

The NED

Independent intelligence on fund director issues

Issue 52 • December 2015

CBI to focus on risk

The Central Bank of Ireland has given the industry notice of what it calls its “themed-inspections” will be for 2016. A review of AIFM activity and risk functionality are high on the list. The CBI says that there will be “a focus on the risk culture within firms including governance arrangements, risk ownership and responsibility”.

Directors’ time commitments, a topic that has led to much discussion and debate in Dublin’s director community, is another theme. As The NED reported in October the CBI is clamping down on directors that it considers sit on too many boards. The NED has heard of recent situations where appointments have not been approved that would have gone through in the past without any difficulty.

The CBI states that a reasonable number of working hours available for each individual is approximately 2,000 per year. This is based on a 9 hour day and 230 working days per annum.

The CBI states that there will be a “continued focus on various issues with director time commitments” in its themed inspections.

Continued on page 6 >>

Cayman changes in 2016

There are likely to be further fund governance reforms in Cayman in 2016. Speaking at The NED’s December Cayman roundtable CIMA’s Heather Smith said that changes are ongoing and remain a focus for next year.

There will be amendments to the current Mutual Funds Law in 2016; primarily as it relates to provisions to accommodate the AIFMD, she added. Making these amendments will require additional information from funds, including more disclosure from their directors with regard to the operation of their funds.

Heather Smith also said that the capacity issue and the directors’ database remain on CIMA’s agenda.

There are approximately 10,000 directors licensed with/registered by CIMA pursuant to the Directors Registration and Licensing Law. CIMA is currently assessing the information provided by these directors under the legislation, to determine its accuracy and completeness. Heather Smith mentioned that a number of directors remain non-compliant.

Please turn to page 7 for coverage of the roundtable.

Contents

CBI to focus on risk	1
Cayman changes in 2016	1
News	2
LLCs coming to Cayman	2
Board diversity in decline in the US	3
The CBI’s CP 86 feedback	3
Investors pushing for improved governance	3
JP Morgan hit with \$267 million fine	4
Warning of more SEC action against PE firms	5
The fourth NED Cayman roundtable	7
Should directors have indemnities?	11
Non Executive Fund Directors Database	14

IFI Global Research

Studies for subscribers:

ADI

How the tax tsunami impacts fund domiciliation decisions

The NED

Alternative Fund Governance:
The View of Investors (US & Europe)

The Tracker

The impact of AIFMD on US managers
(incl remuneration & ManCos)

For more information on please e-mail [John Omoya](mailto:John.Omoya@ifi.com)

The NED is published monthly by IFI Global Ltd. Annual subscription is £340. No part of this publication may be distributed or reproduced in whole or in part without prior written permission from the publisher. All contents copyrighted.

The NED Subscription Form

With your NED subscription:

- 12 issues of the publication.
- Attendance at all NED events.
- Receipt of NED research. The NED has developed a proprietary databank of information on investor and manager views on board composition, practise and preferred director qualifications.
- The NED Directory. Subscribers are welcome to be included in the NED Directory of fund directors on nedglobal.com.
- Access to DirectorSearch. Subscribers can respond to the search announcements for board positions on the DirectorSearch section of the nedglobal website.

This form can be completed and saved in Acrobat Reader and then emailed to [Tamara Sims](#)

Name:

Company:

Address:

Email:

Tel:

Date:

An annual subscription to The NED is £340

Payment options

Direct Transfer

HSBC Bank Plc
Oxford Summertown Branch

Account: IFI Global Ltd
Bank Account No: 41444530
Sort Code: 40-35-35
IBAN: GB58MIDL40353541444530
SWIFTBIC: MIDLGB2148J

By Cheque (£ Sterling only)

Make cheque payable to:
IFI Global Ltd.
10 Arthur Street
London EC4R 9AY

For additional information please contact [Tamara Sims](#) at sims@ifiglobal.com

IFI Global Ltd, 10 Arthur Street, London EC4R 9AY Tel: +44 (0) 207 220 9077

The NED is published by IFI Global Ltd, 10 Arthur Street,
London EC4R 9AY Tel: +44(0)207 220 9077

Editorial & research enquiries:

Simon Osborn e-mail: osborn@ifiglobal.com

Directory & event enquiries:

Tamara Sims e-mail: sims@ifiglobal.com

Subscription enquiries:

Alan Hallett e-mail: hallett@ifiglobal.com