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Great Expectations

Hailed as one of the top emerging markets for 2021, experts have great expectations for Thailand's securities services industry

Class Action

Fox Williams, Noah Wortman and Tom Grande discuss class actions and more via the virtual roundtable

Cyber Risk

Cybercrime has been relentless, but the pandemic created opportunities to accelerate digital transformation

SIX expands its international custody services reach to US

Citi has launched domestic securities investment fund custody services in China after receiving final approval from the China Securities Regulatory Commission (CSRC) to operate fund custody services in the country.

Through this approval, Citi China has become the first major global custodian to be permitted to operate a domestic Chinese fund custody business.

Citi has had a presence in China since 1902 and has been providing cross-border securities services in China for more than two decades.

Christine Lam, CEO of Citi China, says: "We are delighted to assist more of our global clients to participate in the continuously opening Chinese capital markets. We will play to our strengths in cross-border services and bring the best of our global network and best practices to the Chinese market, providing standardised and global services for domestic and global clients."

David Russell, Asia Pacific head of securities services and Hong Kong markets head at Citi, cites: "We look forward to servicing global asset managers as they establish an onshore China business and to work with domestic asset managers as they grow their businesses onshore and globally."

Citi has also opened an office at the Busan International Finance Center (BIFC) to further support its expanding securities services operations in South Korea.

The centre was opened by the Busan Metropolitan City Government in 2014 in an effort to develop Busan as a leading global financial hub.

Busan City selected Citi to be one of the first BIFC international tenants in December 2020.

From the BIFC, Citi will support Korea's financial markets by providing global custody services to the Korea Securities Depository (KSD) which will include securities depository and settlement services. Citi opened its first South Korea branch in 1967.

Myung-Soon Yoo, South Korea country officer at Citi, states: "I'm pleased that we have opened a new office at BIFC and I hope that we can contribute to Busan City in achieving its vision to become a global financial hub. Citi is committed to providing sustainable and superior custody service to our clients including the KSD."

Im-Sun Lee, Korea head of custody and fund services at Citi, comments: "We continue to invest in our securities services operations both regionally and globally, and this office opening allows us to provide greater levels of client service in terms of our custody and fund services offering to our institutional client base."

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IQ-EQ acquires Davy Global Fund Management

IQ-EQ has acquired Davy Global Fund Management (DGFM), part of Davy Group. The newly combined Irish business will offer corporate administration, fund administration, fund management and portfolio management services, and will comprise 110 employees located in Dublin and Shannon, Ireland. Tom Berrigan and Paul Giblin, CEO and managing director of DGFM respectively, will join the IQ-EQ UK and Ireland senior leadership team.

DGFM comprises two business elements: a super management company with Irish and Luxembourg operations, as well as a boutique fund management business focused on environmental, social, and governance.

Formed in 2014, DGFM services a domestic and international client base employing 83 people — 68 based in Dublin, 13 in Luxembourg, one in London and one in Chicago.

Berrigan says: "All of us at DGFM are delighted to be joining forces with IQ-EQ with whom we share similar attitudes in terms of the importance we place on our people and the service levels experienced by our clients."

He adds: "Being part of a truly global service provider will both enhance our client service offering while affording our people the opportunity to continue to develop their careers and broader expertise."

John Legrand, IQ-EQ managing director, UK & Ireland, comments: "What first struck us about DGFM was just how culturally similar both of our businesses were."

"So, when this opportunity presented itself, we recognised it not only as a commercial great fit for our business but a cultural one too."

He adds: "For a people business like IQ-EQ this helped seal the deal. At IQ-EQ, we share DGFM's passion and drive and believe that together we can be a formidable force in the marketplace."

"This is the first step of the journey and I am very excited to be taking it with them."

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Thoma Bravo merges Calypso and AxiomSL

Software investment firm Thoma Bravo has announced the merger of Calypso Technology and its existing portfolio company AxiomSL, provider of regulatory reporting and risk management solutions for financial institutions. The merger follows the completion of Thoma Bravo's previously announced acquisition of Calypso. The combination of Calypso and AxiomSL is set to create a comprehensive cloud-based solution provider for the financial industry. With complete coverage for banking, capital markets, treasury, enterprise risk, regulatory reporting and compliance, the combined company will streamline customers' end-to-end workflows.

According to Thoma Bravo, this will bring operational efficiencies, and strengthen a culture of customer-centric innovation to better serve financial institutions globally.

Didier Bouillard, current CEO of Calypso Technology, will serve as CEO of the new company.

Alexander Tsigutkin, founder and CEO of AxiomSL, will join the board of directors and remain an investor in the company.

The newly formed company will be dual headquartered in London and New York City, with almost 2,000 employees, more than 60,000 users, and a large customer base.

Holden Spaht, managing partner at Thoma Bravo, says: "We have long admired Calypso and its position as a leader in the global capital markets software space, and we are excited about the opportunity to provide the combined company's customer base with a comprehensive platform to navigate the increasingly complex nexus of capital markets, banking, and regulation with greater transparency and agility."

Alex Tsigutkin, founder and CEO of AxiomSL, comments: "I am thrilled to support AxiomSL's next chapter of growth under Didier Bouillard's leadership and look forward to continuing my partnership with Thoma Bravo and the entire board of directors."

Bouillard adds: "I am excited by the opportunity to unite AxiomSL and Calypso to build a world-class software provider, and to deliver even more value to our customers."

"The combined entity is uniquely positioned to support innovation, simplification, and modernisation of our customers' entire value chain while enabling them to rapidly adapt to changing regulations."

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EBA launches consultation on standards for identifying shadow banking entities

The European Banking Authority (EBA) has launched a public consultation on draft regulatory technical standards (RTS) detailing the criteria for identifying shadow banking entities.

Entities that offer banking services and perform banking activities as defined in the draft RTS, but are not regulated and are not being supervised in accordance with any of the acts that form the regulated framework, are identified by the EBA as shadow banking entities.

Special provisions are included in the draft RTS which take into account the specific character of funds regulated under the Undertakings for the Collective Investment in Transferable Securities (UCITS) Directive or the Alternative Investment Fund Managers (AIFM) Directive.

Money market funds (MMFs) are identified as shadow banking entities, in recognition of the severe liquidity issues that affected MMFs during the COVID-19 crisis and ongoing discussions at EU and international level to strengthen their regulation.

Additionally, the draft considers the situations of entities established in third countries and provides treatment that differentiates between banks and other entities.

The submission deadline for comments on the consultation ends on 26 October 2021.

Asset managers favour pooled trade data tape for MiFID II, despite some hesitation

A recent Bloomberg Intelligence (BI) survey has found that 71 per cent of asset managers and brokers have backed a move toward pooled trade data tape in relation to the EU's second Markets in Financial Instruments Directive (MiFID II), despite fears that accompanying data bills are unlikely to go down and exchanges could see a data revenue drop. The survey, carried out by BI, asked asset managers and brokers their thoughts on long-considered plans to create an electronic system that collates trade data from trading venues and data aggregators, known as consolidated tape (CT), before the end of proposals for the directive at the end of Q3.

