

The NED

Independent intelligence on fund director issues

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US lawyers see little value in fund boards

US lawyers need convincing on the value of governance. In a poll conducted by The NED not one US lawyer said that they think that boards of offshore alternative funds deliver a lot of value – either to investors or managers. The vast majority of poll respondents stated that boards provide only a small amount of value, at most, to these groups.

A major global law firm that is extremely well known in the alternative fund industry said the following: “Boards should be doing more to represent the interests of investors, and to provide oversight with respect to the manager and the operations of the fund.”

With regard to the situation in the US it is interesting to note that the vast majority of those polled believe that there is room for improvement in the standard of governance at US hedge fund and private equity partnerships. And also by a wide margin US lawyers say that they expect that there will be more board like structures used by alternative managers in the US in future.

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All quiet on the Cayman front



Photograph: BEC/Lion Television

Compared to previous years participants at The NED’s third annual Cayman roundtable were remarkably relaxed this December. Is this a temporary truce? It depends on what CIMA decides to do on capacity and on its proposed searchable database of directors.

Speaking at the roundtable this December CIMA’s Heather Smith said that guidance on director capacity will be introduced by the regulator in 2016. She added that CIMA has made a commitment to do this and that the searchable database of Cayman fund directors, if this indeed comes into being, would follow on after.

Please go to page 16 for coverage of the roundtable.

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