



## JTC opens in Guernsey

St Peter Port 20.05.2011

The Jersey Trust Company group (JTC) has opened an office in Guernsey that will complement the services provided from its Jersey, Luxembourg, United Kingdom and British Virgin Islands offices.

The Guernsey office will provide fund administration and trust and company services to new and existing clients. The new business will serve a global network of clients, offering the excellent customer service standards and high levels of expertise that are at the heart of JTC's growing reputation.

In his capacity as director, Paul Smith will be heading up the Guernsey office. He was previously managing director of RMB Investment Services and, prior to that, BNP Paribas Fund Services, both in Guernsey.

"Guernsey has come through the financial crisis in a

very strong position, particularly in relation to funds," said Smith. "The Island continues to be held in high regard internationally due to the stance that it takes on both taxation and regulation and is seen as one of the world's top international financial centres. Guernsey's fast-track application process for establishing new funds also gives it a distinct advantage over other jurisdictions and it leads the way in having more companies listed on the London Stock Exchange than any of its close competitors.

"JTC sees Guernsey as key to its growth strategy, especially in the funds arena. The island has an entrepreneurial approach that makes it ideal for the establishment and administration of bespoke and specialist funds. Guernsey is often the chosen jurisdiction for real estate, private equity, venture capital and infrastructure funds. We are also seeing particular interest in green technology issues such as renewable energy and environmental funds."

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### UBP selects CACEIS for fund administration

UBP (Union Bancaire Privée), one of the largest Swiss asset managers has appointed CACEIS as the fund administrator for its Luxembourg and French fund ranges.

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### BNY Mellon tops \$400 billion in hedge fund AUM

BNY Mellon Alternative Investment Services (AIS) has topped \$400 billion in assets under administration, making it the second largest provider of solutions to hedge funds, funds of hedge funds, and private equity investments globally.

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# Ten markets, ten cultures, one bank.

# S|E|B

## JTC opens in Guernsey

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Smith has been joined by Jo Nicolle who will be working for the Guernsey funds practice as a director. Nicolle has extensive knowledge of the fund administration sector, having acquired over 25 years experience within Guernsey's fund industry. Prior to joining JTC, she successfully held senior management positions with Credit Suisse, HSBC and Bank of Bermuda in all of the key service areas.

Nigel Le Quesne, JTC's group managing director, said:

"Jersey and Guernsey are similar jurisdictions, particularly in terms of the quality of regulation and the levels of service they provide. There are however, a number of differences that make them attractive for particular clients or structures.

"We often receive requests from clients who would like to establish funds and structures in Guernsey and now that our Guernsey office is open for business, we are able to provide the full breadth of services that they require."

## UBP selects CACEIS for fund administration

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Under this new partnership, which covers €7 billion in Luxembourg fund assets and €550 million in French fund assets, CACEIS will deliver a comprehensive range of fund administration services from its offices in Luxembourg and France. From the outset, UBP will benefit from CACEIS's considerable operational efficiency gains and cutting-edge technology platform, whilst in the medium term, UBP plans to extend the partnership across the wider Continental European marketplace.

"Appointing CACEIS to administrate our funds enables UBP to focus resources on generating enhanced investment returns," said Ian Cramb, chief operating officer of UBP. "With a strong track record of providing expert fund administration services to companies operating throughout Europe, CACEIS was the logical choice for UBP. We are committed to delivering solid investment performance for our investors, and we believe that CACEIS is best placed to enable us to continue to achieve this."

"UBP's decision was influenced by CACEIS's long-held experience in European fund administration, its global presence and its close involvement with asset servicing industry initiatives", said Pierre Cimino, managing director of CACEIS in Luxembourg. "We are delighted UBP selected CACEIS to provide fund administration

services for their Luxembourg and French fund ranges, and we look forward to building a meaningful and long term partnership with this leading player in Swiss asset management."

## BNY Mellon tops \$400 billion in hedge fund AUM

Continued from page 1

Since 2008, BNY Mellon AIS has doubled its alternative assets under administration, fueled by increased market share and its acquisition of PNC's Global Investment Servicing business last July. The company has seen growth both in the number and complexity of fund structures serviced, plus strong demand for its 'prime custody' offering as more hedge fund managers opt for an independent third-party provider to handle custody, cash management and other specialised services. AIS is custodian for more than \$120 billion in hedge fund assets, in addition to the over \$400 billion it currently administers.

"Alternative asset service providers will increasingly be looked upon to provide both the alternative solutions as well as the transparency managers want," said Brian Ruane, BNY Mellon chief executive officer of Alternative and Broker-Dealer Services.

"Reaching this milestone is an achievement in itself, but the way in which we've grown our business globally attests to our ability to meet client needs in an evolutionary phase for the industry."

