

Canada

Pinnacle expands to Canada

VANCOUVER 13.01.2011

Pinnacle Fund Administration has opened a Canada office in Vancouver.

Pinnacle Canada Fund Administration will be managed by industry veterans David Smith and Keith Donald and will serve the Canadian alternative market as well as strategic international locations.

David Smith, a Canadian chartered accountant, is the co-founder of Pinnacle and has over 10 years experience in the hedge fund industry. From 2000 to 2004, he practiced in the hedge fund industry in Bermuda, first at Ernst & Young and then, at Prime Management Limited. In 2004 he established Pinnacle Fund Administration LLC in Charlotte, North Carolina. At Pinnacle, Smith was responsible for the delivery of fund administration services to clients and investors including the development of Pinnacle's technology platform and operating systems.

Keith Donald, a UK chartered accountant has over 12 years experience in the hedge fund industry. Following his move to Canada in 2008 Donald was CEO of CA-CEIS (Canada) Limited where he was responsible for all aspects of operations, including client integration, business development and client relationship management.

John Kelly, managing member of Pinnacle Fund Administration LLC, said: "There are tremendous opportunities in the Canadian market. We are also delighted to attract a talented professional of Keith Donald's calibre to join our team in the next phase of Pinnacle's growth."

David Smith, managing director, Pinnacle Canada Fund Administration Ltd, said: "Opening the Vancouver office allows us to collaborate with our Canadian clients, understanding their local service and regulatory needs whilst leveraging the client service and technology model that enabled our success in the United States market."

Amicorp opens in Malta

Amicorp Fund Services has expanded its global footprint by opening a fully fledged office in Malta. The Malta company, Amicorp Fund Services Malta Ltd. which recently got its licence by the MFSA, will assist international promoters and clients with fund set-up, NAV calculation, shareholder, corporate management, compliance, legal and corporate secretarial services.

[readmore p2](#)

SSGA completes acquisition of BIAM

State Street Global Advisors (SSgA), the investment management business of State Street Corporation, has completed its acquisition of Bank of Ireland Asset Management (BIAM), which was first announced in October 2010, for approximately €57 million inclusive of estimated net assets of the business of €14 million.

[readmore p2](#)

CONTENTS

State Street wins REST mandate

REST Super has awarded State Street Australia Limited a mandate to provide a comprehensive range of superannuation services including custody, fund accounting and complex tax services

[page3](#)

BNY Mellon selected by Banco Nacional

BNY Mellon Asset Servicing has been named to provide global custody for an \$800 million investment portfolio of equities, fixed income and US Treasury bonds by Banco Nacional de Costa Rica, the largest commercial bank in Costa Rica.

[page4](#)

Country focus

The reputation of Bermuda's fund administration industry remains second to none. But it has to work hard to keep ahead of the competition.

[page6](#)

Industry events

A rundown of all the major global events affecting the asset servicing industry.

[page8](#)

MXConsulting

MX Consulting is currently delivering solutions to clients within Agent Lending, Custodial and Principal Securities Financing Programmes.

- ▶ An IT consultancy dedicated to the securities financing market
- ▶ Why use a consultancy that isn't specialised?
- ▶ www.mxcs.co.uk

Amicorp opens in Malta continued from p1

"We have been following Malta's consistent rise to the international arena for quite some time," commented Toine Knipping, CEO of the Amicorp Group of companies. "In theory at least, there is nothing that other countries can offer which Malta could not, given that Malta can offer a regulatory regime and tax environment as attractive as its rivals. We foresee tremendous opportunities here in Malta and expect to attract many international clients."

Claudio Cecchini, global head of Amicorp Fund Services, confirmed: "The rapid growth in the number of funds in Malta, especially Professional Investor Funds, is testament to the island's attractiveness to international promoters. We clearly see a continued interest ranging from Latin-America to Asia, aimed at getting access to the EU markets in general and Malta in particular. There is an ongoing trend to set up or re-domicile funds as well as fund managers in jurisdictions that have a more stringent regulatory framework. On top of that 'having a UCITS Fund' is alluring and remains high on the agenda of many fund managers."

SSGA completes acquisition of BIAM continued from p1

The acquisition adds new Dublin-based clients and employees, and managed assets including global fundamental active equities, fixed income, cash, asset allocation, property and balanced funds. Total BIAM assets under management at 31 December, 2010 were approximately €26 billion. The acquisition also enhances SSGA's range of investment management solutions and expands State Street's overall presence in Ireland where it has been serving institutional clients for 15 years. The new operation, State Street Global Advisors Ireland Limited, becomes SSGA's 10th global investment centre from which investment teams manage client assets.

