisition of Inside Pensions in 2021, aims to bolster ZEDRA's pension services in the UK and complements ZEDRA's offering of support and governance services to the trustees of pension trusts by adding professional trustee services.

ZEDRA's Pension Services now consists of five offices in London, Reading, Leeds, Birmingham and St Albans.

Ivo Hemelraad, CEO, ZEDRA, comments: "This deal further cements ZEDRA's offering and capabilities, and is in line with our strategic approach to the UK market. We are expecting a very busy 2022 for our UK offices and I am confident that ZEDRA's reputation in rendering an end-to-end service to private, corporates and alternative fund clients will go from strength to strength."

Richard Butcher, managing director of PTL, says: "The acquisition further cements and consolidates PTL's position in the market as one of the leaders in the outsourced pensions governance service space in the UK."

"It strengthens our clients and, importantly, offers even more opportunities to our people. It is a very exciting time for us all." ■

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Evolving the status quo

Link Group’s Andrew Lelliott talks to Jenna Lomax about how Link Group is looking to provide more thought leadership for new technology and service enhancements in 2022

What initial challenges did the COVID-19 pandemic bring for transfer agencies, particularly in the early days of the first lockdown, and to what degree has the pandemic changed a transfer agent's priorities?

It was absolutely crucial that the financial services sector, including transfer agency, was able to continue to interact with investors and manage investor accounts without interruption from day one of the COVID-19 pandemic lockdown.

At Link Group, we reacted quickly to enable approximately 90 per cent of our people to work remotely, with all the procedural, technical and service implications implemented within a matter of days.

This allowed us to continue to seamlessly provide those services to our clients and their investors.

As an industry, we made procedural changes, which supported the new working environment. Those changes have endured today, helping with the interaction and support of our clients and their end investors.

Encouraging and helping investors to go online is another area that we have increasingly focused on over the past two years. And while that is not appropriate for everyone, we have seen a marked increase in the take-up from investors and advisors. This has allowed interactions to take place in a manner appropriate to the investor and advisor needs, but also importantly faster and more dynamic than ever before. Online access has also opened immediate access to data real-time, which has improved the customer journey and the advisor servicing protocols.

Treating customers fairly and ensuring we support vulnerable customers is at the forefront of our focus; it is critical for any organisation to recognise vulnerable customers, and ensure they are supported in the best way possible.

Many of our interactions take place over the telephone and, during the COVID-19 pandemic, people have increasingly utilised telephone and digital methods of communication.

Being thoughtful and considerate of customer circumstances remains more vital than ever to truly looking after customers when they reach out to us.

Do you think the digitisation of data is where it needs to be for the best levels of data efficiency from a transfer agent's perspective? What has been your experience?

Levels of data efficiency have dramatically improved over the past few years, especially for our industry — the digital agenda has been forced to accelerate since the first lockdown in March 2020. But there is always room for improvement for all of us, and at Link Group we strive to be leaders in that technology-led transfer agency space.

However, we always have the underlying foundation of great customer service and an exceptional team of talented individuals who care about our clients, and importantly their investors. But technology is a key element that we continue to focus on to complement and enhance our service proposition.

By way of example, back in 2015, we partnered with Prudential, a savings and investment business that has been around for 170 years. We worked with them to launch an ISA that utilises the hugely successful Pru fund, with over £6 billion assets under management within the ISA wrapper, predominantly sold as advised business through independent financial adviser (IFA) networks.

But during 2019/20, we developed a digital capability for those ISA applications that used to be a paper application form with a cheque stapled to it. Now they are completed online and automatically submitted and processed with various electronic payment methods available to them.

This solution offers the functionality that gives the end investor and the financial advisor greater visibility and control over their holdings. It is accessible 24/7 with real-time data always available — with valuations, transactional information and case tracking so that the end investor and IFA can see exactly what is going on, which materially enhances the overall experience.

But it doesn't stop there! We continue to develop not only that functionality, but other digital access points for investors IFAs, institutions and our clients.