Ruane noted global macro hedge funds and those offering exposure to commodities, distressed debt, or requiring 'prime custody' services, are among the fastest growing segments of the global hedge fund services business. "We expect these trends to hold steady in 2011," he added.

"Investments in our industry-leading technology have enabled us to extend our capabilities to the widest array of hedge funds, fund of hedge funds, and private equity managers and their investors," said Marina Lewin, head of global sales for AIS. "Alternative managers continue to see growth, and we believe BNY Mellon is uniquely positioned to support this rapidly expanding market worldwide."

## Old Mutual Asset Management opts for Citi

Citi has been appointed by Old Mutual Asset Management Trust Company to provide a comprehensive suite of investor services for certain of the firm's commingled (Collective and LLC) funds, which has over \$16 billion in assets across over forty funds.

"Following a rigorous review, we selected Citi because of its robust global footprint and ability to leverage the best practices of its fund servicing arm in support of our commingled funds," said Vincent Manning, president, Old Mutual Asset Management Trust Company. "At the same time, we were impressed by the consistency of Citi's processing and reporting capabilities and the value-added services it can deliver to our clients."

The range of services Citi will be providing include global custody, fund accounting, fund administration and transfer agency. OMAM Trust Company will serve as trustee/managing member or administrator to the funds, a capability the firm provides for its sponsored products as well as on a third-party basis to asset managers looking to offer commingled products.

"We are extremely pleased that OMAM Trust Company selected Citi. Clearly this is a well suited partnership combining Citi's servicing expertise and OMAM Trust Company's depth and knowledge as a respected Trustee to deliver what the investor marketplace is demanding," said Bob Wallace, North America region head, Securities and Fund Services, Citi. "Citi's distinction as a truly global bank enables us to create efficiencies for OMAM Trust Company and, at the same time, support them with local expertise, fast time to market, and a cost effective model for investors."

## RBC Dexia appointed by Amundi Iberia

RBC Dexia Investor Services has been appointed by Amundi Iberia as the provider of automated fund administration services for its suite of collective investment funds (IIC). The deal will allow Amundi Iberia to improve the administration of its IICs while retaining overall control of the processes. As part of the agreement, RBC Dexia has integrated three Amundi Iberia employees to ensure a seamless provision of its services.

Amundi Iberia, the Spanish subsidiary of the company created last year from the merger of Crédit Agricole and Société Générale's asset management divisions, manages 46 investment vehicles with total assets of EUR 750 million as of 31 December 2010.

Commenting on the deal, Jose-Maria Alonso Gamo, managing director of RBC Dexia Spain, said: "This is a crucial appointment for us, cementing the position of RBC Dexia Activos, our fund administration division, as Spain's largest third party service provider. We are delighted to welcome our new employees and look forward to working with them on this exciting new challenge."

### Corporate and Investment Banking

Standard Bank offers a sophisticated range of safekeeping, clearing and related services to local and foreign institutional investors in the South African and 12 sub-Saharan markets. For information e-mail [transacts@standardbank.co.za](mailto:transacts@standardbank.co.za)

Moving Forward



Standard Bank

## Northern Trust to Acquire Omnimium from Citadel

Northern Trust has reached an agreement to acquire Omnimium LLC, a leading hedge fund administrator with approximately \$70 billion in assets under administration.

The acquisition, subject to applicable regulatory approvals and other customary closing conditions, is anticipated to close in the third quarter of 2011.

Omnium's staff will utilise market leading technology and be integrated into Northern Trust's Corporate & Institutional Services business unit as Northern Trust Hedge Fund Services, LLC.

Northern Trust Hedge Fund Services will offer world-class, scalable technology and dedicated expertise to serve hedge funds and large institutional investors with complex portfolios. The business will provide comprehensive administrative and middle office services including trade processing, valuation, real-time reporting, cash management, accounting, collateral management and investor servicing.

"In today's markets, asset managers and institutional investors demand high performance, greater transparency, and outstanding technology from their administrator," Northern Trust chairman and chief executive officer Frederick Waddell said. "This acquisition brings together the best in hedge fund administration expertise,

along with Northern Trust's robust global custody capabilities and our highly respected client focus. The result is a unique opportunity to scale a world-class business."

## CACEIS assists TOBAM's international development

CACEIS has put in place its Prime MO Middle office service for TOBAM's management company, to provide support through the various stages of its international expansion.

The Prime MO offer has been designed with an open architecture, and connects all players using TOBAM worldwide, including most recently those in the United States, to a single middle-office platform.

CACEIS has acted as TOBAM's asset servicing partner since it was founded, providing depositary, custodian and administration services for TOBAM's French funds.

