

# The NED

Independent intelligence on fund director issues

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## Strong response to CIMA's consultation

Responses came from institutional allocators, fund managers, industry associations as well as from locally based organisations, report CIMA. Last week CIMA also received a visit from a delegation of eight institutional hedge fund allocators from the US and UK that have been agitating for reform to current practices in Cayman for a long time. The delegation was led by USS, one of the institutional investors that have been most vociferous in its demands for reform in Cayman. CIMA called the discussions with these investors "very fruitful."

A number of Cayman based director firms, as well as investors from the US and UK, have shared their views on CIMA's consultation with The NED. Gary Linford, Managing Director of Cayman based HighWater, has written that he believes that "CIMA is conducting this exercise in an appropriate manner, and the inclusion of global stakeholders, particularly investors, is the best way to obtain a view of what is relevant and important to the industry. In the end, Cayman, as a jurisdiction will be a major beneficiary if the current 'disclosure based' regime can be maintained, thereby providing investors with access to even more information that helps their own due diligence process, rather than a regulator attempting to prescribe what is or is not acceptable to sophisticated investors."

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## The elephant in the room

### Despite obstacles there will be further improvement in the US

Much has been said and written on the subject of the growing importance of corporate governance in alternative fund investing. There has undoubtedly been a seismic shift in attitudes on this subject since the market crisis, as been document in The NED on a number of occasions.

But how much more progress we will see, to higher standards, is unclear. The answer to that question almost certainly lies in what happens in the US over the next few years. Attitudes of US managers to corporate governance are critically important. The views of US managers arguably matters far more to the future progress, or the lack of it, of alternative fund governance than anything that comes out of the CIMA's reforms in Cayman.

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Central Bank of Ireland	Mesirow Financial
CIDA	Payden & Rygel
CIMA	Petrus
CISX	PRA
Cooper Gay	Sadis Goldberg
DMS	Seward & Kissel
GFSC	Sound Fund Advisors
Harneys	THSH
HighWater	Travers Thorp
Fund Fiduciary Partners	Alberga
	USS

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