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BNY Mellon and AP7 together again

BNY Mellon has been reappointed by Swedish state pension fund Sjunde AP-fonden (AP7) to provide global custody and collateral services to assets valued at $28.8 billion.

The new mandate includes securities lending services in addition to a comprehensive range of collateral-related solutions. AP7 will also continue to utilise DM Edge, BNY Mellon's derivatives margin management platform.

Svante Linder, chief operating officer at AP7, said: "We are happy to have reappointed BNY Mellon as our global custodian. All of the objectives we had set out in advance of this process have been met; BNY Mellon now provides our savers with a safer, better custody product. We look forward to further strengthening and enhancing our relationship with BNY Mellon going forward."

Hani Kablawi, head of asset servicing for Europe, the Middle East and Africa at BNY Mellon, said: "The thorough evaluation that AP7 conducted during this selection process is to be commended and the fact that it culminated in an extension of our valued relationship demonstrates BNY Mellon's expertise and commitment in support of our clients' fast-evolving investment services needs."

"In addition to our long track-record as a global custodian, our global collateral services business brings together an expansive and growing range of collateral solutions that ensure AP7 and our other clients have the best tools available to help them successfully navigate the ongoing changes that are reshaping the commercial and regulatory landscape here in Europe."

BNY Mellon was first appointed as AP7's service provider in 2006, making the relationship almost a decade old.

Compliance firm seeks Lombard assistance

The firm Compliancy Services has selected Lombard Risk Management to provide its clients with regulatory returns submission services.

Compliancy Services was formed in 2003 in response to the increase in regulation across the financial services sector, with its sole purpose being to reduce the burden of regulation on its clients.

It chose Lombard Risk's REPORTER to provide a full EBA Common Reporting (COREP)/XBRL regulatory returns submission service, enhancing its existing Financial Conduct Authority (FCA) and Prudential Regulatory Authority (PRA) regulatory services.

readmore p2

LCH.Clearnet launches new clearing service for Oslo Børs

LCH.Clearnet is now clearing listed securities on the Nordic exchange Oslo Børs and Oslo Axess.

Through its EquityClear service, LCH.Clearnet now provides clearing for equities, including ETFs, listed on Oslo Børs and Oslo Axess on an interoperable basis with the present clearinghouse, Oslo Clearing.

Alberto Pravettoni, global head of repo and exchanges at LCH.Clearnet, said that the agreement with Oslo Børs was evidence of LCH.Clearnet's longstanding commitment to interoperability across the European equities market.

"Clearing members will benefit from margin off-sets, reduced settlement cost through cross exchange netting and access to our first class risk management and highly competitive pricing structure."

readmore p2

Compliance firm seeks Lombard assistance

Continued from page 1

Iain Stephen, managing partner of Compliancy Services, said: "We are delighted to work with Lombard Risk, who completely understand our specific requirements. We have been able to remove the burden of COREP/XBRL reporting from our clients, whilst providing them with an affordable and reliable method of meeting the EBA regulatory demands. It serves as a natural extension to our existing FCA / PRA regulatory services."

Lombard Risk will support Compliancy Services by hosting a cloud-based deployment of REPORTER, which will enable their existing and future clients to report their COREP returns under CRD IV regulations in XBRL format, complete with the full set of EBA validations and provide an archive of their reports.

LCH.Clearnet launches new clearing service for Oslo Børs

Continued from page 1

Tom Kristoffersen, senior vice president of client relations secondary Market at Oslo Børs said: "Oslo Børs recognises that many market participants want to see consolidation in European equities clearing and be able to choose the clearing house that best meets their requirements."

"We are delighted that LCH.Clearnet and Oslo Clearing will be working together for the benefit of our customers."

Growth in Clearstream AUC shows T2S support

Clearstream's February 2014 figures show assets under custody increasing and continued growth across settlement and securities financing, seemingly showing early customer support of the firm's T2S strategy.

In February 2014, the value of assets under custody held on behalf of customers registered an increase of 6 percent to €12.1 trillion (compared to €11.4 trillion in February 2013).

For global securities financing (GSF) services, the monthly average outstanding in February 2014 reached €581.1 billion. The combined services, which include triparty repo, securities lending and collateral management, collectively experienced an increase of 3 percent over February 2013 (€563.3 billion).

Securities held under custody in Clearstream's international business as international central securities depository (ICSD) increased by 5 percent from €6.1 trillion in February 2013 to €6.4 trillion in February 2014.

Domestic German securities held under custody in the central securities depository (CSD) increased by 7 percent year-on-year.

In February 2014, 3.7 million international settlement transactions were processed, a 10 percent increase over February 2013 (3.3 million).

Of all international transactions, 82 percent were OTC transactions and 18 percent were registered as stock exchange transactions.

Investment funds services (IFS) processed 0.7 million transactions in February 2014, a 17 percent increase over February 2013 (0.6 million).