## Xtrakter and SIX Telekurs agree to expand pricing data

Xtrakter, a provider of capital market data, trade matching and regulatory reporting services, has signed SIX Telekurs as the first data vendor to access Xtrakter's Mark-to-Market valuation service, known as XM2M.

SIX Telekurs clients now have pricing data on over 45,000 domestic and international fixed-in-

come instruments, including illiquid instruments such as asset-backed securities. Bid and offer, as well as high, low and median traded prices, captured and calculated via TRAX – Xtrakter's trade matching service – significantly expands the quality of fixed-income data available to market participants.

Xtrakter, part of the Euroclear group since 2009, launched XM2M in the same year (an expansion of the "Xtrakter Price Service – Quoted and Traded") and has been making data available to its own direct customers ever since. Clients benefit from high levels of data granularity, for example, access to traded and quoted pricing, date of last bid/offer, issuer nationality, quotation price contributors, and so forth, from a database of over 300,000 securities.

Yannic Weber, chief executive officer of Xtrakter, commented: "For the first time, Xtrakter is providing user-friendly, pricing detail from XM2M to a world-class information provider. As a core part of the capital market infrastructure, we strongly advocate the possibility for clients to choose how they receive their data – directly, or indirectly using one of their existing service providers. Together with SIX Telekurs, we are providing a bespoke offering of data for consumption by both the buy- and sell-side, worldwide."

"We are very pleased to participate in this collaboration to build on our strengthening position in the global fixed-income market space," explained Ivo Bieri, head of product manage-



## Opportunities in Asia

As a result of our ongoing expansion, we are currently working on a number of opportunities across Asia, including Tokyo, Singapore, Hong Kong and Korea.

If you're a senior asset servicing professional and are interested in progressing your career in Asia then please call either;

Liz Cleary in Singapore on +65 (0) 6832 5507 / email [liz@hornbychapman.com](mailto:liz@hornbychapman.com)  
or Paul Chapman in London on +44 (0) 207 959 2439 / email [paul@hornbychapman.com](mailto:paul@hornbychapman.com)

Please see our website for details of some of the roles we are currently working on.

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ment & marketing, SIX Telekurs. The collaboration brings a large volume of dealer-traded and quoted prices, sourced directly from a broad survey of market participants, into SIX Telekurs' data environment. "We can now deliver a unique view of the European fixed-income market in a format that precisely matches our clients' information landscape," he added.

## RBC Dexia selected

RBC Dexia Investor Services has been appointed by United Food and Commercial Workers Pension Plan to provide custody and benefit payment services for their multi-employer pension plan. With more than 36,000 members, represented by UFCW Local 1518 and Local 247, it is one of British Columbia's largest private sector multi-employer unions.

"Adding UFCW as a client increases RBC Dexia's Western Canada pension presence with 14 of the top 16 British Columbia pension plans selecting RBC Dexia as a premier pension custodian," said John Lockbaum, managing director, Canada for RBC Dexia Investor Services.

"Using our sophisticated line up of technology based solutions will enable us to provide UFCW with an exemplary level of client service with timely, efficient custodial and benefit payment services."

## State Street wins Manulife mandate

State Street Corporation has been appointed by Manulife Asset Management Limited of Toronto to provide investment services for Manulife Asset Management Pooled Funds and Manulife Canadian Real Estate Funds totaling CAD2.2 billion in assets.

State Street will provide custody, investment accounting, financial reporting, transfer agency and record keeping for Manulife Asset Management's 26 pooled funds as well as its two new real estate funds, Manulife Canadian Real Estate Investment Fund and Manulife Canadian Property Portfolio. With CA \$211 billion in assets under management, Manulife Asset Management and its affiliates provide asset management solutions for institutional investors and investment funds in key markets globally.

"We were in need of a fund service provider with both a global footprint and comprehensive platform of solutions to address our needs for servicing our institutional pooled fund products in Canada, as well as other jurisdictions in the future as we expand our institutional commingled investment products," said Jacqui Allard, chief operating officer, Manulife Asset Management.

"State Street has a long-standing track record of success in delivering high quality services across the spectrum of asset servicing and we look forward to working with them."

"We are delighted to work with Manulife Asset Management," said Kevin Drynan, senior vice president and managing director of State Street's investment servicing business in Can-

ada. "We have built a leadership position in servicing the asset management industry by delivering flexible solutions to address an evolving range of challenges and opportunities and allowing our clients to focus their resources on product development and management. We are committed to providing Manulife Asset Management with the highest quality of service."

## HSBC France and BNY Mellon adopt LoanReach

HSBC France and The Bank of New York Mellon have signed up to Euroclear Bank's LoanReach service for syndicated loan transactions.