Commenting on the acquisition, Scott Powers, president and chief executive officer of State Street Global Advisors said, "We are pleased to complete this acquisition of an organisation that has built a strong franchise with a first-rate investment team that shares our focus on research and commitment to clients. We look forward to the benefits that our combined resources will bring to our clients globally."

Deutsche Börse and Clearstream launch joint funds trading on exchange

Deutsche Börse and Clearstream have launched their joint funds trading on Deutsche Börse's cash market Xetra.

More than 80,000 investment funds that are currently on Clearstream's order routing platform Vestima+ can be introduced for trading via Xetra by market makers (funds specialists). After execution, the funds will be settled through Clearstream's post-trade facility for mutual funds, the Central Facility for Funds (CFF).

Currently, in the primary market, the value of an individual funds share can only be identified the next day, ie, once the net asset value has been calculated. Stock exchange execution will allow individual funds units to be priced and monetised immediately. Accordingly, customers trading investment funds on exchange and pooling them within Clearstream can use their funds units as collateral to efficiently secure financial transactions involving counterparty risk.

Rainer Riess, managing director of Deutsche Börse and head of market development Xetra, said: "We are modernising the archaic funds distribution model. Trading mutual funds on exchange significantly reduces end-to-end cost for investors and brings all advantages of stock exchange trading to the funds world, ie, immediacy of execution, price transparency and reduction of operational risks."

Philippe Seyll, member of the executive board and head of investment funds services at Clearstream, said: "By linking Vestima+ to a stock exchange, we create an additional distribution venue for investment funds for our clients."

"In an environment where almost no financial commitment occurs without being secured, the new offering will also create a new large source of collateral of around €700 billion that is currently immobilised."

Under the new joint Deutsche Börse and Clearstream offering, fund specialists can introduce funds – according to market demand and pending certain regulatory preconditions – from the universe of additional 80,000 mutual funds, including almost all European cross-border funds. With this offering, Deutsche Börse Group creates an additional extensive secondary market for mutual fund shares.

Clearstream's Vestima+ enables direct handling of the entire process chain from order capture to settlement and custody. The advantages of the system are numerous: cost reduction, high availability and real time trading data.

This streamlines settlement processes for investment funds also considerably lowers operating and administrative costs, and reduces operational risks and sources of error.

UBS to launch Asian UHNW service

UBS has announced plans to build a family services business to cater to ultra high net worth clients in Asia.

The service will offer family advisory services, wealth planning and global custody. It will be led by Yan Lau, who has been with the bank since 1991.

"The situations of UHNW clients are often quite complex and typically they have businesses across the region," said Amy Lo, head of UHNW Asia Pacific. "We want to do everything we can to help them develop their business, and monetise and divest their interests."

"The most important issue is the need to protect the family's wealth. We have also noticed an increasing focus on the issue of legacy. We want to help make sure the proper structure is in place for the control, management and transfer of wealth from one generation to the next. We plan to use our family services unit to put together this kind of holistic solution."

RBC Dexia wins Paratum mandate

RBC Dexia Investor Services has been selected by Paratum Inc, a Beverly Hills, California-based firm, to provide custody, fund administration, shareholder services, domiciliary and financial reporting services for a new Luxembourg-based private equity SICAV-SIF fund. The fund was structured with the help of major law firms Loyens & Loeff (Luxembourg office) and Sadis & Goldberg (New York office).

The fund is an umbrella fund with several sub-funds, the first of which (the US Renewable Energy feeder fund) has as its objective to generate attractive risk adjusted returns by investing, through the master fund, in renewable power

Corporate and Investment Banking

Standard Bank offers a sophisticated range of safekeeping, clearing and related services to local and foreign institutional investors in the South African and 12 sub-Saharan markets. For information e-mail transacts@standardbank.co.za

Moving Forward



Standard Bank

generation, clean fuels and renewable energy. "The renewable energy market is large and growing and as an established industry leader, we felt that RBC Dexia's depth and breadth of experience in Luxembourg, complementary global footprint and consultative approach were ideal for us" said Aaron Sokol, principal, Paratum Inc. "We feel our product is unique and RBC Dexia's tailor-made service solution will provide our fund and our company every opportunity to grow and prosper."

