

# The NED

Independent intelligence on fund director issues

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## Fund board selection: a murky business

Who do managers turn to when they are looking for advice with board appointments for funds that they are setting up? It appears that their decisions on this matter are too often made in a pretty random kind of way. To a certain extent that is understandable; selecting non-executives for board positions is normally the last thing that is on their minds when they are going through the often stressful process of putting a fund together.

An investigation by The NED suggests there are both similarities and differences in the way this is done across the fund domiciles. (The NED spoke to non-executive directors in every main fund jurisdiction for this investigation.) Based on what we were told, in each of them there is considerable room for improvement in non-executive fund director advice activity.

At the moment this is often a murky business; more transparency in the process of selection would undoubtedly be helpful, particularly for investors. It would help eliminate the suspicion that many appointments are the result of an old boy network that some say are well established in many of these jurisdictions. The concern is that too much mutual back-scratching goes on. But that is something that outsiders will rarely if ever be able to prove. [Continued on page 12 >>](#)

## Independence for Appleby's fiduciary business

Appleby has announced that its fiduciary business is breaking away from the offshore law firm. Appleby has agreed to a private equity-backed management buyout of its fiduciary business, which includes its corporate administration, trust and fund services businesses.

Appleby is going down the same well-trodden path as other multi domicile offshore law firms such as Walkers and Ogier. Elian was born out of Ogier whilst Walkers' fiduciary business became part of Intertrust.

"This is an exciting development for the Appleby Group whereby both businesses will be able to grow and prosper independently and invest in the development of products and services for our clients," Appleby has stated. [Continued on page 2 >>](#)

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