Change never stops and it is our role to ensure we keep pace not only with technology but also investor needs and wants.

Link Group offers administration solutions across the globe. What are the major regional differences in terms of clients' expectations or transfer agency offerings within the digital space? To what extent do clients' demands depend on the jurisdiction region?

We support a range of traditional and alternative funds in the UK, Ireland, Luxembourg, and Australia — all sharing the same goal to connect people with their assets safely, securely and responsibly. We provide transfer agency offerings or admin for seven out of the top 10 global asset managers.

Globally, we help our clients and partners respond to new and changing regulations. In addition, we support them with their governance, oversight and administration.

Our fundamental goals are the same irrespective of jurisdiction. Though there are slight differences in approach, we try to apply the global focus of Link Group with local expertise of the regulations and requirements.

Our Australian registry services aim to support investment managers with increased distribution, and greater flexibility via those channels — many of which are digital. We aim to simplify operations and those interactions, to make those connections simpler and more straightforward. Like the UK, our Australian operations offer enhanced data analytics to meet those needs of both our clients as fund managers, and also their end investors.

Around the globe, we work with a company called Empirics — Link Group's data solutions experts. Empirics specialises in building integrated data platforms and tailored analytic solutions for clients.

That is about really understanding their client base — how they are selling, and making sure that those funds are being targeted at the right people — because there is a huge amount of data available and sharing that back to the fund managers is a real benefit and value-add that we can provide.

We think we remain ahead of the curve on digital and customer experience against the regulatory backdrop, while responding and anticipating client demands. But make no mistake; this space is continually changing, and we have to be on our best game to make sure that we continue to innovate and evolve.

Link Group acquired Casa4Funds SA last August. How is this new venture going, and what else can we expect from Link Group's offering within the fund space in Luxembourg?

The acquisition has gone incredibly well and provides additional scale for us in Luxembourg. This deal also provides access to Casa4Funds experience across traditional and alternative asset classes — including private equity, real estate, infrastructure and debt — that add value to our business. Link Group is now leveraging those combined strengths, experiences, capabilities and expertise of its existing operations in Luxembourg, Ireland and the UK, as well as Australia.

Casa4Funds offers market-leading services for fund managers and financial institutions. It really does round off our global presence in those key marketplaces.

"We provide thought leadership and experience to challenge the status quo — to be really inquisitive of new technology, and service enhancements. Ultimately, the goal is to improve customer outcomes"

Looking to the future, what do you think will be the main areas of focus for the transfer agency sector over the next 12 to 18 months? What is Link Group working on in this space?