Paratum's recent launch of their US Renewable Energy Feeder Fund in a SICAV-SIF format was extremely well received by the institutional and retail investment communities. Through investment in the master fund, the sub-fund will gain exposure to principally control investments in a diversified portfolio of asset-based renewable energy opportunities, focused on renewable power, clean fuels and the renewable energy value chain.

Simon Shapland, head of Europe sales and distribution for RBC Dexia Investor Services, commented: "Many non-resident private investment funds based in foreign jurisdictions are looking to increase the marketability of their funds in the European market using the SICAV-SIF format. Paratum's selection of RBC Dexia further strengthens our US offshore strategy and helps solidify our expertise in servicing these types of Luxembourg-based funds."

State Street wins REST mandate

REST Super has awarded State Street Australia a mandate to provide a comprehensive range of superannuation services including custody, fund accounting and complex tax services.

Following a detailed evaluation of market providers, assisted by REST's investment adviser JANA, the AUD\$18 billion fund awarded State Street Corporation the mandate recognising that State Street's operational model was best suited to its long-term needs.

REST's chief executive officer Damian Hill said State Street's selection was based on its overall service and value proposition, and reflected its global reach and track record, its solutions-oriented focus and its ability to service large and sophisticated institutional clients.

"REST is very confident we have selected a partner who will help support our operations over the coming years and improve our services to members," Hill said. "Efficient, cost-effective servicing is vital to the operations of our fund, and we look forward to a long and productive partnership with State Street."

Ian Martin, senior vice president, head of State Street's Global Markets and Global Services businesses for Australia and New Zealand said the mandate from REST underlines State Street's commitment to meeting the needs of Australia's \$[1.3 trillion] superannuation industry.

"Super funds are becoming increasingly sophisticated in their servicing requirements and State Street is meeting those demands by investing heavily in infrastructure and technology," said Martin. "With the growth in Australia's superannuation sector accompanied by increasing demands and market sophistication, we are very well placed to manage this mandate across expansive asset classes, investment activities, and alternative assets."

Fund-Studio Selected by LibreMax Capital

Objective, a provider of software and services for investment management firms, has announced that its Fund-Studio portfolio management system has been selected by LibreMax Capital, LLC to manage its front, middle and back office operations. LibreMax, created in 2010 by former Deutsche Bank executives Greg Lippmann, Fred Brettschneider, Jordan Milman and Eugene Xu, is a New York-based hedge fund manager specialising in securitised products. With current AUM exceeding \$475 million, LibreMax Capital was recently recognised as one of the largest hedge fund launches in 2010.

Understanding their need for an all-encompassing portfolio management system, LibreMax chose Fund-Studio for its ease of implementation, comprehensive coverage across multiple asset classes and real-time reporting capabilities for investment, P&L and risk.

"In our rigorous review of vendors we found that Fund-Studio could do everything that others offered - plus more," said Robert Ervin, CFO of LibreMax. "The software's report writing capability was especially compelling and has proven to be an efficient way to analyse the portfolio and shadow our administrator's books and records. Not only does Fund-Studio generate critical reporting in real-time, but it does so automatically. We're able to deliver key accounting and risk reporting while keeping overhead costs low, making us a more efficient firm."

Ervin noted additional advantages of Fund-Studio as being the ability to capture and report positions and trades electronically to the funds' custodian, prime brokers and administrator via secure FTP sites, as well as its ability to perform reconciliations with the funds' custodian, prime brokers and administrator.

"Fund managers today are more reliant than ever on ready access to full knowledge of fund conditions and portfolio data," said Objective CEO Costas Kellas.

"We're excited to work with an emerging firm such as LibreMax to help them gain the continuous control and manageability that will reduce operational risk and improve reporting capabilities and regulatory preparedness."

AST ASSETSERVICINGTIMES

Editor: Ben Wilkie
benwilkie@assetservicingtimes.com
Tel: +44 (0)20 3006 2710

Marketing: Steven Lafferty
design@assetservicingtimes.com

Publisher: Justin Lawson
justinlawson@assetservicingtimes.com
Tel: +44 (0)20 8249 0235
Fax: +44 (0)20 8711 5985

Published by Black Knight Media Ltd

16 Bromley Road
Beckenham
Kent
BR3 5JE
UK

Company reg: 0719464

Copyright©2011
Black Knight Media Ltd.
All rights reserved.