Jeffrey Tessler, CEO of Clearstream, said: "TARGET2-Securities will transform the post-trade landscape and as go-live approaches, T2S readiness figures very high on the agenda of many customers and prospects."

"We take the fact that customers continue to shift asset volumes to us as early support of our strategic plans. Our focus is therefore on executing our T2S strategy and on building and delivering the best value proposition for the emerging market landscape."

"At the same time, we continue to outline the T2S benefits to the market, some of which are not obvious—for example, in the area of capital and liquidity management."

Mitsubishi UFJ Fund Services acquires fund administrator

Mitsubishi UFJ Fund Services is to acquire Meridian Fund Services Group, a fund administrator with $14 billion AUA.

Mitsubishi UFJ Fund Services is a part of Mitsubishi UFJ Financial Group (MUFG), and provides a range of fund administration and investor services to hedge funds, fund of funds, private equity and real estate funds, mutual funds and family offices.

The acquisition of Meridian raises the fund services business's AUA to approximately $165 billion, servicing over 300 clients and 1000 funds.

Tom Davis, chairman of Meridian Holdings Limited (Meridian Group's holding company), said: "We're confident our clients will experience a smooth transition and will benefit from the strength and resources of MUFG, giving access to a range of additional services such as custody, securities lending and other banking services."

The deal is part of a wider growth strategy to build Mitsubishi UFJ Fund Services into a leader in the global investment services industry, both organically and through acquisitions.

Tim Calveley, deputy CEO of Mitsubishi UFJ Fund Services, said: "The acquisition is a clear

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indication of our strategy and commitment of growing as a premier fund administrator servicing the global investment industry."

"As regulatory and investor pressures continue to rise, investment managers need a partner who has both a strong balance sheet and can provide a wide range of solutions to meet specific needs. With the backing of the fifth largest bank in the world by assets we are confident in our expanding capacity to deliver the global reach, range of service and security our clients require."

Lack of liquidity management could prove catastrophic

SmartStream Technologies has written a paper to help banks identify the implications and solutions needed to meet the intraday liquidity regulatory monitors, scheduled for enforcement from January 2015.

The paper highlights concerns from an operational and regulatory perspective.

Without strategic intraday liquidity management, failing transactions will bring payment and security settlement systems to a standstill, which could have wide systemic implications given the interconnectedness of participants in the transaction value chain, said a release from the firm.

"The larger implications of delayed payments, throttling or not being able to settle obligations due to insufficient liquidity can be catastrophic for financial markets as was demonstrated during the financial crisis."

The paper, entitled Intraday Liquidity Management—The Time is Now, looks at intraday liquidity requirements, regulations, risk implications, data quality and the need for banks to have a duty of care.

It also discusses the pressures on correspondent banks, and how network managers will have a role to play in ensuring that correspondent banks provide full reporting coverage.

Nick Noble, product manager at SmartStream, said: "Correspondent banks will bear the brunt of the changes as few today are able to provide the level of detailed real-time reporting that the monitoring tools call for. To overcome these data challenges banks will need to migrate from cash management solutions focused on settlement to systems that support the new T+0 operational paradigm".

Darryl Twiggs, head of product management at SmartStream, said: "This paper is the result of forums we have held with those financial institutions who clearly see this as a major concern. Banks that continue to operate without visibility into their exposure will be left behind the curve and won't understand where their risks are."

"Most banks' legacy systems and processes work on an end-of-day or overnight basis and

are not geared toward providing real-time or intraday information. In addition, trade information is dispersed across different trade and transaction processing solutions which in turn creates IT and data access challenges."

"Banks will need to find a way to aggregate data across these different silos in order to gain a holistic view of their positions, liquidity and exposure. They will then have to 'normalise' that data so that all parts of the organisation are singing from the same hymn sheet. We have been proactively raising these issues with our clients and they understand the strong arguments from both an operational and regulatory perspective".

Northern Trust boosts collateral options

Northern Trust is enhancing its collateral management and liquidity solutions to help clients meet the requirements of implementing multiple, inconsistent regulations.

The US Dodd-Frank Act and European Market Infrastructure Regulation will require market participants to hold greater amounts of eligible collateral, which many believe will increase demand for liquidity.

But Basel III "may limit the levels of collateral and liquidity available in the market, thereby creating challenges for investors", according to Northern Trust.

"The intersection of these regulations will impact institutional investors in a number of ways, particularly increasing the need for liquidity and, over the longer term, creating a collateral squeeze," said Fiona Horsewill, head of product and strategy for Europe, the Middle East and Africa at Northern Trust.

Northern Trust is modifying its collateral management and liquidity solutions to enable clients to hold their assets within a transparent account structure, even when being used for collateral for clearing derivative positions.

Through the enhancements, Northern Trust clients will be able to view their entire asset inventory and track each asset's location for assets held in custody with and outside of the bank, access eligible collateral for initial margin requirements, review and evaluate counterparty exposure, and monitor potential future liquidity needs.