Corinne Léger-Licoine, head of global banking, agency & operations at HSBC France, commented: "We have been very active in the LoanReach consultation groups over the past few years. We are convinced that this automated solution to process syndicated bank loan transactions will greatly benefit us and our counterparties. As a lender, we believe that LoanReach will make the market for syndicated loans more orderly in terms of data flows, operational efficiency, risk control and cost containment."

Joe Duffy, managing director, EMEA Corporate Trust Executive at BNY Mellon, said: "BNY Mellon believes that Euroclear Bank's LoanReach platform will further improve the service level that the company provides to its clients by streamlining and centralising communication and cash flows between agents and lenders. We look forward to benefitting from the added value that LoanReach provides in substantially reducing operational inefficiencies and risks within the syndicated loan business."

Christian Schaefer, director, loan servicing product management at Euroclear, added: "Euroclear welcomes HSBC France and The Bank of New York Mellon as LoanReach clients. Through continuing market dialogue, we aim to regularly add new features to the LoanReach service in order to meet the evolving needs of the market and to address various points of operational inefficiency."

About 15 clients are currently testing LoanReach and four are now using the service.

## BNP Paribas selected by EFG for KIID Reporting

BNP Paribas Securities Services has been selected to produce Key Investor Information Document (KIID) -compliant reporting for all the funds of EFG Asset Management France. EFG Asset Management France operates a global platform offering a full range of managed accounts, funds, and advisory services.

To allow its customers to prepare for the impact of the UCITS IV directive on portfolio risk classification, BNP Paribas Securities Services has developed a service for collecting required data, producing and distributing KIID-compliant reporting. This flexible global service, based on customer interaction, incorporates an SRRI (Synthetic Risk and Reward Indicator) simulation tool. Asset management companies can

use it to measure the SRRI for their entire range of funds to ensure that the simulation complies with the requirements of the UCITS IV directive, which will take effect in July 2011.

"As our depository bank, we have relied on BNP Paribas Securities Services for the global custody of our assets and fund accounting, for many years" said Antoine Lacourt, CEO of EFG Asset Management France. "The bank also undertakes all our legal documentation and the regulatory compliance of our funds, so establishing KIID-compliant reporting was therefore a logical continuation of our relationship."

Margaret Harwood-Jones, head of asset managers, BNP Paribas Securities Services said: "We are focused on helping our asset manager customers adapt to an increasingly complex regulatory framework. Based on our expertise, we have developed powerful reporting tools that allow our customers to confidently focus their attention on their core business of managing their clients' assets."

## Mercer develops DB checklist

Mercer has developed a "checklist" to help defined benefit (DB) plan sponsors address challenges they are facing in today's environment. Administering DB retirement plans has become increasingly difficult for many plan sponsors, due to factors such as frequent legislative and regulatory changes, mergers and acquisitions, and a lack of in-house resources and institutional knowledge to effectively manage the growing complexity and risk associated with these programmes. This checklist is also beneficial for plan sponsors who are looking to improve their administrative processes and/or are contemplating moving their DB plan to a new co-sourced or outsourced relationship.

"Many of our clients have become increasingly concerned about administering their DB plans in-house," said Andrew Yerre, defined benefit business leader for Mercer's US Outsourcing business. "This concern is the result of many different factors, including complex legislation, legacy plan designs, and poor or missing historical participant data. As a result, many manual and inefficient processes often exist as workarounds, increasing the risk of administrative errors that can have negative consequences for both plan sponsors and participants. Following our checklist will help mitigate these risks."

Following is Mercer's DB plan sponsor checklist:

- 1 – Aggregate and improve data quality – Consolidate historical participant information from all sources into an electronic, secure database and resolve legacy data issues including missing and conflicting information
- 2 – Certify outstanding calculations – Ensure all prior plan and terminated vested calculations have been completed and certified
- 3 – Ensure plans are current and compliant – Validate that plan documents, required participant forms/communications and Summary Plan Descriptions are in compliance with recent legislative changes

4 – Review and document procedures – Document current administrative procedures and plan practices to clarify details not present within legal plan documents, address ambiguous provisions and avoid unintended changes in administrative practice in connection with the transition to a new administrative system or provider

5 – Evaluate sourcing options – Determine if you have the resources, experience and organisational commitment to successfully maintain plan administration, or if outsourcing or co-sourcing is a more viable option

“In response to increased demand from plan participants for benefit estimates, plan sponsors will need to review and prepare their current data, processes and documentation,” said Marceline Pankros, principal in Mercer’s Retirement, Risk and Finance business. “Additionally, if a plan sponsor is moving to a new plan administrator or preparing a plan for a freeze or termination, engaging in these ‘pre-sourcing’ activities will allow them to move quickly as business or market conditions change in order to capitalise on the opportunities to save on plan costs and/or reduce plan risks.”

