

# The NED

Independent intelligence on fund director issues

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## Breakthrough in director time measurement

How many fund boards can any single director sit on? Impossible to say, many will answer. Every fund is different. Some require a lot more time and attention than others. To date, those that have fought against putting a cap on numbers have been able to employ this line of argument.

But the validity of this line of reasoning is coming to an end.

The Foundation for Fund Governance has come up with an index that takes a fund's complexity into account and then allocates a score to it.

*Continued on page 2 >>*

## Regulation and codification: the future of fund governance

Some jurisdictions are moving towards it more quickly than others but everyone is going in the same direction. Further regulation and proper codes for fund directors are occurring in every jurisdiction. Even in Cayman, which brings up the rear on this matter, is unlikely to be able to hold out for much longer.

There are signs that some jurisdictions see the introduction and active supervision of a rigorous set of governance standards as a means of getting a competitive advantage over rivals. Smaller jurisdictions such as Guernsey, Jersey and Malta, for example, all have impeccably high standards.

Any domicile interested in attracting funds that are, in turn, after the institutional dollar is well advised to have fund governance standards that are well beyond reproach. Increasingly, this includes a code of practice for non executive fund directors. This is true of offshore jurisdictions, as well as EU ones, including those in the Caribbean. The days when everyone just shrugged their shoulders when a scandal occurred are over for good. In today's environment no jurisdiction can afford to have that happen to them.

Following is a review of the situation regarding fund governance standards and directors' codes in each of the main jurisdictions.

*Continued on page 2 >>*

## Contents

Director numbers measurement	1
Regulation and codification: the future of fund governance	1
Veteran blames lack of Cayman reform on 'vested interests'	4
Governance likened to a Swiss watch	5
Intertrust acquisition of Walkers Global done to help independence	6
NED News	8
Why traditional numerical limits on directorships don't add up <i>John Prout explains the RFC Index</i>	12
Luxembourg <i>A look at governance developments in the world's second largest fund domicile</i>	16
The NED Directory <i>(information on how to join the database)</i>	19

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