In a report accompanying the survey, BI said that while the introduction of CT could lead to deeper market transparency, firms were concerned that trading costs could rise if regulators make consumption mandatory and force asset managers to pay for a bulk of data they do not need and will not use. When BI's survey data results were divided between large firms and small firms, only 58 per cent of small firms were in support of the move, while 89 per cent of larger firms with heavier cross-border business backed the move towards CT.

BI said that regulators are likely to widen their preliminary proposal beyond just equities to cover bonds, exchange traded funds as well as certain derivatives. But the diversity of the EU bloc's markets will "make data-tape creation a much trickier task" than in the US, BI said. In addition to this, a bloc-wide real-time data tape is unlikely to be market ready by 2025.

The MiFID II changes on the horizon could spur the creation of a CT provider, added BI. While the rule sought to establish a regulatory environment for competing CT providers, not one materialised, chiefly because it provides little commercial incentive.

Looking ahead, regulators, in the interest of costs, look likely to appoint a single, exclusive CT provider on a limited contract, subject to evaluation every five to seven years, BI said. However without a strong governance framework and robust regulatory oversight, there is a risk that a sole-source CT provider might charge monopoly rents or be unresponsive to market needs.

"While this monopolistic approach would mirror the US set-up, it should be highlighted that the US Securities and Exchange Commission recently ruled to open it up to competition", BI said.

In the event no CT provider emerges under MiFID II, the rule permits regulators to appoint a company to operate a CT via public tender.

Sarah Jane Mahmud, senior government analyst at BI, says: "With formal proposals due by the end of Q3 and plans to launch a beta version for testing in 2023, a bloc-wide real-time data tape is unlikely to be market ready by 2025. Extensive legislative changes would be necessary to make CT-provision commercially viable, including new rules on data quality and pricing. UK policy makers, meanwhile, are pressing ahead with plans to create a national post-Brexit CT with a 1 July consultation."

Mahmud adds: "First, MiFID II provides no recourse over poor-quality data submissions. Second, it does not tame the cost of negotiating, purchasing and integrating data from dozens of trading venues and off-venue post-data aggregators. Third, a CT provider may have added latency due to aggregation, with data published more than 15 minutes late having no commercial value."

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Capco and AccessFintech partner over data workflow solution

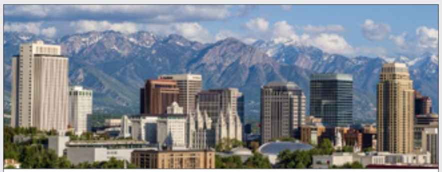
Capco has partnered with AccessFintech to enhance the engineering and delivery of the latter's data management and workflow solution.

The two fintech companies noted the importance of banks, brokers, custodians and buy-side firms ensuring they provide efficient technology platforms in the current competitive regulatory environment. This can be difficult for some as legacy systems carry fragmented data and time-consuming manual processes, causing increased costs and liquidity risk. Therefore, it is also important for companies to modernise their internal systems and processes. Capco and AccessFintech's partnership aims to address this through joint engineering solutions to encourage faster workflow adoption and change management.

It will also assist companies to navigate challenges around operations and regulatory compliance, particularly the approaching Central Securities Depositories Regulation (CSDR) regime, Interbank Offered Rate (IBOR) reconciliation, pre-matching and settlements, and cash payment affirmations. In the partnership, AccessFintech's Synergy Network has capabilities to extend and enrich data, as well as to workflow and enable technology-driven operations transformation for transaction lifecycle management. Capco's experience in transformation projects will streamline client operations integration with the Synergy Network.

Owen Jelf, partner and global head of capital markets at Capco, says: "By bridging the gap between legacy and modern systems, innovative solutions such as the Synergy Network accelerate those journeys and deliver cost effective and highly controlled rules-based process environments."

Boaz Zilberman, executive vice president of business development at AccessFintech, adds: "We are already successfully processing more than a billion transactions a month. Coupling Capco's industry benchmark technology and operations change management and delivery expertise with our Synergy Network and platform is an important accelerator of our clients' operation and technology transformation."



Gen II acquires private equity fund services provider

Independent private equity fund administrator Gen II Fund Services has acquired Stone Pine Accounting Services.

The addition of the private equity fund administration, tax and investor services provider to Gen II's service offerings will expand the firm's presence in the western US and increase its headcount.

Read the full article online

Broadridge completes acquisition of Alpha Omega

Broadridge has completed the acquisition of Alpha Omega, a post-trade solutions provider for the investment management industry.

The acquisition, which encompasses the remaining 68 per cent of Alpha Omega, will allow Broadridge to fully consolidate Alpha Omega's post-trade matching and consolidation solution into its existing NYFIX connectivity and FIX infrastructure.

Read the full article online

Ninety One extends transfer agency partnership with SS&C

SS&C Technologies has extended its partnership with Ninety One, a global investment manager.

The partnership will see SS&C Global Investor and Distribution Solutions provide transfer agency services to Ninety One's UK fund management business.

Read the full article online

UnaVista to close its SFTR trade repository

UnaVista, the regulatory reporting platform owned by London Stock Exchange Group, has announced that it will close its Securities Financing Transactions Regulation (SFTR) trade repository service. SFTR trade repository, which is currently operated by UnaVista in the UK and UnaVista TRADEcho B.V. in the EU, will cease to offer regulatory reporting, and associated services from its rules engine, on 31 January 2022.

Read the full article online

Euronext reports Q2 increases across the board

Euronext reported a total of €328.8 million in revenue and income for Q2 2021, marking a year-on-year increase of 56 per cent.

Just over one-quarter of this revenue was generated by Borsa Italiana Group in the two months and two days since Euronext's acquisition of the group.

Read the full article online

ITRS Group acquires Opsview

ITRS Group, provider of real-time monitoring and analytics software to financial services companies and other sectors, continues its expansion with the acquisition of Opsview, a monitoring platform.

Opsview provides unified insight into dynamic IT operations on-premises in the cloud or hybrid. The company will continue to operate as a separate brand and entity.

Read the full article online

Securities Class Action Roundtable Q&A

Global class actions, ESG and investor stewardship principles have been developing on parallel tracks, but in the months and years to come they are likely to intersect with increasing frequency. Fox Williams LLP's Andrew Hill, NRW Consulting LLC's Noah Wortman and Goal Group's Tom Grande discuss this and more via the virtual roundtable

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What are the key drivers of change in global securities litigation?

> *As a principle of active ownership, shareholders have become far more engaged, especially with environmental, social and governance*
>
> **Tom Grande**

Tom Grande: For many years, there has been a steady rise in global interest for shareholder litigation, but it has been over the last five years where we have reached a turning point in awareness, attitude and motivation within the investment community. As a principle of active ownership, shareholders have become far more engaged, especially with environmental, social and governance (ESG) considerations, and are displaying an increasing willingness to push for change in the companies they have invested in. Participation in collective actions is not just a matter of recouping financial losses; it is being implemented as a corporate governance tool.