To subscribe please visit
www.assetservicingtimes.com

AST ASSETSERVICINGTIMES

The leading industry newsletter

**Subscribe
today for free**
click here

www.assetservicingtimes.com

BNY Mellon in ETF administration growth

BNY Mellon Asset Servicing, the global leader in securities servicing, has exceeded \$200 billion in exchange-traded fund (ETF) assets under administration, an increase of 46 per cent since the beginning of 2010. BNY Mellon is the largest global administrator for ETFs in terms of funds serviced and sponsors supported, providing services to 400 products in the US and nearly 500 total separate portfolios worldwide.

"Rapid innovation, growing investor interest in ETFs, the continuing upturn in the world's capital markets, and the demonstrated commitment that BNY Mellon has made to the ETF servicing business have all combined to drive this remarkable growth," said Joseph Keenan, managing director for BNY Mellon Asset Servicing and head of its global ETF services business.

Keenan noted ETFs that track emerging markets indices and those offering exposure to commodities and fixed income instruments were among the fastest growing segments of the global ETF services business. He added, "We expect this trend to continue. We will work closely with our clients and new sponsors to educate them about the features of ETFs."

"We will continue to invest in our industry-leading technology as we extend our capabilities to serve the widest array of ETFs and other exchange-listed products," said Keenan. "ETFs have demonstrated their growth potential on a global scale, and we believe BNY Mellon is uniquely positioned to support this rapidly expanding market."

Christian School Pensions selects CIBC Mellon

CIBC Mellon Global Securities Services Company has been selected to provide a full suite of asset servicing solutions for the Canadian Christian School Pension Trust Fund including custody, fund accounting, securities lending and performance & risk analytics.

"CIBC Mellon's market knowledge and technology are impressive," said Howard Van Mersbergen, vice president, employee benefits, Christian Schools International. "They provide us with the expertise and tools we need to enhance our pension fund management in today's environment."

"We are seeing an increased demand from pension fund administrators in partnering with an asset servicing provider that can help them effectively navigate through market and regulatory changes," said Thomas S. Monahan, president and chief executive officer, CIBC Mellon.

"We look forward to providing Canadian Christian School Pension Trust Fund with world-leading capabilities and the local market insights

they need to plan well in advance for industry developments and recognise new opportunities for growth."

Societe Generale wins Fondo Italiano mandate

Societe Generale Securities Services has been mandated by Fondo Italiano di Investimento per le Piccole e Medie Imprese in Italy to provide depositary bank services.

Fondo Italiano di Investimento per le Piccole e Medie Imprese is an institutional private equity fund with a target to raise a total of €3 billion.

The creation of this fund is the result of a common project between the Italian Ministry of Economics and Finance, the Italian Banking Association, the General Confederation of Italian Industries, the Italian Deposit and Consignment Office, Intesa SanPaolo S.p.A., Unicredit S.p.A., and Monte dei Paschi di Siena S.p.A.

Its main objective is to provide financial support for the development of small and medium-sized companies in Italy. In particular, SGSS has been selected for its ability to provide a full range of back-office services.

Alta Trust chooses Huntington for transfer agency services

Huntington Asset Services has been selected by Alta Trust Company to provide transfer agency services for its collective investment funds.

"As collective investment funds continue to grow in popularity, we're pleased to work with our clients to create customised solutions that make these funds easier to manage," said Brian Blomquist, president, Huntington Asset Services. "That's one reason Huntington Asset Services has achieved such strong growth."

Adam Ponder, principal, Alta Trust Company, added, "Huntington Asset Services' service model and experience was a natural choice when we wanted to find a third-party organisation to manage transfer agency services for our collective investment funds. We're pleased with the level of knowledge and attention Huntington has provided."

BNY Mellon Asset Servicing selected in Costa Rica

BNY Mellon Asset Servicing has been named to provide global custody for an \$800 million investment portfolio of equities, fixed income and US Treasury bonds by Banco Nacional de Costa Rica, the largest commercial bank in Costa Rica.

"BNY Mellon has a comprehensive set of services to complement custody," said Jose Antonio Vasquez Rivera, custody supervisor of Banco Nacional. "This breadth of offerings and BNY Mel-

lon's advanced securities servicing platform were among the reasons behind our decision to select the firm to provide custody for this portfolio."

"We are pleased to extend our relationship with Banco Nacional de Costa Rica," said Michael Kalavritinos, managing director, BNY Mellon Asset Servicing. "We have provided treasury services since 2003 to the bank, which also has served as our sub-custodian in Costa Rica."