## BTIG adds J.P. Morgan

BTIG, LLC, has added J.P. Morgan Clearing as a clearing agent and custodian for its Prime Brokerage platform. BTIG Prime Brokerage will now offer its clients both J.P. Morgan Clearing Corp. and Goldman Sachs Execution & Clearing.

The new relationship is a significant expansion of BTIG’s Prime Brokerage offering. Now in its 8th year of operation, BTIG’s Prime Brokerage division is a dominant mid-market prime broker, with more than 300 investment managers utilizing BTIG as their prime broker. BTIG’s addition of a second custodial and clearing option for clients is a strategic enhancement, providing a multi-prime solution for clients who are growing rapidly and want to diversify their custodial counterparty risk.

Justin Press, co-head of prime brokerage at BTIG, commented, “We are very excited to add J.P. Morgan to our platform. I can’t think of two better custodial providers in the market. Both J.P. Morgan and GSEC have a long history in prime brokerage and both support the introducing broker market.” Press went on to say, “Clients are often looking to add a second prime brokerage relationship, and having two premier custodians opens up new opportunities for BTIG and our clients. The addition of J.P. Morgan puts BTIG in a stronger position to be a long term resource for our clients.”

Brian Petitt, co-head of prime brokerage at BTIG, added: “BTIG’s Prime Brokerage business offers ‘best in class’ services and options to clients who appreciate resources like state of the art technology and reporting, and customised capital introduction.” Brian Petitt went on to say “Being able to offer J.P. Morgan Clearing Corp. and Goldman Sachs Execution & Clearing as clearing and custodian options helps us stay ahead of our competition and provide the best possible solutions for our clients.”

## BNY Mellon wins Textron mandate

BNY Mellon has been named global custodian for Textron Inc.’s employee defined benefit retirement plan, with \$4.2 billion in assets.

BNY Mellon Asset Servicing will provide global custody, cash sweep, and foreign exchange direct-dealing services, as well as performance and risk analytics.

“We need a company with the global reach and comprehensive investment services of BNY Mellon to help us manage a retirement plan that supports more than 76,000 employees and retirees worldwide,” said Keith Watson, Textron’s director of pension investments. “Their outstanding people and technology resources give us the ability to make timely, informed decisions about our portfolio.”

## Northern Trust wins Babcock mandate

Northern Trust has been appointed to provide global custody, transition management, investment accounting and performance measurement services to £2 billion in pension fund assets for Babcock International Group PLC pension schemes.

Babcock has achieved industry recognition for its innovative investment strategy within the pensions marketplace – with three of its pension funds first to conduct longevity swaps in 2009.

“The Trustee Investment subcommittee appointed Northern Trust following a competitive tendering process,” said Andrew Birkett, group pensions manager at Babcock. “We wanted an asset servicing partner to help us with the next stage of our evolution as we look to consolidate our investment accounting and reporting strategy across all four Babcock pension schemes.”

“We are delighted to have been appointed by Babcock, a leading name in the pensions market,” said Douglas Gee, UK business development manager for asset servicing at Northern Trust. “We increasingly see clients looking for advanced asset reporting capabilities in addition to core global custody services. Northern Trust’s sophisticated web-based client portal, Passport, provides for this need by enabling all our clients to access precise daily information on their assets, when they want it, including integrated investment accounting, performance measurement, compliance monitoring and risk analytics.”

## EMS selects RBC Dexia

RBC Dexia has been selected by EMS Capital, a New York-based investment firm, to provide trustee, custody, fund administration, financial reporting, distribution support and shareholder services for Tensor Fund PLC, a new Ireland-domiciled UCITS fund.

EMS Capital LP is part of the recent trend of US asset managers looking to increase their profile within the global investment community by

launching a UCITS fund.

“RBC Dexia’s demonstrated thought leadership in distribution support and global distribution trends was a significant differentiator from the other firms competing for our business,” said Kevin Barrett, CFO of EMS Capital LP. “We want a service partner with on-the-ground capabilities and a network of key contacts to help get our UCITS fund noticed and on the shelf in key geographies.”

## Apex Fund Services acquires Lazorne Fund Administration

Apex Fund Services has opened its first office in Australia. The Apex Sydney office has been launched following the acquisition of Lazorne Fund Administration Service.

Apex also intends to open an office in Melbourne during the second half of this year which will be a specialist independent administration business aimed at servicing superannuation funds. Apex intends to grow its Australian offices to 100 people within five years.