"By expanding our liquidity access solutions, we can help support our clients' short-term liquidity needs so that they are not required to liquidate assets unnecessarily in order to meet the variation margin demands," said Horsewill.

"We will continue to work closely with our clients and the wider market to create solutions that will ensure access to eligible collateral through a variety of sources to meet regulatory driven collateral requirements."

Swedish investment firms enjoy foreign access

Euroclear Sweden, the Swedish central securities depository (CSD), has linked up to Euroclear Bank's automated processing platform for cross-border and domestic funds (FundSettle).

In so doing, Swedish investment firms now have access to over 80,000 foreign funds from more than 25 markets via Euroclear Sweden.

Swedish distributors, cross-border fund management companies and transfer agents now benefit from automated fund-transaction order routing between relevant parties on a straight-through processing basis at Euroclear Sweden.

Paul Brady, director at Franklin Templeton Investments, said: "We welcome this initiative as we strongly believe that we will continue to be able to deliver our funds to this important Nordic market, via a proven, safe and efficient distribution network."

Anders Löfgren, head of product management at Euroclear Sweden, said: "Greater fund processing efficiency is an area where our infrastructure role is adding value by slashing back-office processing costs and risks through automation and standardisation. The Swedish fund market enjoyed a phenomenal 2013 in terms of net inflows, up SEK 430 billion (€484 million) on the previous year, according to Fondbolagens Föreningen (Swedish Investment Fund Association)."

"This strong trend of fund buying has continued into 2014, and spurred Euroclear to further strengthen its operational support to the Swedish investment industry by expanding the scope of possibilities and diversification opportunities to all relevant parties."

In subsequent phases, Swedish fund companies which today manage roughly 1,400 funds worth SEK 2.4 trillion (€270 billion) are planned to be made available to non-Swedish investors, via FundSettle, for automated, electronic transaction processing in the coming year.

EU securities markets and investment conditions in the union improved in the second half of 2013, based on better macro-economic prospects, which also contributed to reduced systemic risk in that period, found the European Securities and Markets Authority (ESMA) has found.

But overall risks remained at high levels for EU securities markets as reflected by the rapid propagation of uncertainty from emerging markets countries to EU markets in early 2014.

Steven Maijoor, chair of ESMA, commented: "Stress in EU securities markets has decreased, but key markets and investors continue to face substantive risks."

"As we remain vigilant about monitoring these vulnerabilities, global re-pricing risks as well as a better understanding conduct and operational risks will be a particular concern going forward."

The securities markets performed positively in the second half of 2013, with volatility decreasing. But "sensitivities prevailed during the reporting period", found ESMA, "especially surrounding the global economic outlook and potential fragilities" in emerging markets.

Following a substantial decline in Q2 2013, fund flows returned to positive levels at the end of the year. Fixed-income funds experienced outflows, according to ESMA, whereas equity funds replicated the positive development of stock markets. "Overall, mutual funds were hit harder than alternative funds", it said.

Areas that may present future vulnerabilities include high-frequency-trading.

Based on a sample of 100 stocks traded in nine EU countries, ESMA found that high-frequency-trading activity accounted for around 22 percent of the value traded and for 60 percent of orders and is concentrated on multilateral trading facilities.

"Overall, [high-frequency-trading] seems to be positively related to volumes traded, fragmentation, prices and tick sizes and negatively related to volatility."

Structural vulnerabilities due to low interest rates may also, found ESMA.

"[The low interest rate environment] encourages investors to favour particular asset market segments such as fixed income products. [Risks include] revaluation, liquidity and additional counterparty risks once the low interest rate environment comes to an end."

Equity custody fees cut in half at the LuxCSD

As part of its initiative to support the dematerialisation of securities of all types, LuxCSD is cutting custody fees for equities by 50 percent, bringing equity fees in line with bond custody fees.

LuxCSD is jointly owned by the Banque centrale du Luxembourg (BCL) and Clearstream International S.A. It offers custodians and distributors across Europe custody and added value services.

The aim of slashing fees in half is to encourage corporations to dematerialise existing physical securities and to newly issue securities in dematerialised form, said the firm. "Custody of equities in dematerialised form significantly reduces inefficiencies, risks and costs for the industry and increases the level of transparency regarding the chain of holders of a Luxembourg security."

In March 2014, LuxCSD handled its first dematerialisation of physical shares—the BIP Investment Partners Luxembourg equities with a volume of €400 million.

Patrick Georg, general manager of LuxCSD, said: "By cutting the custody fees for equities by 50 percent we aim to attract more corporates to dematerialise physical shares and to follow the example of BIP Investment Partners. We strongly support dematerialisation as best practice in securities custody and issuance."

The change in Luxembourg law governing the dematerialisation of physical securities adopted in April 2013 is expected to further enhance the appeal of securities issued and dematerialised in Luxembourg.

Thomas Murray IDS benches for Aon

Thomas Murray IDS will provide Aon Hewitt's clients in the UK with advisory, benchmarking and monitoring services in the field of asset servicing, global custody and related activities.

