

# The NED

Independent intelligence on fund director issues

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## An eventful year ahead

**Making predictions is generally a fool's game. In reality, of course, no one really knows what the future holds. But in the non executive fund director business there are a number of fairly safe bets for 2012.**

In particular trends that have emerged over the last few years are very likely to gather pace over the coming months. There will almost certainly be more lawsuits brought by angry shareholders against negligent directors of failed funds – particularly if the fund that failed drifted away from original investment remit, as outlined in the offering memorandum. (The resolution of the Bear Stearns – Walkers Global situation will be closely watched by many for this reason.)

And there will almost certainly yet more attention on Cayman in 2012 than there was in 2011. CIMA will likely feature to in The NED's headlines on various occasions throughout the year. There is likely to be more regulatory focus on the role of non executive fund directors in other locations too – including in Ireland, which has just introduced its own voluntary code. [Continued on page 2 >>](#)

## What difference will Ireland's new code make?

**After a lot of consultation, and following hot on the heels of Ireland's new Fitness and Probity regime, Ireland has brought in its voluntary fund governance code.**

Unlike the country's corporate governance code, that covers banks and insurance companies, the fund code is voluntary. And probably uniquely across the global fund industry the Code has been put together by a trade association, the IFIA (Irish Fund Industry Association), rather than by a government, central bank or regulator.

No one that The NED spoke to about the new Code expects that it will have much impact, least of all in the short term, on the way that the Irish director business is run. (Directors have a year to comply with it anyway.) For UCITS funds it will not make any difference at all, said David Hammond of Bridge Consulting. What the code does do...

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