Under the terms of the acquisition, Apex will begin providing fund administration services to Lazorne’s existing investment managers and at the same time start offering Apex’s real time Middle Office service, Emerging Manager Platforms and other fund administration services to the Australian market. Australia’s fund management industry has approximately AU\$1.7 trillion assets under management (AUM) and employers must put a minimum of nine per cent of gross wages into a superannuation fund which is due to rise to 12 per cent by 2019.

Anthony D’Silva, managing director of Apex China will also have responsibility for the Australian offices.

Peter Hughes, group managing director, Apex Fund Services, said: “Apex is totally committed to working alongside its clients in their own location and we have already begun introducing our range of fund administration and middle office services to Australian asset managers.

“Australian based asset managers have good performance but have only recently begun to aggressively market themselves to attract global capital. Through the Apex Global Network we provide Australia’s asset managers with seamless access to the world’s financial centres and we are seeing exciting synergies with our offices in Hong Kong, Singapore and Shanghai and further afield.

“Australian managers who are located outside of Australia to build offshore funds, are increasingly looking at EU regulated funds for asset raisings. To do this they need an Australian unit trust feeder for their Australian clients which in turn require specialist fund administration due to the complicated tax rules.

“With our new offices in Australia we can efficiently provide fund administration for all the needs of these Australian managers and all the products they intend to launch, wherever they are located.”



# Malta

Its growing prominence as a European funds destination is testament to Malta's aim of being the most flexible centre on the continent

## BEN WILKIE REPORTS

As one of the smallest and most highly populated countries in Europe, Malta has a proud history. Home at one time or another to the ancient Greeks, Phoenicians, and citizens of Carthage, it has legendary links to the lost city of Atlantis and a millennium-long reputation as a land that welcomed visitors from all countries, cultures and reputations.

More recently, Malta became an important stop off for the British Empire, traders using it as a base on the voyage between the Strait of Gibraltar and the Suez Canal. The bravery of the people of Malta during World War II led to the

British King awarding the country the George Cross, the highest honour available to non-military personnel, and the only time it has been awarded to an entire population.

Following independence in 1964, the republic quickly became one of the most popular tourist destinations in Europe, and its official neutral status led it to become an important destination for world leaders to negotiate - it hosted a summit between George Bush and Mikhail Gorbachev in 1989, the first time the two had met for talks. It joined the European Union in 2004

and became part of the Eurozone in 2008.

Since joining the EU, the Maltese government has made significant progress in becoming one of the most attractive destinations for the international funds industry. It brought its legislation up to international standards, and put huge efforts into attracting some of the biggest names to the islands.

An important development in this regard has been the establishment of the Malta Financial Services Centre, a regulatory body aimed at

ensuring that the significant advantages that Malta offers are used in a manner that both offers fiscal benefits to the foreign investor and is consistent with Malta's international obligations. Other measures it has introduced include:

- Ensuring that income originating from overseas is not subjected to double taxation, even if there is no double taxation agreement in existence. This is achieved by providing relief from double taxation on a unilateral basis and through a system of flat rate foreign tax credits AND refunds to non-resident shareholders on tax paid on dividend payments from overseas

## Malta was less affected by the global financial crisis than many of its neighbours and continued to experience the same levels of growth in most economic sectors

- Advance rulings by the commissioner of Inland Revenue to provide certainty and clarity on international tax issues. These rulings guarantee the tax position for a minimum of five years and may be renewed for a further five year period
- Limiting the maximum tax liability of non-residents to Malta taxation on dividends from international business companies
- A taxation scheme for groups of companies allowing offset of losses between fellow subsidiaries
- A definition of qualifying participation in foreign holding companies
- A law regulating collective investment business schemes and investment services in general
- Amendment of existing company law incorporating, inter alia, the introduction of new concepts for Malta such as SICAVS and incorporation of a number of concepts from EU company law
- Professional secrecy legislation. This provides levels of protection of personal and commercial privacy comparable to other Western countries offering reassurance to

foreign investors without obstructing proper supervision

- Money laundering regulations
- Ratification of the Hague Convention on recognition of Trusts and incentives for the management of unit trusts from Malta whilst still allowing such trusts to be governed by foreign trust law
- Insider trading rules

Malta was less affected by the global financial crisis than many of its neighbours and continued to experience the same levels of growth in most economic sectors as registered in previous years.

The Malta Financial Services Authority registered growth in the number of new licences issued in 2010 in all areas of activities. Three new credit institutions and six new insurance companies were licensed. Significant increases were registered in the number of Professional Investor Funds and investment services companies. During the year under review, the Authority also authorised the first occupational retirement schemes under the Special Funds Act.