Aon Hewitt is the global talent, retirement and health solutions business of Aon.

Under the arrangement, Thomas Murray IDS will provide a range of services to Aon Hewitt's clients, including selection of custodians, depositary banks, and derivatives clearing members, as well as a range of benchmarks and risk ratings, including foreign exchange transaction cost analysis and reviews of how securely investments are held and registered globally.

Thomas Murray will also provide services to clients of other investment consulting firms.

Tim Giles, partner at Aon Hewitt, said: "Since the crisis of 2008, investors have become increasingly aware of the risks and costs associated with the safekeeping, custody and administration of investments. We have been looking for a partner who could help our clients to minimise risks and costs, while enhancing the operational performance of their service providers."

"Thomas Murray IDS is highly regarded in the custody and asset servicing sector, with 20 years of experience in advising pension funds and other investors. Through this collaboration arrangement, we believe that Aon Hewitt is partnering with the leading specialist in this area, which will be greatly beneficial to our clients."

Simon Thomas, chairman of Thomas Murray IDS, said: "The market failures of recent years have demonstrated that the safekeeping and servicing of invested assets pose real risks—but investors are often unaware of them and also of the true costs involved."

Chapman's Eye on the market

Size is relative

One of my favourite sayings, other than that great politician Tony Blair's "now is not the time for soundbites [but] I can feel the hand of history on my shoulder", is that "everything in life is a trade-off".

Now, this saying can be applied to many situations, be it the hassle you put up with from your other half when staying at the pub for 'one for the road', the pushback from your body when you've gone the additional mile in training, or the benefit of deferred gratification when you make a spending splurge after a long period of parsimony.

However, in recruitment terms, the phrase is usually applied to the choice of joining a large firm or a small firm; each has its pros but each also its cons. For example, a large firm usually has more stable revenue flow and so more predictable variable remuneration and investment practices. A large firm tends to have a wider product range, deeper pockets to absorb losses, a greater ability to reinvest in technology, or be a loss-leader to establish a foothold in a new market.

Conversely, larger firms can have greater separation from management with the end client, be slow to move, be more inefficient in the use of resources, and struggle to produce bespoke, client specific-solutions. They also find it more difficult to engender a unique and 'familial' corporate culture. Employees' roles are usually highly defined with little scope for entrepreneurial behaviour or mindsets. Size, usually, confers respectability—or at least substance—upon an organisation, aided by the fact that more spending can be devoted to influencing the public's perception of it.

Smaller firms are by their nature unencumbered by the administrative baggage of their larger brethren, are obliged to be more short-term in their outlook, and have to weigh up investment decisions more carefully as each one could be business-critical. An employee in a smaller firm will usually have greater breadth to his or her role as well as an increased requirement to 'roll up their sleeves' and wear multiple hats in order to succeed. Entrepreneurialism is usually welcome, but there are fewer places to hide should you not deliver.

In my experience, the smaller firm is the more attractive option to most senior candidates looking to make a break from the limitations of the large corporates, and if an equity stake can be agreed at the outset, then this is doubly attractive.

Of course, the ultimate iteration is to make an almost complete break and work for oneself, and while this has many attractions, the unpredictability of income and lack of support, be it technical, tactical or strategic, can be tremendously frustrating. Simply getting paid for work done can be a colossal challenge—one invoice from a small consulting firm I know is now almost two months late in being paid by a major bank, which can lead to some very awkward cash-flow discussions.

Far be it from me to point my skeletal finger as to who the culprit might be, though.

As ever, do let me know your thoughts. Drop me a line at paul@hornbychapman.com

Paul Chapman, managing director, HornbyChapman Ltd

As well as a renewed mandate with Swedish fund AP7, **BNY Mellon** has also been chosen by the City of Phoenix Employees' Retirement System (COPERS) to provide custody, accounting, and securities lending solutions to plan assets valued at $2 billion.

"BNY Mellon's commitment to quality service and status as a recognised market leader were key elements in our decision to appoint them as our new custodian," said Greg Fitchet, investment officer at City of Phoenix Employees' Retirement System.

"In addition, a number of capabilities offered by its Workbench platform will significantly improve our efficiency in the area of document handling. BNY Mellon will be a strong partner for us as we look to fulfill our strategic goals going forward."

"This appointment attests to our ability to deliver a comprehensive package of innovative investment services to large plan sponsors," said Samir Pandiri, executive vice president and global head of asset servicing at BNY Mellon.

"We look forward to working closely with COPERS and delivering unmatched support across every phase of our relationship."

Societe Generale Securities Services (SGSS) has been mandated by CNP Assurances to provide collateral management services with regard to collateral swaps between CNP Assurances and its counterparties.

SGSS won this mandate following a bidding process launched by CNP Assurances in order to adapt to the European Market Infrastructure Regulation (EMIR), which amongst other requirements, imposes more frequent collateral margin calls.