WTP Advisors acquires Sala Associates LLC

WTP Advisors has acquired Sala Associates LLC, a provider of operations consulting for hedge funds and investment banks. Sala Associates will now become WTP Capital Markets.

Building on Sala Associates' existing suite of services, WTP Capital Markets will offer tailored solutions for hedge funds in start-up and transitional phases focusing on operational infrastructure, including fund administration and prime brokerage assessment and selection, staffing, and serving as pro-tem CFO/COO. WTP Capital Markets will also help financial institutions improve their bottom line and reduce costs by streamlining their systems.

"There is a growing need for business experts who can manage the operations side of investment funds. By providing back and middle office infrastructure, WTP Capital Markets lets hedge fund managers focus on trading," said Michael Minihan, partner and co-founder of WTP Advisors. "We will also concentrate on offering business advisory services specific to investment banks, including process re-engineering, which can result in significant cost savings."

Louis J. Sala, principal and founder of Sala Associates will come aboard as CEO of WTP Capital Markets. Sala's 25 years of experience in the finance industry has made Sala Associates a much sought-after firm for handling the 'blocking and tackling' functions of hedge funds, as well as investment banks.

"In the post-Madoff era the hedge fund industry has witnessed a greater emphasis on ensuring fund managers focus on the business of running a business. Portfolio managers must be actively engaged in building and maintaining cost effective infrastructures with sound internal controls," said Sala.

Sala, now under the auspices of WTP Advisors, will continue to work hand-in-hand with portfolio managers to develop cost effective solutions to serve as the blueprints for successful execution in establishing customised trading infrastructures.

WTP Capital Markets offers a C-Level suite which provides a full range of pro-tem services affording organizations the ability to bridge any gaps brought about by ongoing professional searches or staff turnover.

| Time | Flight | Destination |
|-------|----------|-------------|
| 15:10 | OTP 8361 | BUCHAREST |
| 15:20 | WAW 8369 | WARSAW |
| 15:30 | SVO 0418 | MOSCOW |
| 15:35 | BUD 5372 | BUDAPEST |
| 15:40 | PRG 0623 | PRAGUE |
| 15:50 | KBP 102 | KIEV |
| 16:00 | SOF 462 | SOFIA |
| 16:15 | BUD 5372 | BUDAPEST |
| 16:30 | PRG 0623 | PRAGUE |
| 17:15 | KBP 102 | KIEV |
| 17:20 | BTS 0667 | BRATISLAVA |
| 17:30 | SOF 462 | SOFIA |
| 18:10 | OTP 8361 | BUCHAREST |
| 18:20 | WAW 8369 | WARSAW |
| 18:30 | SVO 0418 | MOSCOW |
| 18:35 | BUD 5372 | BUDAPEST |
| 18:40 | PRG 0623 | PRAGUE |
| 18:50 | KBP 102 | KIEV |
| 19:10 | BTS 0667 | BRATISLAVA |
| 19:20 | SOF 462 | SOFIA |
| 20:10 | OTP 8361 | BUCHAREST |
| 20:20 | WAW 8369 | WARSAW |
| 21:10 | NW 8369 | BUCHAREST |
| 21:20 | NW 8369 | WARSAW |
| 21:30 | SVO 0418 | MOSCOW |
| 21:35 | BUD 5372 | BUDAPEST |
| 21:40 | PRG 0623 | PRAGUE |
| 21:50 | KBP 102 | KIEV |

Bottom line:

Your securities services expert
in Central and Eastern Europe

Our network is available for you in Central and Eastern Europe for your securities services business. We bring you in-depth local experience and award winning international expertise. ING is your partner in Bulgaria, Czech Republic, Hungary, Poland, Romania, Russia, Slovak Republic and Ukraine. For more information call Lilla Juranyi, Global Head of Investor Services on +31 20 563 6435 or e-mail: Lilla.Juranyi@mail.ing.nl.

www.ingcommercialbanking.com





Bermuda

As one of the longest-established offshore administration centres, Bermuda has made a name for itself as a reliable, technical strong jurisdiction. But the competition keeps coming.

EXCLUSIVE

When comparing Bermuda to other jurisdictions, there is one mistake overseas visitors make and that's to mix the jurisdiction in with the likes of the Cayman Islands and its neighbours. One thing needs to be made clear: Bermuda is not part of the Caribbean. However, it's often compared to the islands close by when it comes to looking

for a domicile by fund managers and more often than not, Bermuda is the one that's chosen.