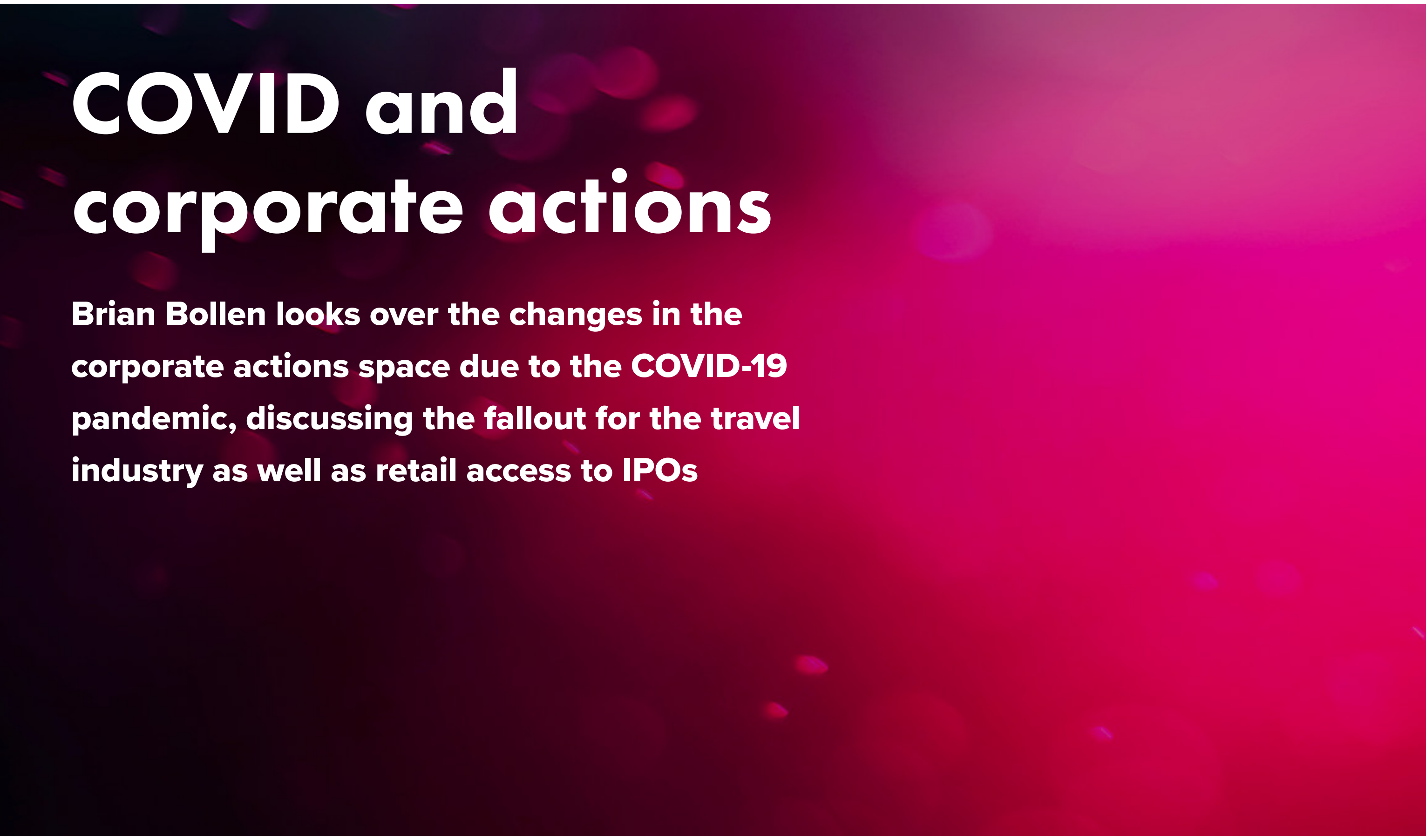
Technology plays a huge role in how we connect people with their assets. This will continue to evolve over the coming years. At the same time, Link Group continues to adapt and evolve with it.

Technology is fast moving, and it is our responsibility at Link Group to ensure we remain at the forefront of that technological innovation. While we work independently, we also work with our industry peers to achieve improved outcomes for investors.

We provide thought leadership and experience to challenge the status quo — to be really inquisitive of new technology, and service enhancements. Ultimately, the goal is to improve customer outcomes. A big part of that is gathering like-minded individuals from within the industry to debate and analyse how we can improve — to leverage that industry knowledge, expertise, and importantly, opinions around discussions on particular themes, such as the betterment of customer experience, technology enhancements and evolving anti-money laundering practices and industry collaboration.

Link Group look to work with industry colleagues and clients in 2022 when we will produce a series of thought leadership papers that will be available to everyone. Our aim is to really open the debate, challenge that status quo, and try to evaluate where we can drive this industry. ■

Andrew Lelliott
Managing director
Link Group Fund Adminstration
and Link Financial Investments



COVID and corporate actions

Brian Bollen looks over the changes in the corporate actions space due to the COVID-19 pandemic, discussing the fallout for the travel industry as well as retail access to IPOs

If the past 18 months or so are to be defined in the history of corporate actions, there is a strong argument that it will be for two main reasons. One, in the equity sector it will be for the sheer volume of corporate actions related to voting driven by the upsurge in mergers and acquisitions (M&A) activity. Two, in the world of bonds, it will be for the anxiety generated by the potential for breaches in covenants as the operating income of bond issuers came under severe pressure.