Fund managers, custodians and trustees are under pressure to adapt their service propositions in response to the shareholder's growing appetite for legal redress — and it is clear that they also have a fiduciary duty to recoup investment losses. To meet these requirements, they are leveraging the latest monitoring, filing and recovery services, based on innovative fintech, to provide a cost-effective and comprehensive service to investors, drive up participation levels and maximise fund returns.

In several of our recent mandates for trustees and superannuation funds, it is the board who have specified the need for a smarter, tech-driven approach to class actions participation. This indicates just how far this issue has climbed up on the agenda.

Noah Wortman: There are several factors that continue to drive the growth of global securities litigation. The US Supreme Court's 2010 decision in Morrison v National Australia Bank ostensibly closed the door on plaintiffs bringing 'F-cubed' cases in the US (whereby foreign investors sue a foreign issuer based upon a security traded on a foreign exchange).

This marked a first step for many global institutional investors that had purchased their shares on non-US stock exchanges to consider where they might be able to seek legal redress outside the US, frequently in jurisdictions home to where the stock is listed. It is no coincidence that in the intervening years, class action and related collective redress regimes are maturing and have gained traction in the UK, Europe and other jurisdictions across the world.

Several high-profile instances of corporate fraud, notably Wirecard and Luckin Coffee, were exposed in 2020, and that trend is likely to continue. Meanwhile, *The Economist* estimates a decade's worth of corporate fraud will be exposed as a result of the market fallout from the COVID-19 pandemic.

It is also true that litigation funding is common in both consumer and shareholder collective redress actions. In a number of jurisdictions, it has acted as a catalyst for the use of collective actions as well as a mechanism to bring access to justice.

> *Governments and legislators around the world are responding to this trend and are realising that the old private forms of civil redress are not fit for purpose in the modern era*

Andrew Hill, partner, Fox Williams LLP

The increasingly globalised and digital economy, and the slow demise of small 'high street' privately-owned businesses, is resulting in consumers buying from, or using, the services of mega global firms such as Amazon, Google, and Apple. This results in consumers, in multiple jurisdictions, being impacted by the same corporate behaviour. Where that corporate behaviour is bad, or transgresses contractual or statutory duties, there needs to be mechanisms available to level the playing field and provide access to justice for individual consumers. One of the most effective ways of doing that is through collective redress or class actions.

Governments and legislators around the world are responding to this trend and are realising that the old private forms of civil redress (single plaintiff v single defendant) are not fit for purpose in the modern era. This is especially the case where the disparity between the individual consumer and the global corporation can be so large. Therefore, new forms of collective redress are being introduced or developed.

As consumer class actions increase, so too can the impact on the share price of the misbehaving corporation if it is publicly listed and, potentially, global securities litigation or shareholder class actions can result. In this sense the necessary ingredients that drive an increase in consumer class actions also drive an increase in global securities litigation.

In other respects, the fragility of global supply chains, governance structures and finances of certain large multinational corporations have also been exposed during the pandemic, but sometimes too late to prevent significant loss of value in the company. Certain corporations faced with these challenging circumstances unfortunately decide to present an untrue or misleading picture of their business model, financial health or plan for sustainable growth to the market. All such conduct leaves corporations open to the risk of litigation.

For securities litigation in particular, a further key driver for change is the recognition of the importance of ESG factors by institutional investors, public corporations, and by the wider investing public, who are responding to global events such as climate change and the impacts of the pandemic.

How is the non-US collective actions scene developing?

The Collective Redress Directive's rules explicitly allow consumer cases in areas such as data protection, financial services, travel and tourism, energy, telecommunications, environment and health

Noah Wortman

Wortman: The US has long been the centre of the class action world. For example, in 2020, more than 300 cases were filed in the securities class action realm alone. However, the rest of the world has been making strides in catching up. This is especially true for Europe, which, over the last few years, has brought significant development and ongoing debate in the collective redress arena and the best way to deliver collective redress rights to investors and consumers.

"Globalisation and digitalisation have increased the risk of a large number of consumers being harmed by the same unlawful practice" and "[w]ithout effective means to bring unlawful practices to an end and to obtain redress for consumers, consumer confidence in the internal market [of the EU] is reduced". The Collective Redress Directive was formally endorsed on 24 November 2020, and provided the potential for collective consumer lawsuits to the EU.

By the end of 2022, the 27 EU member states must translate the Collective Redress Directive into national law and implement an effective procedural mechanism that will allow "qualified entities" to commence representative lawsuits on behalf of consumers. The EU member states must then begin to enforce the Collective Redress Directive by the end of June 2023. The Collective Redress Directive's rules explicitly allow consumer cases and "cases involving trader violations in areas such as data protection, financial services, travel and tourism, energy, telecommunications, environment and health, as well as air and rain passenger rights".

The development of collective redress mechanisms is not limited to the EU's Collective Redress Directive, but individual countries have also been making great strides in their own initiatives. Examples of note include Scotland and The Netherlands.

On 1 January 2020, the Collective Damages Act (Wet Afwikkeling Massaschade in Collectieve Actie, 'WAMCA') came into effect in the Netherlands. WAMCA enables representative entities to bring damages claims on behalf of international parties in a class action in any district court in the Netherlands. The court can then award damages in its judgment, which was only possible under the prior regime under three conditions: first, if parties had reached a collective settlement under the Act on the Collective Settlement of Mass Damages (Wet Collectieve Massaschade Actie, 'WCAM'); second, by initiating individual damages claims after the representative entity had obtained a declaratory judgment; third, when the litigation was structured through a special purpose vehicle.

Meanwhile, as of 31 July 2020, the Civil Litigation (Expenses and Group Proceedings) (Scotland) Act 2018 came into effect. This set out a framework for bringing "group proceedings" in Scotland.

In 2015, English law was amended to allow, for the first time, an opt out of collective proceedings to address certain breaches of competition law. In limited circumstances, the Competition Appeal Tribunal (CAT) can hear such group claims provided they pass an initial filter and are considered to be eligible for a Collective Proceedings Order (CPO). It is anticipated that the number of claims filed is likely to increase in the coming years. This is, in part, due to the UK Supreme Court's decision in Merricks v Mastercard of December 2020, which confirmed a low threshold for certifying class actions brought under this regime.

These are only a few examples of the types of collective redress areas that continue to expand. These examples also show that jurisdictions are continuing to mature in the way their legal systems have answered the call to find ways to provide redress and protection for investors and consumers.

Grande: Most non-US collective actions are filed in Canada and Australia, but momentum is gathering across Asia and Europe where growing numbers of jurisdictions are creating legal frameworks that open the doors to group litigation. According to law firm Dechert, 17 of the 25 largest non-US settlements were in Australia and the rest were in the UK, the Netherlands, Japan and Israel.

We actively monitor 37 jurisdictions for class and collective actions. In the last decade, we have successfully processed around 17,000 class action claims in 1,400 cases worldwide and recovered over half a billion US dollars for our clients. This includes more than 100 cases in Australia, 60 in Taiwan, 27 in Germany, 24 in the UK, 13 in the Netherlands and a handful of cases in Japan, Brazil and various other European markets.