Total assets in the banking sector grew by 21 per cent to €49.5 billion, which was partly due to new credit institutions which started operating in 2010. The capital requirements ratio of the banking sector increased to 57.06 per cent. The net asset value of locally based Collective Investment Schemes stood at almost €8 billion, an increase of 13.5 per cent over the previous year end.

The gross premium written (GPW) in the general business sector increased by 10 per cent to €716 million (end of 2009 figures). In the long term business sector, gross premium written increased by 48 per cent to €327 million (end of 2009 figures).

In 2010 the World Economic Forum's Global Competitiveness Index put Malta at No10 for the soundness of its banks and No11 for financial market development. These figures put Malta in the very front rank of world financial centres and greatly add to its global reputation.

As Malta's finance industry has expanded, as the country has remained attractive to blue-chip finance businesses from all over the world and as the obligations placed on regulators have grown. The finance industry continued to expand, new businesses continued to arrive on a regular basis and employment in the sector has once again grown.

The chairman of the Malta Financial Services Authority, Professor Joe Bannister stressed in his annual report "that while the future continues to look bright, we should be fully conscious of the many threats to global economic stability that currently exist. These include high inflation rates in many important countries, volatile com-

modity markets, rising food prices and enormous political and economic changes across the globe. In a troubled world it is as always vital that our values of integrity, honesty and service are the values that should endure and help cement Malta's reputation as a world leading financial services jurisdiction".

## In 2010 the World Economic Forum's Global Competitiveness Index put Malta at No10 for the soundness of its banks and No11 for financial market development.

This growth can be seen most starkly in the funds sector. In 2001, the total value of domiciled funds in Malta was around €500 million. Six years later, it was €8.8 billion. The value has fallen slightly now, in 2010, it was €7.4 billion, but compared to the drops in other jurisdictions it has done remarkably well.

Malta has a long standing history of trade with the economy being an open one and where foreign direct investment is actively and tangibly encouraged. The Maltese have a strong work ethos where business meetings are typically less formal than in other North European countries.

Business is supported by a strong infrastructure which includes an advanced telecommunications system and a number of well trained graduates in law, accountancy, management and administration as well as banking and insurance.

The legislation is strongly influenced by European Union by virtue of Malta's membership since May 2004 with Maltese corporate law being modelled on British legislation.

Speaking to those in the funds industry, the country's key advantage over more established rivals such as Dublin and Luxembourg is its flexibility. The regulators retain an open door policy, which means our voices are always heard," says one fund administrator. "And we know that they do listen - changing regulation in Malta seems to be much quicker than it does in other places." **AST**

Next issue:  
custody  
in Croatia

## New York Securities Financing Forum

Date: 26 May 2011  
 Location: New York  
 Website: <http://www.dataexplorers.com>



Gather the world's leading thinkers and doers in securities financing and offer them one day of extraordinary insights and powerful inspiration.

## Network Management 2011



Date: 15-16 June 2011  
 Location: Dubrovnik  
 Website: [www.icbi-events.com/nema/](http://www.icbi-events.com/nema/)

With over 300 attendees from the Network Management and Securities industry in 2010, NeMa has become the most important event of the year for the network management community - bar none.

## ISLA 20th Annual International Securities Lending Conference



Date: 28th-29th June 2011  
 Location: Penha Longa (Lisbon/Sintra)  
 Website: [www.afme.eu/isla2011](http://www.afme.eu/isla2011)

ISLA is pleased to announce the date and venue for its 20th International Securities Lending Conference. The event will take place between 28th and 30th June 2011 in Penha Longa (Lisbon - Sintra).

## European Clearing and Settlement



Date: 29-30 June 2011  
 Location: London  
 Website: [www.icbi-events.com/ecs](http://www.icbi-events.com/ecs)

An expected wave of European regulation; more competition; pressure on costs and fees; a new focus on risk – all this and more will be covered at ICBI's flagship 17th annual clearing and settlement event.

12th Annual

# Collateral Management

Excelling in managing and optimising collateral in a market coming to terms with the impact of central clearing

London, UK  
 7th-9th September 2011

Including Interactive Pre-Conference Workshops:

**ISDA® Collateral Documentation**  
 and  
**The Importance of Basel III for Collateral Managers**

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This 12th Annual **marcus evans** conference is Europe's premier collateral management event, bringing together the most senior figures from the collateral world in order to address key topics including regulatory reform, automation, optimisation and how to attain best practice in operational procedures.