In order to meet these new requirements, SGSS' offer is centred around two main elements: managing relations with CNP Assurances' counterparties and monitoring margin calls and compliance with reporting requirements. SGSS will manage collateral on the basis of contracts traded by CNP Assurances.

SGSS was chosen for its expertise in complex financial products and its capacity to adapt to constantly changing regulations and provide services tailored to the specific needs of its clients. This appointment completes the structured instrument valuation services that SGSS has provided to CNP Assurances for many years.

CNP Assurances is France's leading personal insurer, with net profit of €1.030 million in 2013. The group also has operations in other European countries and in Latin America, with a significant presence in Brazil.

It has 27 million personal risk/protection insureds worldwide and 14 million savings and pensions policyholders.

BNP Paribas Securities Services was chosen by Gaztransport & Technigaz (GTT) to handle the securities mechanisms of its IPO on the Euronext Stock Exchange.

As part of this role, which is separate from that of the advisory banks, BNP Paribas provided structuring, management and administration services on all the securities aspects of the IPO.

BNP Paribas Securities Services, in partnership with BNP Paribas Épargne & Retraite Entreprises, also provided a one-stop-shop to manage the employee portion of the IPO.

BNP Paribas was selected thanks to its capacity to manage the various components of the transaction.

Philippe Berterottière, GTT's chairman and CEO, said: "GTT has a very long relationship with BNP Paribas and has been very happy to work with BNP Paribas Securities Services on this successful IPO."

Pierre Jond, head of corporate trust services at BNP Paribas Securities Services, said: "We are delighted to have successfully completed this listing for GTT, the first major listing in Paris in 2014."

GTT is the world leader in cryogenic membrane containment systems used in the shipbuilding industry for the transport of liquefied natural gas. Its IPO raised €621 million and its market capitalisation stands at around €1.7 billion.

The French firm also picked up a mandate from La Mutuelle Générale, one of France's largest mutual insurance providers. It appointed BNP Paribas Securities Services as custodian of its €2 billion portfolio—and also asked it to take on fund administration, risk management, performance analysis services and institutional accounting.

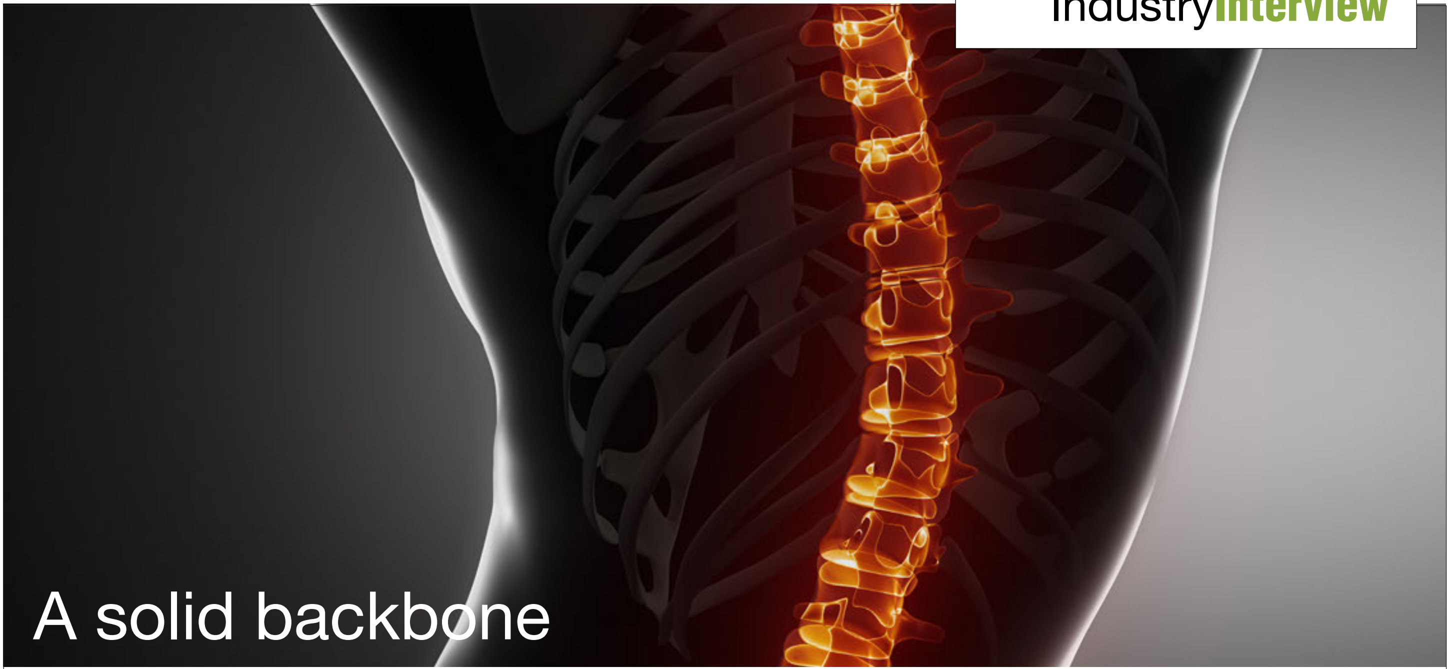
The Parisian firm provides life and health insurance to 1.3 million French individuals.