The rising volume of non-US cases (most of which are not publicised), combined with ever-changing local procedures, makes it almost impossible to handle the necessary monitoring, filing, tracking and payments for clients without specialist support. Leading custodians — who traditionally do not ensure client participation in international cases — are also recognising the need to invest in outsourcing services to deliver an effective worldwide securities litigation service for their clients.

Hill: There have been many major developments around the class actions world. One example is the developed and dynamic class action regime in Australia (or set of regimes, both state and federal, which compete for business). Recent innovations in the State of Victoria now permit solicitors to work on a contingency basis and apply to the court for group costs orders, which permit the solicitors to be paid a percentage of any damages awarded instead of any fees. This has never before been permitted in Australian litigation.

Meanwhile, the UK's collective actions scene has been notably dynamic over the last 12 months. We have had an 'opt out' class action regime for cases alleging breaches of competition law for about five years (the only such class action regime in the UK), but only since December 2020 (as a result of a watershed decision of the UK Supreme Court in Merricks v Mastercard) have we had clear guidance from the highest court in the kingdom on the criteria for obtaining a collective proceedings order, the crucial first step in that regime.

This has cleared the way for a backlog of cases which were awaiting the decision, and for further cases to be brought.

> *We actively monitor 37 jurisdictions for class and collective actions. In the last decade, we have successfully processed around 17,000 class action claims in 1,400 cases worldwide and recovered over half a billion US dollars for our clients*
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> **Tom Grande**

Outside competition cases, there is one established and one completely different potential mechanism for bringing collective actions. The established mechanism is known as the group litigation order (GLO). The court might grant this when there are common issues of fact and law among a group of claimants. But the important feature of the GLO regime is that it is 'opt in', not opt out, which therefore requires the huge cost and effort of a 'bookbuild' process.

Whether we might have an exciting completely different potential mechanism for collective redress outside the competition space hangs in the balance, as we await the decision of the UK Supreme Court in Lloyd v Google, which was heard by the court in April.

If the Supreme Court agrees with the Court of Appeal below it, we may have the beginnings of the first opt out or representative proceedings mechanism for collective actions outside of the competition space, where one person (the representative) can bring an action on behalf of all persons with the same interest. I am aware that many consumer cases, such as those involving data breaches, have been launched or are waiting to launch using this mechanism once the judgment is forthcoming. Watch this space!

What litigation trends have been in evidence during the COVID-19 crisis?

Hill: The pandemic has been another shock to the global community, emphasising how interconnected our economies are and how dependent we all are on what is really only a handful of corporations, in this instance in the pharmaceutical industry.

Understandably, given the increase in unemployment during the pandemic, there has been a renewed interest in litigation focusing on workers' rights in the context of the gig economy.

For example, the recent judgement in the claim against Uber from the UK Supreme Court found that Uber drivers should be classified as workers (not independent contractors) who are entitled to holiday pay and the National Minimum Wage.

In contrast, an even more recent decision of the UK Court of Appeal (one level below the Supreme Court) found that Deliveroo drivers were not workers.

Tom Grande, managing director, head of institutional sales, Goal Group

Despite the inevitable disruption to the courts during the pandemic, securities litigation continues on a long-term growth trajectory. In its 2020 review of Securities Class Actions and Settlements, Cornerstone Research states: "Any disruption in settlement rates as a result of the COVID-19 pandemic appears to have been temporary…". To illustrate this point, we actually grew our processing volumes over the year.

A wave of Covid-related lawsuits are being filed, but it remains to be seen how many will be successful. One legacy of the pandemic may be closer scrutiny of a company's disaster preparedness, crisis response capabilities and commitment to transparency. It is also likely that the financial pressure facing companies in the wake of the pandemic will result in rising levels of misconduct and subsequent litigation. Stringent oversight will certainly be necessary to maintain standards in corporate governance.

More widely, the crisis brought communities together, reminded us of the interconnectedness of our world and sharpened the focus on personal and corporate social responsibility. Societies and businesses are resolving to 'build back better' with ESG at their heart. This will undoubtedly be reflected in the litigation space as companies face growing exposure to ESG risk — particularly the 'social' component.

On a procedural level, we have seen the class action ecosystem accept digital documents and signatures more widely than before, and it will be interesting to see how this trend develops post-COVID-19.

What is the impact of non-participation on the investment community?

Wortman: Members of the investment community that choose not to participate in, or educate themselves about, global securities class actions and other forms of collective action or legal redress in its active or passive capacities, could be leaving money on the table — or even forfeiting legal rights under certain circumstances. It is the responsibility of investors to engage with their investee companies, to consider seeking legal redress and to target recovery of lost funds wherever and however available. Institutional investors are typically long-term investors. Therefore, seeking to hold corporate wrongdoers accountable is not only in their long-term interest, but also acts to strengthen the company going forward. Moreover, if nobody steps forward to fight corporate malfeasance, then the long-term impact in the global markets could also have a ripple effect in the long run as well.

> *The investment community needs to realise that the question will soon be not "why did you participate in that securities litigation case", but "why did you not?"*
>
> **Andrew Hill**

Hill: With ever increasing emphasis on governance and investor stewardship, especially with respect to ESG factors, the impact of non-participation in securities litigation on the investment community is more than just the potential for leaving money on the table. Increasingly, there is a need for the investment community to report to their own stakeholders on their level of engagement. They must comply with the reporting requirements or explain why they have not done so.

Similarly, the investment community needs to realise (if it has not done so already) that the question will soon be not "why did you participate in that securities litigation case", but "why did you not?". This is particularly the case when law firms, with or without the assistance of third-party funding, are able to present securities litigation as recovery opportunities with no downside risk. This enables the investment community to participate with no 'adverse cost' risk and no 'own-side cost' risk.

The adverse cost risk in England, and similar jurisdictions like Canada and Australia, is that the loser pays the winner's legal costs (which does not occur in Continental Europe or the US). Additionally, it enables the investment community to have no 'own-side' cost risk. Hence, investors can participate without the cash flow impact of having to pay the lawyers because they are acting on the case either on a contingent basis or with the support of a third-party funder (or some combination of both).

Grande: We estimate that around a quarter of admissible claims are not being filed in US securities class actions and that non-participation rates are likely to be considerably higher on the international scene, despite fiduciaries having a duty to recover investors' losses. This results in substantial amounts of money being left on the table, impacting all institutional investors from UK local authorities to US state pension funds, Australian superannuation funds and hedge funds. Those that participate in securities litigation add an average of 25 basis points to their returns.

When we cross-check prospective clients' assets against our database, the results usually take them by surprise. For instance, for one UK-based asset management firm, it transpired that 23 per cent of the portfolio's assets were eligible for a class action lawsuit, amounting to recoveries of several million pounds.

How are institutional investors and their intermediaries responding to the evolving landscape?

