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ANNUAL GLOBAL FUNDS CONFERENCE 2016

Collective Strength - Growing Together

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WELCOME

Pat Lardner, Chief Executive, Irish Funds

It is my great pleasure to welcome you to our 2016 Annual Global Funds Conference, under the theme "Collective Strength – Growing Together".

At last year's conference, we reached some important milestones with the launch of a new brand identity and website as part of our development for the future.

This year, as we celebrate the 25th anniversary of the establishment of the association, we can reflect with pride on the manner in which the industry and all its stakeholders have worked collectively and collaboratively to provide a basis for success. More importantly, the hard work of the last 25 years provides a solid base to build for the future, one which provides opportunity and challenge in equal measure.

When pausing to consider some of the developments since last year's event, we can point to the launch of the EU's Capital Markets Union Action Plan, the transposition of UCITS V into national law and a range of other policy and regulatory developments. Separately, words and phrases like "regtech", "distributed ledgers", "cyber-resilience" and a host of others now form part of the lingua franca of our industry. And all this has occurred at the same time frame in which geo-politics have remained extremely fluid and at times highly unpredictable.

It is therefore understandable that this year a regulatory panel with a strong EU presence as well as specific sessions on both Fintech and international relations form a core part of proceedings.

When we settled on the date for our 2016 conference, we avoided any clash with the Euro 2016 championship but little did we know that we would end up sharing the date with the most important plebiscite in the United Kingdom for many decades and one which will be followed very closely around the world. The connections between Ireland, the United Kingdom and the EU, which helped to drive the development and success of UCITS and collective investment generally, are important ones and we will watch with significant interest the manner in which events unfold today.

With Gratitude

Indeed we are fortunate to be joined by a range of superb speakers - people with deep experience and broad perspectives. We thank them for affording us the time to debate and better understand the forces shaping the industry. In lieu of speaker gifts we will be making donations to basispoint and Hedge Funds Care, both very worthy causes which are strongly supported by our industry.

We would also like to extend gratitude to our sponsors and exhibitors – your support is crucial to putting on a quality event and your support of the broader discussions and debates around our industry is of benefit to all.

The work that occurs over many months to organise and stage the conference remains largely unseen but is undertaken with serious commitment and enthusiasm by the Conference Working Group and the Irish Funds team. Many thanks for your input in making this event what I know will be a great success.

I hope you find the conference informative and thought-provoking. As always, please let us know if there are additional areas or topics you would like to see featured in future events.

During the course of the event, we hope to engage with you on the evolving set of opportunities and challenges which exist and create and support new relationships which will be fostered amongst the participants from around the world.

Thank you for joining us.

Pat Lardner,
Chief Executive,
Irish Funds

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if you demand service excellence

Irish Funds

WELCOME FROM THE CHAIRMAN

Alan O'Sullivan, Chairman, Irish Funds

As Chairman of Irish Funds, I am pleased to welcome all delegates to the 2016 Annual Global Funds Conference.

This year's theme of "Collective Strength – Growing Together" is a perfect reflection of the association's areas of focus.

Over the past 25 years, the "Collective Strength" of the Irish Funds membership has grown the industry to €3.7 trillion of Irish administered funds across a hugely diverse range of products and services. Thanks to the tireless efforts of the team at Irish Funds, our membership and the 38 working groups, there has been a significant expansion of engagement on regulatory and policy matters both at a local and European level. I would like to take this opportunity to thank all parties involved, including the Central Bank, Irish Government, and European Institutions and Agencies for facilitating this engagement.

As we "Grow Together", the focus of Irish Funds is firmly on the future. We are continuously evolving our offering, capabilities and services to support our clients and meet the demands of a changing industry, ensuring another 25 years of success. Through IFS2020 the Irish Government has set down a firm commitment to support the growth of financial services and its contribution to economic activity. At a European level, the aspirations of the Capital Market Union demonstrate a positive shift in policy and the association will continue its robust engagement as the individual initiatives get underway.

The opportunities created by new alternative investment fund vehicles and also the increasing prevalence of digitalisation and FinTech continue to evolve the landscape and our areas of development. This year, we have established a FinTech working group which will align the association to these developments for the benefit of our members and the industry overall.

Finally, I would like to thank all the members of the Irish Funds Conference Committee and speakers that have contributed to an engaging conference programme covering the key topics that are driving the asset management landscape.

After 22 years in the industry, it is an honour for me to be Chairman of Irish Funds and I look forward to working with you all over the next twelve months.

AGENDA
THURSDAY, 23 JUNE 2016

ANNUAL GLOBAL FUNDS CONFERENCE 2016
INTERCONTINENTAL HOTEL, SIMMONSCOURT ROAD, DUBLIN, IRELAND

7.30AM
REGISTRATION / BREAKFAST
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MC - **Declan Casey**, Legal & Technical Director, Irish Funds

9.00AM
WELCOME
Alan O'Sullivan, Chairman, Irish Funds

9.15AM
GLOBAL LEADER Q&A

A discussion with **Joseph A Sullivan,** Chairman and CEO Legg Mason Inc and **Pat Lardner,** CEO Irish Funds

9.50AM
EUROPEAN REGULATION PANEL

MODERATOR:
David Wright, Partner, Flint-Global ex Secretary General IOSCO

PANELLISTS:
Sven Gentner, Head of Unit Asset Management, European Commission
Gareth Murphy, Director of Markets Supervision, Central Bank of Ireland
Verena Ross, Executive Director, ESMA
Leonard NG, Co Head EU Financial Services Group, Sidley Austin LLP

10.40AM
COFFEE BREAK - **Sponsored by**

THE PANEL
search and selection

11.00AM
CEO PANEL

Moderator:
Kieran Fox, Director Business Development, Irish Funds

PANELLISTS:
Charles Farquharson, CRO Insight
John Mullins, CEO, Amarenco
Mike Wilson, Ex-Statestreet

11.50AM
SPOTLIGHT ON DISTRIBUTION

Paul Price, Head of Distribution, MSIM

12.10PM
DISTRIBUTION PANEL

MODERATOR:
Jonathan Willis, CCO, Calastone

DISTRIBUTION PANEL:
Philip Kalus, