

The NED

Independent intelligence on fund director issues

Issue 37 • September 2014

Global association launches to improve fund governance

An association is being launched to help raise standards of alternative fund governance. The Fund Governance Association (FGA) is for all those that have an interest in seeing harmonisation and improvements in the governance of alternative funds - particularly investors, managers, service providers and non-executive directors in the US, Europe and offshore.

The FGA is a not for profit company that is owned by its members. It is entirely independent. The FGA is not connected or allied to any organisation or commercial interest. Members will be responsible for making the Association's policies.

The philosophy behind the FGA is that harmonisation and, in turn, improvement in governance standards will be of benefit to investors and the industry alike. The FGA will put considerable effort into educating investors and industry participants on the relevance of the issues. Through education, it is hoped that the Association can facilitate accord on a more commonly accepted set of standards on governance than exist today. [Continued on page 7 >>](#)

Extensive governance revision in Ireland

The Central Bank of Ireland has announced a consultation that is expected to lead to real changes to its fund director rules. In particular the CBI is proposing ending the requirement to have local residency requirements for directors. It says it is doing this to improve board composition of Irish funds and in particular to make it easier for funds to find directors with risk and portfolio management experience. Ireland has been criticised for requiring two directors for each fund to be locally resident.

The CBI consultation also covers practices for the oversight of the activities of delegates, streamlining of the number of designated managerial functions and a new requirement to document the rationale for the composition of the board.

The CBI says that it is keen to "widen the net for potential fund management company directors." It adds that the Irish residency requirement might have unduly limited the pool of individuals (particularly those with portfolio management and risk management experience) [Continued on page 10 >>](#)

Contents

Global association launches to improve fund governance	1
Extensive governance revision in Ireland	1
Is good governance the antidote to pension fund redemptions?	2
Dublin and Luxembourg NEDs well up for AIFMD	3
News	4
Poor governance blamed for Australia's biggest fund management failure in years	4
Yet another US hedge fund fraud	4
SEC announces Office of Risk Assessment	5
Director Protect launched by Willis	5
News from the domiciles	6
Interview with Dermot Butler, Chairman of the FGA	8
Peter Cripwell on Irish boards and risk	12
<i>Interview with the CEO of RiskSystem</i>	
The SEC on private and alternative mutual funds	14
AIFMD Tracker Service	16
The NED Directory	17
<i>Information on how to join the database</i>	

Companies and Associations mentioned in this issue:

CalPERS	PMT
CBI	RiskSystem
Custom House	SEC
FGA	Van Eyk
GFSC	West End Capital
LPFA	Willis

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The NED is published by IFI Global Ltd, 10 Arthur Street,
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