> *Participation is playing a more central role in their governance responsibilities, with advanced technology, expertise and monitoring capabilities all readily available*
>
> **Tom Grande**

Hill: We are finding that institutional investors and their intermediaries are increasingly engaging with us when we present them with recovery opportunities via securities litigation, especially those cases that address ESG factors. This is to be applauded as the investment community can have real power for positive change, which is of benefit to the wider community, if they pursue these cases.

In the UK, we are finding that the regulatory obligation for institutional investors to report on their ESG-related stewardship activity constitutes a key driver for investors to consider all options available to increase the value of their shareholdings in the long-term.

One such option is securities litigation, which is now referred to in institutional investors' annual stewardship reports as a form of engagement with investee companies. We have recently responded to a call for evidence from the UK Department for Work and Pensions which elaborates on the regulatory landscape relating to pension trustees' (and other institutional investors') ESG reporting obligations.

Grande: In the past, custodians, trustees and fund managers sometimes argued that the effort and cost to participate was disproportionate to the likely pay-out that might be achieved. However, this is no longer the case. Participation is playing a more central role in their governance responsibilities, with advanced technology, expertise and monitoring capabilities all readily available.

It is clear that automating as much as possible within the complex, multi-stage participation process is the key to boosting filing rates across the industry. Pension funds in particular have made great strides in participation, with European pension funds now frequently driving US cases and embracing outsourced solutions to ensure clients claim their share of damages as efficiently as possible.

Noah Wortman, founder and CEO, NRW Consulting LLC

Institutional investors and their intermediaries have embraced the landscape of evolving collective redress regimes across the globe. As investors' portfolios and asset allocation continue to become more international in nature, the ability to recover losses resulting from alleged wrongdoing has also increased. This has led to greater participation in global class and collective redress actions in both an active and passive capacity by institutional investors.

Global class actions, ESG and investor stewardship principles have been developing on parallel tracks, but in the months and years to come these are likely to intersect with increasing frequency. Empowered by evolving collective redress regimes, classes of claimants may bring a wide range of new cases against defendants who have acted unlawfully in matters related to ESG issues.

Investor stewardship principles and practices are being adopted in many markets around the world, since the development of stewardship codes for investors complements the development of codes of corporate governance that have been established for companies.

Indeed, the International Corporate Governance Network (ICGN) defines stewardship as: "The responsible management of something entrusted to one's care. This suggests a fiduciary duty of care on the part of those agents entrusted with management responsibility to act on behalf of the end beneficiaries". The ICGN further defines stewardship at the individual company level as helping to "promote high standards of corporate governance which contributes to sustainable value creation, thereby increasing the long-term risk-adjusted rate of return to investors and their beneficiaries or clients".

This new crop of ESG class actions is likely to be large and complex, travelling across borders in some cases and encompassing issues like the #MeToo movement, board diversity and inclusion, climate change, pollution, and COVID-19. Due to the breadth of possible claims, ESG cases may join securities, consumer, products liability, privacy and data breach, and anti-trust class actions on the list of the most typical matters for collective redress. Indeed, section 4.3(g) of the ICGN's 2020 Global Stewardship Principles lists the "seeking [of] governance improvements and/or damages through legal remedies or arbitration" as one of methods available to investors to engage and collaborate with investee companies.

The growth of ESG-related disclosures has prompted a number of corporate law specialists to advise clients to exercise caution. A recent client briefing by the global law firm Clifford Chance is indicative of the kind of warnings firms are offering: "Investors are increasingly considering the [ESG] credentials of publicly-listed issuers when making investments. This has put ESG disclosures (including climate change-related disclosures) in annual reports and prospect uses under intense scrutiny, meaning issuers are at risk of investor and activist claims if those disclosures are inaccurate".

The briefing continues: "Experience from other jurisdictions (in particular the US) shows that investors are willing to pursue large-scale group claims against companies for inaccurately representing their ESG credentials…". ESG is no longer only a moral issue, but it is a financial one, as well.

What are your predictions for the future of securities class actions?

Wortman: Because of their size, scope and legal complexity, ESG-related class actions may also prove prime candidates for investment by dispute financing companies. As companies have increased their ESG reporting and statements in response to market and shareholder demands, there is a clear correlation with successful legal challenges to company claims and disclosures related to ESG performance. Put another way, when ESG issues matter deeply to corporate stakeholders, then those issues will end up before the courts unless companies meet their ESG-related obligations. A large, cross-border class action likely will require a years-long financial commitment by the law firms and claimants who bring them.

Litigation funders can help alleviate the financial strain on those firms by providing non-recourse financing for such disputes. Third-party funding of litigation can be a sensible way of managing risk because giving some equity in the success of a particular litigation provides certainty instead of exposure. Additionally, as the legal industry continues to innovate, there is growing realisation of the value of partnering with specialists whose involvement can save internal budgets and management time, while increasing the prospects of a favourable outcome.

Grande: With shareholders continuing to gain wider access to legal routes, enabling them to hold companies to account, and with corporate behaviour (especially relating to ESG) under the spotlight, group litigation will undoubtedly continue its rise across the globe. The focus is shifting from punishing wrongdoers to creating positive changes in governance. However, regardless of the motivation, fiduciaries have a duty to help eligible clients participate and recoup financial losses. In terms of service provision, specialist knowledge of the evolving fiduciary and corporate governance landscape, in combination with smarter technologies and cost models, will be fundamental if fiduciaries are to meet the new expectations of their clients and continue to drive up the efficiency and cost-effectiveness of the participation process.

Hill: I hope that the increase in prevalence of securities litigation will have the beneficial effect of improving corporate governance and behaviour in public companies. Nevertheless, I do not think that the volume of securities litigation will decrease any time soon (or at all). The pressure on public companies to perform in a global market will continue to lead to transgressions and bad corporate behaviour (creative accounting to meet a margin commitment is just one example). This is part of human nature, unfortunately.

Claimants and their lawyers are increasingly utilising litigation to tackle such corporate behaviour, particularly, for example, with respect to climate change and other environmental issues. For instance, eight teenagers (and their representative) brought a claim against the Australian Government which argued that the expansion of the Whitehaven Coal Company's Vickery mine (located about 200 miles from where I grew up) would contribute to climate change and endanger their future.

The Australian Federal Court published its judgment in May this year and held that Australia's Minister for the Environment had a duty of care to consider the effect of the coal plant expansion on climate change and the possible future harm this could cause children. Similarly, environmental campaigners recently brought a judicial review claim against the UK Government's decision to continue to support the expansion of oil and gas production in the North Sea, which the campaigners argue is incompatible with the UK Government's climate commitments. Although these cases focus on government obligations to tackle climate change, the case of Milieudefensie (Friends of the Earth Netherlands) against Royal Dutch Shell (RDS) differs in that it directly relates to a public company. In that case, the Hague District Court recently held that RDS must observe the 'open standard of care' under Dutch law. Such a standard is based on the Paris Agreement, the UN Guiding Principles on Business and Human Rights and other internationally accepted standards which protect against the negative impacts of climate change. The Dutch court ordered RDS to ensure that the aggregate annual volume of all CO2 emissions of the Shell group, its suppliers, and customers is reduced by at least net 45 per cent by the end of 2030, relative to 2019 levels.