BNP Paribas will provide La Mutuelle Générale with reporting and analysis for its investment portfolio via the custodian's Data Navigation and Analysis (DNA) service. This will allow BNP Paribas to assist the company in meeting its requirements under Solvency II, which is scheduled to come into effect at the beginning of 2016.

The new regulation affects capital adequacy requirements as well as risk management techniques for European insurance companies. These requirements can be met by outsourcing services including fund administration and reporting to a specialist provider such as BNP Paribas.

Christophe Harrigan, financial director of La Mutuelle Générale, commented: "Our objective was to partner with a single custodian for our entire portfolio. We chose BNP Paribas as its DNA offering appeared to us as the most innovative in the market, with a unique method of interactive reporting. This software provides sophisticated data capture, enabling us to break down performance analysis globally using a range of filters."

Head of institutional client development at BNP Paribas Securities Services France, Gilliane Philip-Courtines, said "This demonstrates our capacity to help our institutional clients meet new challenges, including regulation. In addition to our global custody and accounting services, our clients enjoy a range of value-added reporting services. Our 'end to end' offering is the most comprehensive in today's market." **AST**



A solid backbone

Mitsubishi UFJ Fund Services has added Meridian Fund Services to its stable. Deputy CEO Tim Calveley explains the purchase, and why clients are keen to sign up to custody and lending when there's a strong balance sheet to back them up

GEORGINA LAVERS REPORTS

All roads lead back to regulation: especially when it is affecting one's cost base. What with Form PF and the Alternative Investment Fund Managers Directive (AIFMD), the break-even point for funds nowadays is getting ominously high, especially for smaller funds, which find that the regulatory and compliance burden becomes a much larger share of their overall costs.

Much institutional money is therefore being poured into the larger managers, who already have the infrastructure to cope with new and more onerous filing requirements. Larger funds have been doing better, smaller managers are suffering, and this then translates into those larger funds are requiring a larger and more established administrator. In particular, hedge fund administration produces higher fees than its mutual fund sister.

One firm which has picked up on this trend swiftly is Mitsubishi. In June 2013, Mitsubishi UFJ Trust and Banking (MUTB) acquired the fund administrator Butterfield Fulcrum, which became the global alternative asset administration platform of MUTB.

Glenn Henderson and Tim Calveley, CEO and deputy CEO respectively of Butterfield Fulcrum Group, stayed on, saying at the time that the acquisition reinforced their ability to deliver high quality fund services to their clients, while significantly increasing their breadth of products and services, geographic reach and financial strength.

"Even pre-sale, Butterfield Fulcrum was $110 billion AUA and we were still being told by some of our clients or future prospects that we were too small," says Calveley. "Their underlying investors wanted to know there was a large institution's balance sheet underneath us, so it was perfect for us to come under the Mitsubishi brand."

Most recently, the expanded firm picked up Meridian Fund Services Group, raising the fund services business's AUA to approximately $165 billion, servicing over 300 clients and 1000 funds.

Calveley says that the decision to buy Meridian over any other fund administrator was down to Mitsubishi's two-fold strategy, of organic growth (backed up by the ability to brand under the Mitsubishi name and a hefty balance sheet), and an acquisitive nature.

"The reason we decided on purchasing Meridian was that both Glenn Henderson, and myself have known Meridian Fund Services and its chairman, Tom Davis, for a long time, as we are based in Bermuda. It was an easy decision because they were a very good fit for us—culturally the businesses are very similar in terms of operation, client service, etc. It was always going to be our first point of call."

As for clients that have been picked up from the acquisition, Calveley explains that they are mostly institutional clients, the majority of which are US-based hedge funds. This gives scope for expansion into the European and Asian markets (Mitsubishi Fund Services have offices in Dublin, London, Tokyo, and have plans for Singapore)—which is of interest to US hedge funds with a global reach.

"Meridian didn't have any operations in Europe or Asia, and as some of their clients are expanding out of the US into those areas, they are very interested in the fact that we can provide this service to their funds. Being a global firm and operating all around the world increases the advantages for their current clients."

Clients are also interested, he adds, into value-added services such as custody, FX and securities lending. "Mitsubishi has an extremely active and large securities lending department, with the majority of services based in London and Singapore. It is very large, very successful, operation and a lot of our clients are very excited that we can offer not just securities lending but custody and FX."

The one positive that boutique fund administrators always celebrate is their one-to-one service, whereby clients can closely and quickly interact with their administrator. However, this ethos is hopefully being brought into larger companies by virtue of the people that they are acquiring. Calveley is one such employee who lives by a client service motto.