Attending this Premier **marcus evans** Conference Will Enable You to:

- **Learn** about the impact of central clearing on the market
- **Debate** the benefits of triparty custody services and how they can effect your operations
- **Fine** tune your operations to achieve excellence in reconciliation, margin calls and haircuts
- **Optimise** the collateral still available in a market where the quantity and quality is in question
- **Network** with senior industry professionals

Media Partners:



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 or email [AliceT@marcusevansuk.com](mailto:AliceT@marcusevansuk.com),  
[www.mefinance.com/Collateral2011](http://www.mefinance.com/Collateral2011)



## Industry Appointments

Northern Trust has strengthened its investment operations outsourcing, fund administration and accounting capabilities in Australasia with two senior appointments. **Nadia Ivanova** has assumed the newly-created role of head of global fund services for Australasia and Vicki Martyn joins Northern Trust as a senior relationship manager.

The additions to the Melbourne-based team are part of a building process for Northern Trust as it wins new clients in the region, including its recently announced appointment to provide investment operations outsourcing services to QIC, one of Australia's largest institutional fund managers.

Ivanova is a 17-year veteran of fund services at Northern Trust, with a record of building strong operations and client service teams in Europe and the United States. Prior to Australia, she was based in London and led the Northern Trust Global Fund Administration operation for EMEA and Asia-Pacific. In Australia, she leads a growing group of professionals supporting investment operations outsourcing, fund administration, accounting and tax services for both local and global investment managers.

**Vicki Martyn** joins Northern Trust with more than 20 years of industry experience. She brings extensive fund administration, custody and relationship management expertise having previously served in a variety of senior management positions in the local market place.

Bravura Solutions Limited (Bravura) has appointed **Tony Klim** as group chief executive officer.

Klim joined Bravura three years ago in February 2008 as the CEO for EMEA, charged with the responsibility to achieve new business and financial targets. Under his guidance, Bravura has expanded significantly in the region both through organic and acquisitive growth, and the European region now accounts for almost 70 per cent of the company's revenue. Klim will be based in Bravura's London office.

**Sean Foley** has been appointed chief financial

officer and chief administration officer of Butterfield Fulcrum and FORS Limited, an independent provider of family office and wealth management reporting and administrative services.

Butterfield Fulcrum and FORS were recently brought together into one entity offering comprehensive outsourcing solutions across the alternative investment management, family office and trust industries. The two companies are run as separate businesses by their respective management.

**Justin Llewellyn-Jones** has been appointed chief operating officer of Fidessa Corporation, Fidessa Group's US based operation.

Llewellyn-Jones will take on the role of COO reporting to Mark Ames, CEO of Fidessa corporation. He continues to maintain his assignment of the last three years as managing director of Fidessa's US Hosted Services business.

**Mark Rice** has been appointed chief operating officer of Morgan Stanley's hedge fund services business.

Citisoft has appointed **Steve Young** as head of business development, and **Neil Craddock** has been appointed as chief operating officer of Europe. These appointments follow the announcement of senior hires in the US earlier this month as Citisoft readies itself for growth at the start of its new financial year.

State Street has appointed **Maria Cantillon** as global head of sales for State Street's Alternative Investment Solutions business. Based in London, Cantillon, reports to Scott FitzGerald, head of sales for State Street's Global Services Americas business.

XSP has promoted **John Kehoe** to managing director of global sales and account relationship management.

Lyxor Asset Management, a subsidiary of Société Générale, has appointed **Herman Chen** as head of Lyxor ETF distribution for the Asia Pacific region, based in Hong Kong.

# AST

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Traiana has appointed **Roy Saadon**, one of the co-founders of the firm, to the newly created role of head of EMEA, effective immediately. Saadon will move to London to lead Traiana's further expansion in Europe and other regions, with focus on both foreign exchange as well as the company's expansion into new asset classes, including CFD equity swaps and exchange-traded derivatives. **AST**



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20th Annual

# International Securities Lending Conference

28th – 30th June 2011 | Penha Longa, Lisbon-Sintra, Portugal

Organised exclusively by market participants, this conference is the only event of its kind in Europe, attracting **500+ ATTENDEES**, including senior market participants from banks, broker dealers and asset managers, beneficial owners, hedge fund managers and securities regulators.

The **GLOBAL SECURITIES LENDING MARKET** continues to present both challenges and opportunities to borrowers and lenders alike — but how should industry participants position themselves for 2011 and beyond? Attend this event to find out!

## KEYNOTE SPEAKER

**LORD SEBASTIAN COE KBE**  
OLYMPIC GOLD MEDALLIST AND CHAIRMAN  
OF LONDON ORGANISING COMMITTEE FOR  
THE OLYMPIC GAMES



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- Assess the latest **REGULATORY LANDSCAPE** for securities finance
- Gain insight into the **LATEST TRENDS** in supply and demand
- Consider developments in **CASH COLLATERAL**
- **NETWORK** with expert speakers and fellow market participants
- Debate industry topics in our unique **'ROUND TABLE' SESSIONS**

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