"If waivers of covenants had not been sought and granted, borrowers would have gone into distress," says Luke Hickmore, credit fund manager, bonds at abrdn in Edinburgh, citing the great number of companies of all kinds who were forced to turn to the secondary market as waiver supplicants.

An additional complicating factor in the background was the process of change from Libor to Sonia as the near-universal interest rate benchmark, he additionally notes.

Such a process is not without cost, Hickmore comments. "We have handled massive numbers of corporate actions over the past 12 to 18 months and we expect to be paid for the work. This is not a lot in absolute terms, in the region of a few basis points per case, but this was completely unprecedented, an event that no one ever would have thought would happen."

The good news, if indeed any good news is to be salvaged from the chaos wrought by hysterical government reaction globally to COVID-19, is that borrowers have survived, and will continue to survive. "For investment grade bonds, the risk of default is so low as to be virtually nil," says Hickmore.

Delving further into the context, he explains that abrdn saw requests for waivers of covenant from real estate investment trusts as the underlying tenants struggled to pay quarterly rents as they fell due, and from all of the UK's airports, with the notable exception of Manchester, which is owned by Manchester Airport Group Funding.

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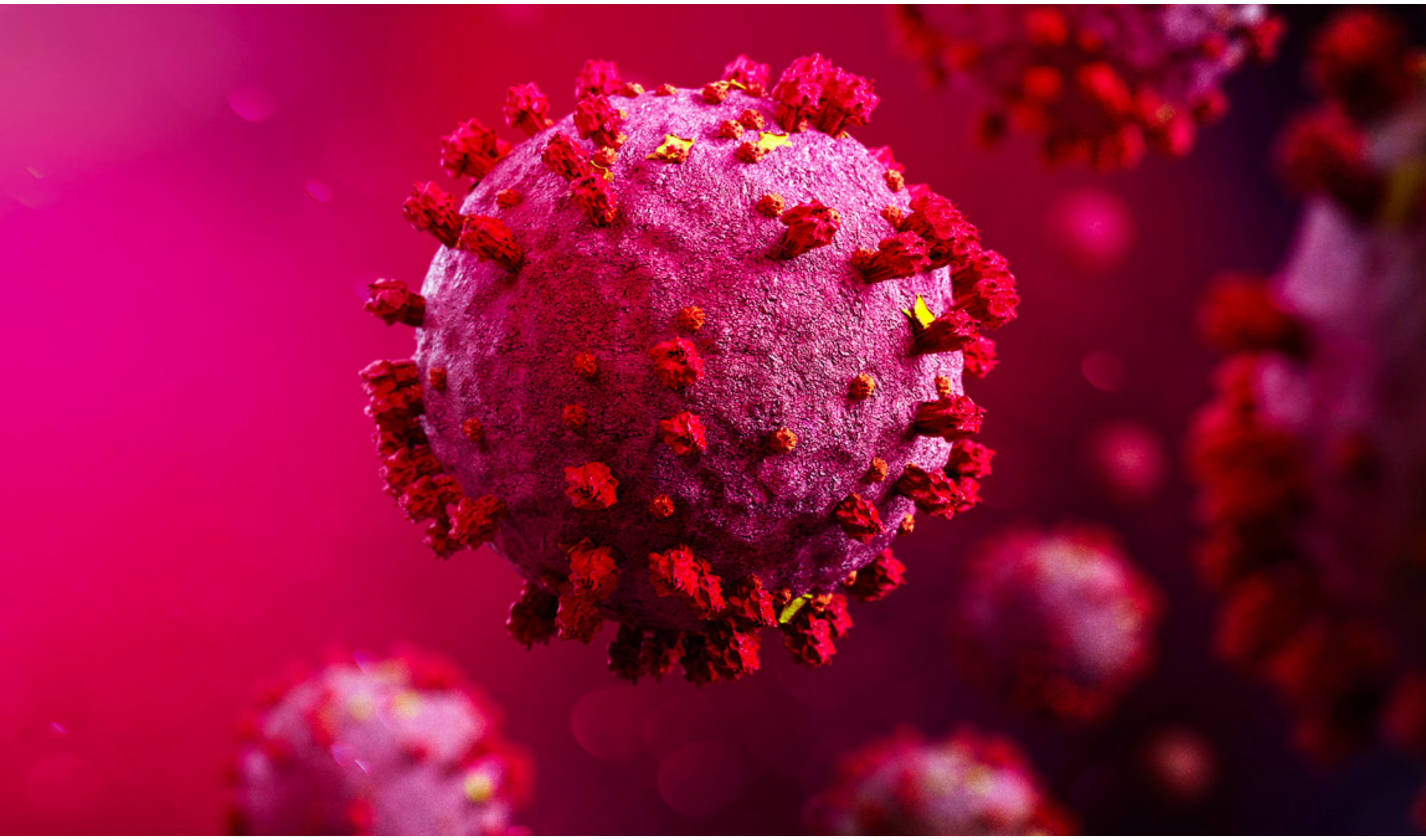