"Over my years with Fulcrum and Mitsubishi, we've been through a number of ownership changes, and the common theme throughout any ownership change is that your client service must remain the same. What's most important for a client is continuity of staff, and we really understand that. It doesn't matter how big you are, as long as you can maintain that service level." **AST**

Home is where the heart is

All parties should acknowledge the cross-border opportunities presented by legislatures such as the Netherlands to reclaim damages to which they are legally entitled, says Tania Dupoy of Goal Group

'Collective claims' regarding securities have long been brought in the Netherlands and it is often considered the European home of securities class actions. The Dutch courts have presided over key cases, the results of which have presented an example to the rest of the world of how cases can be processed in alternative locations following the result of the 2010 Morrison v National Australia Bank ruling.

The Morrison versus National Australia Bank ruling resulted in the US Supreme Court banning f-cubed actions from taking place within the US. This has meant that a non-US shareholder, suing a non-US company, whose stock was purchased on a non-US exchange, can no longer bring their case in the US courts. Legislatures across the world have rapidly been developing legislation in response and the Netherlands arguably remains the most experienced and visible jurisdiction.

To give an overview of the Dutch system, multiple 'injured parties' who wish to bind their related grievances and proceed with a claim against a 'responsible party' can do so under Article 3:305a of the Dutch Civil Code. Injured Parties must, however, establish an association or foundation to represent their interests in one single claim. This is because Dutch law requires the question of whether, and to what extent a party suffered damage, to be answered on an individual basis.

Once the liability of the 'responsible party' is established, the individual injured parties must then bring their settlement claim. A joint petition to declare the settlement agreement collectively binding under the Dutch Act on Collective Settlement of Mass Damages Claims (Wet Collectieve Afwikkeling Massaschade/WCAM) can, and is often filed to the Amsterdam Court of Appeals. The possibility to opt out of the settlement agreement within a certain period of time (at least six months) is then sent to the injured parties. A settlement decision can only then be appealed to the Dutch Supreme Court on the joint request of the responsible party and the association or foundation. In the settlement agreement, the responsible party does not necessarily have to accept liability for the damage suffered.

Thus far, the Dutch courts have passed multiple notable final decisions regarding securities including the following: Converium Holding AG (2012), World Online International NV (2010), Vedior (2009), Royal Dutch Shell PLC (2009), and Dexia Bank Nederland NV (2007). It was originally assumed that the WCAM would only be used to settle disputes with a close connection to the Dutch jurisdiction, however, of these cases, both the Shell and Converium cases have had substantial international scope and highlighted the Netherlands as a centre for the processing of class actions.

The Shell and Converium cases concerned financial losses suffered by shareholders, which were allegedly caused by misleading statements by the respective companies during a certain period. The settlements were declared reasonable and binding under the WCAM. In the Shell case, one of the entities involved was Dutch, and the other was English. The majority of the shareholders who bought or sold Shell shares during the relevant period were not residing in the Netherlands. Similarly, in Converium, both entities involved were Swiss, and Dutch class members only totalled approximately 200 of 12,000 shareholders. Both cases are an example of the globalisation of securities class actions and demonstrate the ability of a forward thinking legislature to process securities class actions.

As securities class actions globalise, all investors and trustees must remain vigilant and monitor global opportunities to participate in class actions to reclaim rightful returns. All parties should acknowledge the cross-border opportunities presented by legislatures such as the Netherlands to reclaim damages to which they are legally entitled. Keeping track of international opportunities and the claims process can be daunting, however there are now specialist service providers that can automate the complex process of class action participation across international legislatures. **AST**

Tania Dupoy
Sales and relationship manager
Goal Group

Introduction to UCITS Fund Administration

Date: 30 April-1 May
Location: London
www.infoline.org.uk/event/introduction-to-UCITS-fund-administration-workshop

A concise and practical introduction to UCITS fund administration, covering the UK funds landscape, including AIFMD and the new Fund Sourcebook, an overview of investor dealing, investment and borrowing powers, and much more.

FundForum Asia 2014

Date: 31 March-3 April 2014
Location: Hong Kong
www.fundforumasia.com/FKN2393ASTWB

The event attracts international delegate from over 30 different countries. Attendees include CEOs, CIOs, fund managers, heads of business development, custodians, transfer agents and many more. FundForum Asia has created a unique formula for combining tangible intellectual take-away with fantastic networking opportunities, making it a more time- and cost-effective solution for your business and a very compelling and exciting experience.

NeMa 2014 - Network Management

Date: 18-20 June 2013
Location: Warsaw
www.nema-event.com/FKP2359ASTWB

NeMa 2014 is the premier event for taking stock of your strategy in these challenging times, whilst forging invaluable business relationships… with over 450 attendees from the Network Management and Securities industry!

Industry appointments

Societe Generale Securities Services (SGSS) has made two appointments to strengthen its sales team in Germany.