And it's not hard to see why. Bermuda has been offering fund services for decades and in that time it has built up a loyal and educated workforce, a strong technical infrastructure - even if

communications costs are comparatively high - and a regulatory and tax infrastructure that can attract most investors. When it comes to the North American timezone, Bermuda is at the top of the hill.

In the current market environment, reputation is everything. And with funds seeking the safest possible domicile for their investments, Bermuda has done reasonably well during the downturn with as investors fly to quality. "When we're pitching to clients, we don't have to sell Bermuda as a domicile," says one administrator. "That's a given. All we have to do is pitch ourselves."

In addition to the huge investment funds market, Bermuda is also home to an enormous reinsurance and captive insurance industry, and the servicing of these markets is often inextricably linked to fund management. The past decade has seen a number of high profile moves to the island - Invesco, with \$500 billion AUM moved in 2007, thanks to the Bermuda's reputation and the number of similar types of firms already domiciled there.

While the US and, to a lesser extent, Canada have long been the focus of the Bermudan fund administration, these are mature markets. So while there will always be large amounts of business to be done, there is unlikely to be high growth. And as investors' eyes have turned towards the hot Asian economies there has been the fear that Bermuda's geography will make it too difficult to effectively service that region.

However, some forward-looking providers are casting their eyes towards newer markets. The Latin American funds sector is growing at a rapid rate, particularly in Brazil and Mexico, and Bermuda has set itself up to be in a prime position to capture more of the business. "Latin America is a growth area and this may be an alternative market that managers could tap into," says Peter Hughes, managing director at Apex Fund Administration Services.

Regulation

The country recently introduced amendments to the Investment Funds Act 2006. The Investment Funds Amendment Act 2010 received assent at the end of 2010 and has the aim of aligning "the regulatory framework for funds and fund administrators more closely with the requirements that exist in other regulatory legislation in Bermuda, while ensuring that the framework overall remains risk-based and recognises the unique nature of the funds industry [in Bermuda]."

Under the Act, the definition of service provider has been expanded to include auditors appointed to a fund - previously it only applied to custodians, fund administrators, investment managers and registrars, as well as people and businesses that those providers outsourced their services. This means that auditors now have to comply with the jurisdictions rules on fit and proper persons.

In addition, section 9 of the Act sets out the criteria for exemption of a fund and includes the requirement to have a recognised fund administrator, an auditor and a Bermuda resident officer or trustee or resident representative who has access to the books and records of the investment fund. To bring exempted funds into line with authorised funds, the Amendment Act introduces the additional requirements for exempted funds to appoint an investment manager, registrar, custodian and/or prime broker. All such additional service providers will be included in the vetting process per section 7(1) of the Act in the same way as authorised funds.

In addition to the huge investment funds market, Bermuda is also home to an enormous reinsurance and captive insurance industry, and the servicing of these markets is often inextricably linked

The Amendment Act also establishes that fund administrators are now required to notify the Bermuda Monetary Authority (the "Authority") in advance when there is a prospective change of control. The Authority now has power under sections 45 of the Act to object to a change in control to prevent it happening or to object to existing controllers where, in the opinion of the Authority, they are no longer fit and proper to be controllers. These amendments mirror the provisions which already exist in Bermuda for other licensed entities such as banks and investment businesses.

Section 55 of the Act has been amended to provide a right of appeal in circumstances where the Authority has exercised its power to object under section 45. The person who is the subject of the Authority's objection may appeal to a Tribunal constituted under section 56. This right of appeal provides that proper judicial review of the authority's exercise of its powers in accordance with section 45 is provided for under the Act. **AST**

**next issue:
Custody in Denmark**

SphereInvest takes a fund in a box

SphereInvest, a specialist, global high yield, distressed debt, emerging credit and private equity investment advisory company, has gone live with the newly launched 'Hedge Fund In A Box' solution to gain competitive edge with a stronger grasp of risk exposure and improved visibility and less administrative burden.

Offered through a consortium comprising Formicary, a software and system integration provider and Equinox Alternative Investment Services, an alternative fund administration company, 'Hedge Fund in a Box' makes it more cost effective and easier for SphereInvest to benefit from and fully optimise its sophisticated trading platform.