The Top 20 list of names who asked for assistance reads like a Who's Who of corporate borrowers. It includes Center Parcs, Gatwick Airport, Heathrow Airport and National Express. Channel Link (Eurotunnel) did not seek a covenant waiver, but did issue new bonds to avoid a covenant breach.

While no one could have predicted the extent of what unfolded, abrdn handled the situation with aplomb and modesty.

"From a corporate actions perspective, we saw the wave coming in June 2020, and by September companies that knew they were going to break covenants related to debt serviceability and began to ask for help," says Hickmore. "We had to model everything and did not turn anyone down. Bondholders — who want their money back at some point — want the borrowing companies to survive."

Knock-on effects for the wider economy, and ultimately society, soon began to emerge. Heathrow Airport, for instance, as has been widely reported, is now floating the idea of pushing up passenger fees by 30 per cent to 40 per cent to get through 2022, as plans for a third runway and other capex have all been put on hold.

Are there lessons to be learnt? The short answer is 'yes', but it might prove interesting to hear the thinking behind that answer. Hickmore surmises: "I have always preferred not to have covenants in a bond prospectus, but if you end up with a covenant-lite situation, you do not have the control and visibility you need. I now see the benefits of covenants, even for investment grade companies, as good and strong and safe as they are; there can always be something untoward on the horizon."

And are there any predictions for corporate actions in 2022? Hickmore adds: "We have seen a hefty increase in M&A activity in 2021, mostly cash for equity, and we think there will be more in 2022. Companies needed help and cash in 2020 and 2021, and the presence of spare cash on balance sheets could lead to more capex which could lead in turn to the issuance of more debt. We hope this will prove to have been a once-in-100-years event, but covenant-lite investors will almost certainly be more cautious than they were before."

Howard Rapley, global product lead, securities services at Northern Trust, suggests that a return to normality is taking place in markets, after a year which saw many decisions being deferred as the normal cycle was disrupted and dividend distribution decelerated.

Operational fundamentals remain unchanged, however; the focus in the asset servicing industry is very much on the receipt of data, the reviewing and checking of data, and the onward delivery of data to the end-clients. The introduction of the EU Shareholder Rights Directive II in 2020 has placed a new emphasis on timeliness in the transmission of data. Clients continue to expect global custodians to simplify the investment-holding process in a sector where, in some less developed markets, scanning and faxing are still a daily staple of life and work.

"Corporate actions are becoming more complex, and the timeframes in which we have to fulfil our responsibilities are reducing," says Northern Trust's Rapley. "The corporate actions space is an area of risk and Northern Trust spends a good deal of time managing that risk. The quality and speed of service is higher than ever. The quantity of events has also gone up, driven by the demands of debt restructuring."