Climate change litigation of this kind is likely to continue developing in the coming years. Claimants are likely to start using alternative forms of collective redress to force companies to avoid causing irreparable damage and encourage institutional investors (including their own pension funds) to do so by way of securities litigation. With so many demands on our public regulators, securities litigation is a form of private civil enforcement which can influence a change in corporate behaviour and should therefore be encouraged.

Great Expectations

Hailed as one of the top emerging markets for 2021, experts have great expectations for Thailand's securities services industry

Maddie Saghir reports

Known for its delicious cuisine, tuk-tuks, martial arts, floating markets and stunning islands, Thailand has emerged as one of the most visited tourist destinations in the world. Besides this, Thailand can also be described as a dynamic emerging market. Its securities services industry mainly consists of inbound investment from foreign investors (direct custody and clearing) and outbound/domestic investment (mutual funds, pension funds and private funds). Given that the majority of the market share is in direct custody and mutual funds, the focus is on these two sectors. Meanwhile, Thai asset owners are at the forefront of the trends identified across the five themes shaping the future of the global investment industry. These trends referenced in BNY Mellon's trends report, '2020 and Beyond – a New Era of Transformation for Buy-Side Leaders', can be identified as:

- ESG: Thailand leads the region when it comes to environmental, social and governance (ESG) disclosures, and asset owners have taken the approach of integrating ESG factors into both their research as well as decision-making processes

- Digitalisation: Thailand's asset owners have been first movers in championing the front-to-back ecosystems, starting with the implementation of cutting edge order management system (OMS) tools to integrate better with their middle - and back-office functions

- Alternatives: Pivoting from the traditional asset classes to fulfil their social purpose, Thailand's asset owners have chosen a partnership approach by co-investing with their global pension peers

If these positive trends continue in Thailand, experts say the country has the potential to continue to evolve and garner growth opportunities within its financial services industry.

Updating the rules

Another sign that the market in Thailand is progressing can be found in the recent amendments to securities market regulation. For example, the Securities Exchange and Commission (SEC) in Thailand recently relaxed the outsourcing rules.

"The relaxation in the outsourcing rules by the SEC will enable securities services providers like us to adopt our regional operating models in Thailand to provide more options to clients to outsource operations to us in fund administration, middle-office and so on," explains Utumporn Viranuvatti, head of securities services, Thailand, HSBC.

According to Viranuvatti, these amendments will enable asset owners and managers to focus on their core offering and outsource their back-office operations to HSBC.

In March, HSBC Securities Services launched fund administration services in Thailand for its asset owners and managers clients. This is in addition to its custody and fund supervisory services that were already being offered.

This new offering, with many more planned, is part of HSBC's Asia-first strategy to accelerate growth in the region, including Thailand, by ramping up investment in additional solutions and capabilities.

Discussing why the rules were revised, Viranuvatti explains: "The Thailand market is at a stage of evolution where it is looking to adopt best practices, and the regulator is taking steps in that direction."

As well as this, the SEC foresees the need for asset owners and managers to focus more on their core offering as they diversify their investments into complex instruments offshore.

The rules enable banks like HSBC to leverage the large pool of resources, talent and information available globally within its organisation to assist Thai clients with its expertise and help them navigate more complex markets.

Asset owners in Thailand

In line with the evolution in Thailand, Thai asset owners are showing increasing interest in data aggregation, mastery, sourcing of data, and then taking it to the next phase, which covers information and insight.

According to experts, incorporating technology will be extremely important to building a sophisticated investment infrastructure in Thailand, and it could in fact change how investors allocate and manage assets in the future.

Mathew Kathayanat, director and head of product and strategy for Asia Pacific, asset servicing at BNY Mellon, identifies that Thai asset owners have invested significantly in creating front-to-back operating models for the future.

Additionally, there has been notable interest in creating a digital environment, evident in the Bank of Thailand's Project Inthanon, a proof-of-concept for wholesale domestic and cross-border funds transfer using central bank digital currency.

Kathayanat suggests these future-ready operating and technology ecosystems will assist the sovereign institutions in Thailand to tap into the assets that help achieve their social purpose.

In addition to technology, ESG-integrated portfolios and sustainable investing are another factor proving to be of great importance to asset owners in Thailand.

Kathayanat says: "ESG-integrated portfolios and sustainable investing are very important to asset owners in Thailand, who are hugely bullish on ESG investing."

Asset owners in Thailand have been working closely with the UN Principles for Responsible Investment (UNPRI) and the Organization of Economic Cooperation and Development (OECD) to develop guidelines for due diligence around their investment process and ESG integration framework.

They have kickstarted the journey by focusing on:

- ESG screening, applying an 'ESG lens' to their investments
- Integrating ESG into their investing
- Training (in conjunction with the regulator, making ESG education mandatory)

Regarding regulation, Thailand's asset owners have steadily increased their allocation to alternative investments, mainly in partnership with global sovereign peers.

According to Kathayanat, the key challenge that this creates is an added reporting burden, requiring them to adjust their operating model to meet further oversight and reporting.

In terms of how beneficial owners in Thailand are looking at global investments, Kathayanat notes that Thailand's asset owners have a balanced approach to asset allocation.

"While adhering to ESG standards, assets owners are weighing up the benefits of employing external asset managers, rather than managing investments in-house. In reviewing their investment strategies, asset owners are also assessing their allocations to fixed income, relative to equity or alternative asset classes, and their appetite for chasing yields in developed markets, rather than boosting their allocation to emerging markets," adds Kathayanat.

The relentless race against cybercrime

Maddie Saghir reports

Cybercrime has been relentless in the financial services industry, but the pandemic created an explosion of opportunities for financial services companies to rapidly accelerate digital transformation

Cybercrime is a massive issue for the financial services industry. Financial services are prime targets for criminals, whose goal is to gain access and control over transactional systems, confidential data and user account information. However, the COVID-19 pandemic has created opportunities for companies to enhance their digital transformation.

Security is an issue that continues to exist because criminals will carry on with their work as long as something is worth breaking into or stealing. In today's cyber age, robbing banks with balaclavas and weapons is no longer necessary. Cybercrime is a major risk for many industry players as it can harm someone's security and financial health, and it can all be carried out over the internet.

It is therefore not surprising that people believe cybercrime to be one of the top three risks for the financial services industry. In the most recent DTCC Systemic Risk Barometer Survey, 54 per cent of respondents cited cyber risk as a top five risk facing the financial services industry, adding that cyber risk is "always an underlying threat".

Numerous respondents also highlighted growing cyber risk due to increased remote working environments as a result of the pandemic.

Andy Schmidt, global industry lead for banking, CGI, suggests that it is incumbent on banks and vendors to identify the best security stance and understand what their key assets are.

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By understanding this, banks and vendors are then able to understand where their key entry points are, and the vulnerabilities of the infrastructure.