Thomas Brand has been appointed as sales director and will be responsible for further developing SGSS' activities in Germany, focusing in particular on asset owners, which include insurance companies, pension funds and German corporates.

Eva-Maria Jakob has been appointed sales and relationship manager. She will be in charge of actively developing relations with German and Austrian consultants, who play an important role in the local securities industry and work closely with end investors.

Her primary focus will be on administrative, strategy and pension consultants across all client segments.

Both will be based in Frankfurt and report to Jochen Meyers, managing director of sales and relationship management for SGSS in Germany and Austria.

Thomas Brand has 30 years of experience in the banking sector. He began his career in 1984 at Bethmann Bank in Frankfurt, subsequently working at Citibank and Helaba (Federal State bank of Hessen-Thüringen), among others, where he held various positions including head of treasury/exposure management and vice president of customer management, respectively.

He joined Siemens KAG in 2008, where he became head of sales, before starting his own consultancy business in 2012, specialising in sales and relationship management and treasury advisory.

Eva-Maria Jakob was previously sales manager for institutional investors at Universal-Investment, which she joined in 2008. Her previous positions include international customer service and key account management at Performance Fibers both in Luxembourg and Frankfurt.

A spokesperson from Standard Chartered has confirmed that industry veteran **Mark Davies** has left the bank as of the end of February, following almost six years.

Davies joined Standard Chartered Bank as head of investors and intermediaries and transaction banking for the UK and Europe in May 2008. He and his team were primarily responsible for Standard Chartered's securities services clients who were based in Europe.

Prior to his employment with Standard Chartered, Davies worked for the Hong Kong and Shanghai Banking Corporation (HSBC), carrying out a number of roles in the sub-custody and clearing product areas. Davies has accrued over 35 years of experience in the investment world—mainly accrued in Europe, Asia and the Middle East.

A further, unnamed source has also made it clear that Davies is currently still looking for his next job.

OCC has appointed new board officers and board committee chairs for 2014.

Felix Davidson, president of TD Ameritrade Clearing, was appointed member vice chair and chair of OCC's performance committee.

Craig Donohue was reappointed as OCC executive chairman, **Michael Cahill** was reappointed as the president and CEO, **Richard Lindsey** was reappointed as chair of the risk committee, and **Pat White** was reappointed as chair of the audit committee.

Matthew Gelber was also appointed as chair of OCC's governance committee.

SimCorp has hired **Nick Quin** as managing director at SimCorp Asia, based in Sydney.

Quin is the successor of Peter Hill, who will assume a new role as managing director of UK and the Middle East at SimCorp.

Standard Chartered has appointed **Barnaby Nelson** as managing director and regional head of investors and intermediaries for North East Asia and Greater China.

Barnaby is based in Hong Kong and reports to Margaret Harwood-Jones, global segment sponsor for investors and intermediaries, transaction banking and Helen Hui, head of transaction banking in Hong Kong.

In this role, Nelson will lead the business agenda for institutional investor and intermediary clients across North East Asia and Greater China, with a focus on supporting clients' growth aspirations across Asia, Africa and the Middle East.

He joins the bank from BNP Paribas, where he was head of client development for Asia-banks, broker-dealers and corporate issuers.

BNP Paribas Securities Services has hired **Linda Morsia**, formerly of State Street, as head of its depository banking business in the UK.

Morsia joins from State Street Trustees, where she was head of client management, sales and business development.

She reports to Arnaud Claudon, head of depository banking at BNP Paribas Securities Services.

BNP Paribas launched its depository bank in the UK in 2012 in response to demand from its UCITS clients as well as the impending implementation of AIFMD.

Under the directive, non-UCITS funds in Europe must appoint a depository bank to provide cash monitoring, safekeeping and oversight of assets.

The bank has announced several other geographical expansions for its depository banking network including most recently the Netherlands and Switzerland.

Since the UK launch, BNP Paribas has been appointed by more than 10 fund managers to act as depository for more than 40 UK alternative investment funds investing across listed, unlisted and alternative assets. **AST**

AST RECRUITMENT

LOOKING FOR YOUR NEXT ROLE?

OUR AUDIENCE, YOUR TARGET

Fund Administration Manager – Alternative Funds

Recruiter: Zed
Salary: Competitive
Location: Edinburgh

A global investment company who are well established in the Edinburgh market and who are expanding a recently established team.

Risk Analyst - Custody, Control, Audit, Assurance, fund management - Custodian

Recruiter: Alexander Ash
Salary: Competitive
Location: London

A Risk Analyst is required by a global Custodian based in London. The successful risk specialist will need a good understanding of custody, fund management or securities services and will have a broad understanding of risk and control.

Securities Lending Regional Product Services Manager

Recruiter: BlackRock
Salary: Competitive
Location: San Francisco

BlackRock is one of the world's preeminent asset management firms and a premier provider of global investment management, risk management and advisory services to institutional, intermediary and individual investors around the world.

To post new job positions contact Chris Lafferty, Head of Recruitment
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