He identifies three areas of future development in digitisation: growing industry investment in data handling capabilities; growing complexity in collateral management, further highlighting the need to keep track of who holds what assets at any given time, and their resultant entitlements; and digitisation in the field of crypto-assets and the tokenisation of securities.

"Things will get quicker. Exception management will change, in that there will be less of it, but you will have less time in which to do it. And more collaboration will be required in our industry as we change the plumbing and the wiring," Rapley says.

"The industry loves to deconstruct corporate actions into separate buckets of activity but this adds risk to the underlying event," says George Harris, senior director, data management solutions, at FIS Global.

Airports

Eva Dura, abrdn airport analyst, says: "When the COVID-19 pandemic hit in March 2020, it very quickly became clear that transportation, and air travel infrastructure in particular, would be one of the most affected sectors.

"This necessitated an increased engagement and almost daily ongoing dialogue with airport issuers followed by a number of supportive actions. The first step for all creditors was to understand how each company is approaching the crisis: what are they doing to mitigate new risks, shield liquidity and essentially survive.

"As airports started to issue more debt to increase cash balances, abrdn participated in these new debt offerings on many occasions. After the sector built up liquidity buffers, which provided creditors with a degree of comfort, the next step was to address the potential technical defaults on the back of financial covenant breaches.

"A great deal of work and collaboration with the issuers went into this as we started to address incoming covenant waiver requests. Among other entities, we worked together with Gatwick Airport in the effort to both create and protect value for our customers and support one of the UK's key airports in a time of disruption and uncertainty.

"We never questioned whether we want to support the businesses but rather approached the crisis with the mindset of how best to do it. The businesses responded fantastically to our increased information requirements and we were able to provide necessary support to essentially all of them. We now believe it is time for shareholders to do the same."

"We need to work on the three 'Ps': people, platform and process. In the people category, there needs to a raising of educational levels. Platforms need to be support the bridging of links in the intermediary chain. Industry players need to understand the risk profile of the corporate action, from, as Americans like to say, 'soup to nuts'."

None of the above will mean a thing to people who do not understand the basic nuts and bolts of modern investment processing in general and corporate actions in particular. However, Mike Simmons, director of The Operations Training Company, has spent his entire career in financial services, including 21 years at SG Warburg and Warburg Securities.

For the past 20-plus years he has been writing and delivering training courses on a broad range of operational topics, in many cases attended by delegates who have not been terribly familiar with back-office topics for which they have day-to-day responsibility.

"Corporate actions is a mystery area to a very high percentage of people, even among industry operational veterans," Simmons states. "A securities operations professional cannot be considered to have all-round expertise if they do not possess an intimate knowledge of corporate actions."

He continues: "The first major step in processing a corporate action is to know that there is a corporate action taking place. The next is understanding the nature of the corporate action. It is essential to understand it; you have to know the purpose of the corporate action so you can predict the outcome and update your firm's books and records accordingly, where both accuracy and timeliness are paramount for the firm to prove correctness of its books and records via the reconciliation process."

Settlement Discipline Regime

Dave Shastri is chief strategy officer of Truss Edge, a niche provider of technology and operations as a service on a pay-as-you-go basis. He points to the looming impact of the new Settlement Discipline Regime, scheduled to come into effect in February 2022, which will impose a new requirement upon asset managers.

If settlement does not occur as programmed, they will need to be aware of that in order to ensure fund valuations are accurate.

"In the past, asset managers have been able to assume a promised dividend would arrive at its destination as scheduled, but the new regulation says they need to know just what is coming in and make sure that it does. Japanese companies in particular display a tendency to restate dividends on confirmation data, which clearly affects data and data gathering," Shastri states. ■

IPOs

Anne Fairweather, head of government affairs and public policy at UK investment platform Hargreaves Lansdown, says: "Driving greater retail involvement in corporate actions is on the agenda for both the government and Hargreaves Lansdown.

"We have long stated that there should be greater retail access to initial public offerings (IPOs) — between October 2017 and October 2020, private investors were invited to take part in just 24 out of 352 IPOs on the main market and alternative investment market. We wrote a joint letter to the UK Government in February last year highlighting exactly this point — we hope that 2022 will bring forward legislation to address this issue.