Based in Bermuda, SphereInvest was established to provide consulting and investment advisory services to institutional investors. SphereInvest combines investment expertise with prudent portfolio structuring and rigorous risk and operational management capabilities. When it came to implementing its technology infrastructure, SphereInvest recognised that a single trading platform fully integrated across the front, middle and back office, incorporating live risk management reporting would streamline trading flow, improve communication and efficiency and reduce the risk of error. In addition, a fully hosted IT infrastructure would take the pressure off SphereInvest to keep its IT systems up and running while a virtualised desktop environment would mean employees could access the entire corporate infrastructure from anywhere in the world.

After an extensive six month request for proposals (RFP) process assessing a large number of systems and products, SphereInvest decided to utilise 'Hedge Fund in a Box' to implement its trading platform. Nic Snelling, chief operating officer of the SphereInvest Group explains the choice:

"As a specialist hedge fund it is imperative that we build the business by playing to our strengths, namely our trading, investment advisory and risk management expertise and avoid becoming embroiled in administrative and IT functions. 'Hedge Fund In A Box' offers us the best of all worlds - a trading platform which provides us with the most accurate data available, dedicated 24/7 IT infrastructure support and fund administration - without the need for us to put our own specialist teams in place.

"Implementation was straight forward and painless. Formicary and Equinox had the flexibility and vision to create a solution spe-

cifically tailored to reflect SphereInvest's business model. By having the knowledge and experience of these specialists on board as well as the benefits offered by the trading platform, SphereInvest is now on a par with the longer established players in the industry, without the need for us to break the bank in the process."

SphereInvest's front, middle and back office teams were consulted to assess their specific requirements and preferred ways of working so that the trading system could be tailored and implemented to please all parties, thereby encouraging them to embrace the system. 'Hedge Fund in a Box' will unite each of these functions through a single solution for full trade processing, from data input to reconciliations and settlements through to back office reporting and risk management analytics.

By providing seamless fund administration and middle office support, Hedge Fund in a Box will help eliminate the typical errors that often occur in a standard hedge fund operating model.

Additionally, fund managers can securely access their entire corporate infrastructure anywhere in the world via an internet connection - seamlessly linking their real time trading systems with Microsoft Office, CRM systems, email and real time market data providers.

Hedge Fund in a Box was launched in September 2010. Available through a subscription payment model, 'Hedge Fund in a Box' offers an alternative pricing mechanism based upon a shared risk reward with a variable cost base, allowing a marrying of fund revenues to fund expenses, replacing the fixed cost base. This means that Hedge Funds can grow their business with the confidence that increased scale can be met with this infrastructure.

Greville Lucking, chief operating officer, Formicary, adds: "Hedge funds are under increasing pressure - not just to operate as a successful investment house, but from a transparency and accountability perspective. For specialist firms such as SphereInvest, this can pose a huge drain on resources as they try to juggle administrative tasks, IT infrastructure management and regulatory compliance on top of the day job of making profitable investment decisions. It's precisely for this reason that Hedge Fund In A Box was developed - to help these firms reap maximum reward through the implementation of high-end trading platforms while keeping processes and systems as clear cut and manageable as possible."

15th Global Securities Financing Summit

Date: 19-20 January 2011
Location: Luxembourg
Website: www.clearstream.com



The Global Securities Financing Summit is the largest gathering of participants from the international repo and collateral management community in the world.

17th Annual Beneficial Owners' International Securities Lending and Repo Summit

Date: 13-16 February 2011
Location: Scottsdale, Arizona
Website: <http://secure.imn.org>



The largest, only must-attend event for the beneficial owner community 450+ attend annually, including over 125 beneficial owners

International Transfer Agency Summit 2011

Date: 15-18 February 2011
Location: Luxembourg
Website: www.icbi-events.com/itas



On the 10th anniversary of the event, the conference will focus on the key challenges in fund distribution, fund operations and transfer agency services.

Network Management 2011

Date: 15-16 June 2011
Location: Dubrovnik, Croatia
Website: www.icbi-events.com/nema/



Over 300 delegates will be attending the 11th network management conference at a venue to be announced.

European Clearing and Settlement

Date: 29-30 June 2011
Location: London
Website: www.icbi-events.com/ecs/



An expected wave of European regulation; more competition; pressure on costs and fees; a new focus on risk – all this and more will be covered at ICB's flagship 17th annual clearing and settlement event.

Sibos 2011

Date: 19-23 September 2011
Location: Toronto
Website: www.swift.com/sibos2010/sibos_2011.page



The must attend annual event for asset servicing professionals moves to Toronto for 2011.

Industry Appointments

RBC Dexia Investor Services has appointed Sébastien **Sébastien Danloy** as managing director for Luxembourg. This appointment will be effective on 2 May, 2011 and is subject to regulatory approval.