"If done correctly it lets everyone sleep at night and gives clients confidence that their accounts are being looked after and the infrastructure is sound. It's as much of an opportunity as it is a necessity. My hope is that security capabilities will continue to advance, and my expectation is that security will always be a top three concern for the foreseeable future," says Schmidt.

BT's Alex Foster, director, insurance, wealth management and financial services, reaffirms this. She says: "Cybercrime is without a doubt one of the top three risks for the financial services industry."

"During the pandemic, cybercrime increased in all sectors, with phishing, brute force and ransomware attacks increasing by 600 per cent, 400 per cent and 200 per cent respectively."

"Within the financial services industry, cybercrime has been relentless. The pandemic created an explosion of opportunities for financial services companies to rapidly accelerate digital transformation onto evermore IT-centric platforms as they transitioned to remote working. This alongside the increase in electronic transactions, mobile banking and the use of cloud has led to vectors for cybercrime multiplying," explains Foster.

The pandemic created an explosion of opportunities for financial services companies to rapidly accelerate digital transformation onto evermore IT-centric platforms

A catalyst for changes

Despite the relentlessness of cybercrime, the pandemic has arguably been a catalyst for changes in cybersecurity practices. As many people are having to work remotely, and from different locations, the need for cybersecurity has come to the fore.

During the pandemic, many companies had to put in place safety measures to mitigate the risk of a cyber attack.

However, DTCC says it had already developed pandemic resilience plans and conducted table-top and other exercises which allowed it to react and respond quickly.

"We were pleased that the security procedures, practices and approaches we had in place held firm. The training and the systems we implemented were particularly important because 95 per cent of our colleagues were working remotely," comments Jason Harrell, executive director, operational and technology risk at DTCC.

For CloudMargin, the COVID-19 pandemic did not necessarily change access patterns to its platform for clients, as they tend to already make use of CloudMargin's capabilities to filter where their employees can connect from.

CloudMargin works with some of the largest financial institutions in the world — with highly sensitive trade data — and continues to strengthen a platform to service companies of all sizes. Therefore, meeting rigorous standards is of strategic importance.

"We have improved and established patterns for more security validations in our processes, started a security community of practice where we openly discuss security news, capabilities and other themes, and are further strengthening our email security," says Mario Platt, vice president, head of information security, CloudMargin.

Additionally, amid the pandemic, the role of the chief information security officer (CISO) has changed. Whereas before CISOs were viewed primarily as an organisational control function, CISOs now play an integral part in business enablement and the strategic adoption of new technologies, as they are accountable for managing one of the most critical risks on any board's agenda.

> *To implement new measures and procedures, as a result of the pandemic's impact on cybercrime, cybersecurity must be embedded in all the business and technological processes*

BT's recent whitepaper, 'CISOs Under the Spotlight', shows that 58 per cent of business leaders say improving data and network security over the past year has been crucial to their organisation and continues to be a key priority this year.

In order to implement new measures and procedures, as a result of the pandemic's impact on cybercrime, cybersecurity must be embedded in all the business and technological processes of any organisation, including the back-office.

"As the saying goes, it takes a village to build insecure software. It is not just an engineering problem," says Platt.

The two key elements in the back-office are traceability and visibility. Traceability relates to requirements to trace and meet standards applicable to each firm. This includes regulatory, contractual and business requirements. Then it is about ensuring they can be traced from conception through to continuous validation, leveraging system integration and metadata.

Meanwhile, visibility means a focus on reducing feedback loops, not just for engineering teams (providing immediate feedback on code security, secrets scanning or insecure dependencies) but also on how that connects up to backlog management by product owners and risk aggregation for senior management.

Platt suggests we should be focusing on building an information environment which is conducive to informed decision making relating to cyber risks.

Over at SmartStream, Harsh Choudhary, global head of risk, affirms: "The issue of security in the context of deploying and running more and more solutions and services in the cloud for back-office operations is gaining prominence with our customers."

"We understand and hear from financial institutions about their strategic objectives in achieving better outcomes for their end-customers, saving costs and lifting productivity from efficient processes, all in line with making a secure back-office."

"These goals are high on the agenda for back-office functions with a heightened sense of system security, reliability, availability and scalability."

Defence against cyber crime

The pandemic has amplified the need to ramp up security measures and there are a number of ways to do this.

Many firms have implemented a cyber security programme that should be proportional and based on the size, type and complexity of a firm's business operations, markets and products traded, and interconnectedness within the financial markets.

According to DTCC's Harrell, financial institutions should consider a number of factors when implementing a cybersecurity programme, including supervisory and regulatory obligations, the threat landscape, and their alignment with industry-accepted cybersecurity frameworks.

Meanwhile, there is a range of risk monitoring tools to help combat cybercrime such as intrusion detection tools. Even basic tools like authentication fails (how many times this person has used an incorrect code to get in) can prove to be invaluable.

"Proper authentication at the front end can solve a lot of challenges within the infrastructure," says Schmidt.

Schmidt cautions that blockchain is still a bright shiny object and the industry needs to figure out what problem they are looking to solve and whether or not the solution is scalable.

"You need to ask 'how big is the need? How complex is the need? What tools already exist? Who am I looking to share it with, and what types of permissions do I need?'. It could be something as simple as sending an encrypted file through an encrypted portal and sharing information that way, which works fine. But if the information needs to be shared with a consortium, a portal might not be as fast or easy," he says.

Weighing in on this, CaixaBank's chief technology officer Alberto Rosa states: "There are certain cases in which new technologies have helped implement cybersecurity techniques but there is still a very important part of the work that is based on maintenance and continuous 'fix the basis'. It is important to blend both approaches."

Foster adds: "In theory, blockchain has the potential to bolster cybersecurity by being a decentralised and immutable ledger of transactions. However, while in theory blockchain itself remains a system that is thus far immune to hacking, the processes around cryptocurrencies utilising blockchain are vulnerable."

An evolving future

Cybersecurity will continue to evolve in the future because crime is likely to always remain a top issue.

Some experts have predicted that the cloud will be one key way of combating crime.

Schmidt says: "There is one fantastic misconception that the cloud is cheaper; often it is more expensive, at least initially. When you look at the ongoing cost of making changes to code, updates, scalability, resilience, you can, however, get a lot for your money. This is why you are seeing so many solutions being deployed in the cloud. For example our payments solution is cloud-native and already has a dual-cloud deployment for resiliency reasons."

For DTCC's Harrell, the cybersecurity pillars — identify, protect, detect, respond, and recover — will continue to be relevant as we move into the future.

"We anticipate increased global collaboration between the public and private sector to ensure a consistent baseline of protection and mitigation strategies against sophisticated threat actors," says Harrell.

Cybersecurity will continue to evolve in the future because crime is likely to always remain a top issue

Rosa predicts: "It is foreseeable that cybersecurity will grow in importance, being a strategic aspect for all companies, not only due to the direct costs that cyberattacks can pose, but for their indirect effects."

"Cybersecurity covers aspects that go beyond technology and involve the whole business. Cybersecurity has also become an enabler of new projects and business. Most recently, it has become evident that customers demand it in all the bank's products and channels."