"Moves on secondary capital-raising events are also expected to address the concerns of retail investors this year. In these situations, retail investors are often excluded, despite already being shareholders in a company.

"For example, in June 2021, Pelatro conducted a fundraising in which they issued additional shares at a 24 per cent discount. Hargreaves Lansdown clients owned 9 per cent of the company, making Hargreaves Lansdown the second-largest shareholder. Our clients were completely excluded from the fundraising, which resulted in their holdings being diluted to the tune of 13 per cent, with the value of their shares dropping by 25 per cent directly after.

"We urge the government to reform the prospectus regime to allow for more equitable treatment of retail investors in 2022."

Suntera Global has appointed Ian Horswell as global head of business development within the fund services arm of its international operations.

Based in Jersey, Horswell will manage Suntera's cross-jurisdictional business development activities for a variety of asset classes across both open- and closed-ended structures. His appointment is one of several moves made as Suntera looks to further build its international funds practice, and follows on from the recent acquisitions made in Luxembourg and the granting of a licence in Jersey in July by the Jersey Financial Services Commission to provide fund administration services on the island.

Having worked in the sector for more than 20 years, Horswell has experience in funds from administering single asset holding vehicles to overseeing large complex structures.

Prior to joining Suntera, Horswell worked for multiple global organisations, including JTC, where he was responsible for European business development initiatives.

Suntera Global's funds team supports private equity, real estate, venture capital and other alternative fund managers with a full range of specialist administration services.

Commenting on Horswell's appointment, Paul Mundy, managing director of fund services at Suntera Global, says: "Ian brings considerable depth of experience to the team and it is a pleasure to welcome him on board."

"His extensive knowledge of the funds industry will, no doubt, support our ambition to grow our funds proposition significantly both in Jersey and worldwide in 2022." ■

AccessFintech has appointed Michael Maddox as global account manager.

Maddox departed from FIS as senior sales executive after an eight-year tenure earlier this month.

Based in New York, Maddox joined FIS in 2014 as a sales consultant, where he provided solutions across risk, collateral management, optimisation and securities finance. Maddox was later promoted to senior sales executive, where he drove revenue growth through fintech solutions covering securities, derivatives and tax to new and existing partners.

Maddox's hire follows AccessFintech's mandates with Deloitte for technology and data services, as well as a partnership with HedgeServ in an effort to deliver enhanced controls and efficiency for buy-side clients through utilising real-time settlement data.

AccessFintech also appointed Ann Young as business product specialist in recent weeks.

Commenting on his new role via LinkedIn, Maddox says: "Very excited to be joining the impressive things happening at AccessFintech. We have created a shared data network of participants sharing data, standardising workflows and collaborating on exception resolution."

Crestbridge has made numerous promotions across its offices to bring in the new year.

Raul Ramos, formerly associate director, funds and Farid Rebhi, previously associate director of risk management, have both been promoted to directors in Jersey and Luxembourg, respectively.

Prior to Crestbridge, Ramos served as associate director at Intertrust Group in Jersey.

Based in Luxembourg, Rebhi was previously risk manager at Casa4Funds, the independent alternative investment fund managers company.

Skye Nicholson has been promoted from senior manager, client operations to associate director, client operations. Based in Jersey, Nicholson began her career with Crestbridge in September 2006, starting out as a senior fund administrator.

Tristan Stasiak-Gray has been promoted to associate director from senior manager of compliance, a role he has held since December 2020. Prior to Crestbridge, Stasiak-Gray held other senior roles at Intertrust Group, State Street and the Jersey Financial Services Commission.

Ajay Bherwani has been promoted to associate director. With a background in corporate services, Bherwani previously served at Deloitte, Ernest Young, PwC and J.P. Morgan. He will also be based in Jersey.

Andrew Rafferty and Stephanie Workman of real estate services have also been promoted to associate directors.