In his role as managing director, Luxembourg, Danloy will be responsible for building the business by focusing on market strategy, strategic client management and effective engagement with local industry, government and regulatory bodies. Danloy will report functionally to Tony Johnson, global head, sales & distribution.

"Our Luxembourg operations are central to the promotion of our onshore/offshore strategy, which is designed to help clients expand globally, as well as servicing them in their home markets" said José Placido, CEO of RBC Dexia Investor Services. "We look forward to Sébastien capitalising on his long list of accomplishments and experience to achieve RBC Dexia's goal of maximising growth across our European footprint."

Prior to joining RBC Dexia, Danloy served as global head of sales & relationship management for Société Générale Securities Services. In this role, he was responsible for managing sales & relationship management activity across all countries and business lines and for defining and implementing the sales strategy. He also previously served as global sales manager UK and head of business development, Middle East for BNP Paribas Securities Services. Danloy graduated Magna Cum Laude with a Master of Science in Business Engineering from Solvay Business School of Economics & Management, Université Libre de Bruxelles.

Northern Trust has appointed **Peter Cherec-wich** as head of Global Fund Services (GFS) – the business that delivers fund administration, investment operations outsourcing and asset servicing solutions to investment management firms across the globe.

Cherec-wich, who is based in Chicago, replaces Wilson Leech, who has been named CEO for Northern Trust's Europe, Middle East, and Africa region. In addition to his new role leading the GFS group, Cherec-wich will maintain his responsibilities as chief operating officer (COO) for Northern Trust's Corporate & Institutional Services division.

In line with the group's continuing growth, Northern Trust has created three new regional roles within GFS. **Toby Glaysher** has been named head of GFS for Ireland, Luxembourg and the UK; **Jennifer Driscoll** has been appointed head of GFS for the Asia-Pacific region in addition to COO for GFS, while **Dan Houlihan** will assume responsibility for the Americas. Vic Holmes continues to be responsible for the Channel Islands. All have experience working with Northern Trust's GFS clients across the globe.

"These roles have been created to support our increasing client base in whichever time zone they are operating in, and is in line with our global strategy for growth," said Cherec-wich. "As new regulations come into effect in markets across the world, we are seeing an increasing demand from our clients for solutions and services that can accommodate their changing requirements. This new structure will ensure we are well positioned to continue to support them, locally and globally."

Randy Guy has been named managing director of technology at Omgeo.

Guy will focus on developing and executing Omgeo's technology strategy, while driving product innovation, promoting efficiencies, and continuing to enhance service reliability. Dave Cutright, Omgeo's former managing director of technology, will remain with the team until his retirement in July. Prior to joining Omgeo, Guy spent six years as chief technology officer (CTO) of Linedata, a

key Omgeo business partner. While there, he managed a team of 350 employees worldwide and was responsible for supporting 15 strategic products. Most recently, Randy spearheaded building out an off-shore development and quality assurance (QA) team in Tunisia, standardising technology throughout the organisation, integrating and consolidating product lines, and developing internal tools to drive a metrics-based project tracking approach for all products. Before that, Randy worked for LongView, which was acquired by Linedata.

Steve Matthews, COO of Omgeo, commented: "We are extremely pleased to welcome Randy to our organisation. His extensive experience in overseeing a vast global team, thorough technological background, and strong client-facing skills enable him to bring the perfect mix to Omgeo. Having Randy at the helm of our global technology team truly exemplifies our dedication to reliability and technological development."

Societe Generale Securities Services (SGSS) has appointed **Philippe Huerre** as deputy head of emerging markets. He will work alongside Ramy Bourgi, head of emerging markets for SGSS.

Philippe's role will be to support and develop SGSS's leading position in emerging markets, where it provides securities services to domestic and international investors.

Phoenix Fund Services has appointed **John Rice** to the new role of chief executive officer. Rice has over 25 years management experience in financial services, with wide experience of business disciplines across investment management, sales, service, operations and risk.

Having set up Phoenix 10 years ago, Steve King, the founder of Phoenix Fund Services, will step down as planned from his role as managing director. He will work more closely with the IT team in an IT/business development capacity.



Raising The Bar In Recruitment

Telephone: +44 (0)20 7959 2440 | Email: enquiries@hornbychapman.com
Web: www.hornbychapman.com | Postal: 68 King William Street, London, EC4N 7DZ, UK