From Platt's perspective, security practices and applications are moving to a model which is integrated into operational and development practices, which must be supported by different types of skills and approaches.

Collaboration, facilitation and enablement need to be the central themes in taking advantage of these evolving patterns.

"The criminals will keep attacking our systems with evolving threats, and as such, adoption of resilient technology patterns with short-lived systems, distributed architectures and adoption of serverless architectures are patterns which will do more for security improvements than most of our security tooling combined," concludes Platt.

With a range of tools and methods to select, the industry has become increasingly aware of the dangers of cyber crime and the ways in which to prevent it. Taking a preventive approach is key.

BNP Paribas Securities Services has appointed Linda Lamri as head of sales for Luxembourg.

In her new role, Lamri will lead the sales team in Luxembourg, reporting to Robert Van Kerkhoff, head of Luxembourg and Ireland. She will be at the forefront of efforts to strengthen the company's local platform.

Lamri joined BNP Paribas Securities Services in 2003 and has held several managerial positions in global relationships, client services and sales, most recently serving as head of relationship management for Luxembourg.

The international banking group has also appointed Joy Kiely as head of client development for Ireland. With responsibility for sales, relationship management and client services, she will report to Derek Kehoe, head of country, BNP Paribas Ireland. Kiely joined the firm in 2001 and previously served as client development manager for integration and business coordination in Ireland.She most recently held the position of director of relationship management at BNP Paribas Corporate and Institutional Banking, based in Denver.

Delta Capita appoints James Baker as chief business development officer

Delta Capita, a global provider of managed services, has appointed James Baker as chief business development officer for structured retail products at its London office.

Baker will assist Delta Capita in its growth plans through its sales and client development functions, as well as the development of its platform services offering.

Previously Baker worked at Barclays for four years, latterly as the global head of platforms and issuance development. Prior to this, he spent 18 years at Credit Suisse, where he built and managed structured products sales teams with the Nordic market, UK structured retail deposits business space and EMEA equity derivatives platform.

Baker comments: "I am excited to be joining Delta Capita at this time. I have worked closely with Delta Capita for some time as they have developed mutualised industry services and I am certain that my experience of identifying and delivering the digital services and technologies needed to grow structured products and derivative businesses of the future will accelerate our global platform-based service expansion."

Mark Aldous, managing director of structured retail products at Delta Capita, adds: "We are delighted to announce James' appointment to this critical role within our structured products business. James' knowledge of the structured products industry, and the challenges faced by our clients, will be a huge asset as we expand the development of our specialist services and technology."

Citi appoints Rahul Saraf as head of its investment bank in India.

Citi has appointed Rahul Saraf as head of investment banking in India.

Saraf will focus on driving the growth of the bank's institutional business in this location, drawing on his relationships with Indian conglomerates and other large institutional clients.

He will continue to report to Ravi Kapoor, head of banking, capital markets and advisory for Citi South Asia.

During his 16 years with the New York-based global bank, Saraf has helped build Citi's investment banking franchise in India as managing director, having headed bank coverage across industrial and infrastructure sectors and structured a wide range of deals across mergers and acquisitions, debt capital and equity markets. In a 26-year career, Saraf has also worked at JM Morgan Stanley and Arthur Andersen. Saraf is a chartered accountant from the Institute of Chartered Accountants of India and a CFA charterholder.

Ocorian hires US business development head.

Ocorian has appointed Marc van Rijckevorsel as head of business development for US corporate and fund services, based in New York.

In his new role at the corporate and fiduciary services provider, van Rijckevorsel will report to chief commercial officer, Simon Behan.

He previously worked at Intertrust, where he built up experience working with large private equity, real estate, and infrastructure fund managers over a period of eight years.

At Intertrust, van Rijckevorsel held senior development roles, including business development manager and senior vice president. He most recently served as commercial director, where he was responsible for US business development and global client relationship management.

Commenting on the appointment, Behan says: "We are delighted to welcome Marc van Rijckevorsel to our team at this exciting stage of our growth. His commercial experience, expertise and client-focused approach will be instrumental in driving new business development for Ocorian both in the US and globally. I am excited to be working with the global team to realise Ocorian's growth ambitions, become a world leader in corporate and fund services, and help our clients maximise their business and investment performance."

Value Partners makes senior finance operations hire.

Value Partners has appointed Winnie Lam as managing director of the group's chief operating officer's office. In her new role, Lam is responsible for managing the asset management firm's overall operations and back-office functions. She will report to Cheng Hye Cheah and Louis So, both co-chairmen and co-chief investment officers at the company.

Lam previously served as head of operations for Asia at First Sentier Investors, as well as holding senior leadership roles at several fund management firms, including vice president, Hong Kong at J P Morgan Securities and head of settlement and fund administration at Lloyd George Management.

In a joint statement, Cheah and So comment: "[Winnie Lam] is well-respected in the industry and brings in decades of experience in leading operations management, as Value Partners seeks to capture new growth opportunities arising from the opening up of China's financial services sector and expansion into different asset classes."

Value Partners also appointed Nikita Ng as finance director earlier this month. Ng will be responsible for leading the finance function of the group. Ng has industry experience in financial reporting, internal control assessment, regulation and corporate transactions, having most recently served as financial controller at Fortress Investment Group and Mount Kellett Capital.

The two appointments follow the impending departure of chief financial officer and chief administrative officer Icy Wong next month.

Her responsibilities will be taken up by both Lam and Ng.

Charles Li is elected to MarketAxess board of directors.

MarketAxess Holding has added Charlie Li, former chief executive of Hong Kong Exchanges and Clearing (HKEX), to its board of directors.

Li orchestrated HKEX's expansion into fixed income, currency and commodities through the acquisition of the London Metal Exchange in 2012 and the launch of OTC Clear in 2013.

Additionally, Li enhanced mutual market access with Mainland China through the Shanghai and Shenzhen Stock Connect Programs and the Bond Connect initiative.

Before joining HKEX in 2009, Li was chairman of JP Morgan China from 2003 to 2009, prior to which he was president of Merrill Lynch China.

Li commented: "Ever since my involvement with the launch of Bond Connect, I have closely followed the development of global fixed income trading platforms, such as MarketAxess, and believe that they will play an important role in Asian bond markets."

"I admire the impressive track record of MarketAxess and I am excited to join the board at a time when electronic trading adoption is growing in global fixed income markets, particularly as MarketAxess is creating a centralised global electronic marketplace through international expansion."

MarketAxess is a US-based operator of electronic trading platform for fixed-income securities, market data and post trade services for global fixed-income markets.

Rick McVey, chairman and CEO of MarketAxess, said: "Charles [joins] MarketAxess' board of directors at a time when fixed-income markets are expanding rapidly in the Asia region, and electronic trading is accelerating."

"As chief executive of HKEX, Charles led the firm through a decade of rapid growth by adding new asset classes and embracing electronic trading."

"His knowledge of market structure in Asia will be invaluable to MarketAxess as we expand our investment in the region."

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