In total, 39 individuals were promoted across the group. Crestbridge now has offices in Bahrain, the Cayman Islands, Dublin, Jersey, London, Luxembourg, New Jersey, New York and Southampton.

Congratulating those promoted, Dean Hodcroft, chief executive of Crestbridge, says: “Despite the persistent challenges of the last 12 months, 2021 was a highly successful year for Crestbridge as we extended our

Citi Vietnam has appointed Ramachandran A.S. as Citi country officer.

In this role Ramachandran A.S, known as RamC, will oversee Citi’s operations in the country and will be the main regulatory representative for Citi in Vietnam. He will be responsible for developing and fostering client relationships, managing risk and controls and protecting and enhancing Citi’s reputation in Vietnam.

RamC was previously head of global emerging markets coverage for Citi’s Global Subsidiaries Group in London where he was responsible for building Citi’s business with the subsidiaries of multinational clients.

Prior to that, RamC was based in Singapore leading regional relationship coverage of Citi’s largest multinational clients across Asia Pacific.

RamC relocated to Ho Chi Minh City in September and received official approval from the State Bank of Vietnam for his new role with Citi in December.

Established in Vietnam in 1994, Citi now has two branches located in Hanoi and Ho Chi Minh City, employing around 900 people.

Commenting on the appointment of RamC, Amol Gupte, Singapore Association of Southeast Asian Nations (ASEAN) head for Citi, says: “RamC’s corporate banking experience in both emerging and developed markets as well as his deep appreciation of the diversity of globalising clients will be vital to our ongoing commitment to our clients in Vietnam and in the region.

“ASEAN, including Vietnam, is a strategic priority for Citi and with the appointment of RamC as Vietnam country officer, we are well positioned for future growth in the country. ” ■

global footprint. That success is down to the expertise, drive, resilience and commitment of our people and I am delighted to recognise the individuals from across the group, who have made both a significant contribution to the business and also excelled in their own continuing professional development."

Deutsche Bank has appointed Mathew Kathayanat as Asia Pacific (APAC) head of securities services product management.

Based in Singapore, Kathayanat will be responsible for leading the development of products to support client needs across APAC, with a continued focus on delivering technology-based solutions. He will also drive product strategy to support the growth of the bank's business in the region.

Kathayanat has more than 20 years of experience spanning product development, institutional sales, and relationship management. He was most recently head of product and strategy, APAC at BNY Mellon Asset Servicing, and has previously held a variety of roles at Citi for Europe, Middle East and Africa and APAC.

Deutsche Bank provides custody, clearing and settlement, and fund administration services to financial intermediaries, as well as buy-side firms and other institutional clients. The bank is active in more than 30 markets around the world, including 12 in APAC.

Anand Rengarajan, APAC head of securities services at Deutsche Bank, says: "APAC continues to be a key and strategically critical region for our securities services business globally. As the region's capital markets continue to open up, global institutional investor needs in this part of the world are increasing and evolving rapidly. " ■

Global financial services consulting firm Sionic, now part of the Davies Group, has appointed Matthew Davey as a partner within its asset management practice.

Davey is a veteran of securities servicing and fund administration, having held senior roles in major firms across London, Boston and Paris.

Before joining Sionic, Davey served as global head of business solutions, then managing director, head of coverage, marketing, solutions UK at Société Générale Securities Services, following roles at Invesco Perpetual, State Street, HSBC Securities Services and J.P Morgan.

Paul Sutton, Sionic managing partner and head of Sionic's asset management practice, comments: "Matt is highly regarded, as well as high profile, with extensive experience across operating models, technology, data and artificial intelligence."

"He also knows the service provider community well and has a real vision for the future and a passion for innovation. We are very fortunate to have attracted him to Sionic as we begin the next chapter of our own exciting growth."

Commenting on his new role, Davey says: "I am really looking forward to applying my breadth of perspective as well as my technical experience to my new role. I know many of the Sionic team well already and am looking forward to meeting the wider team." ■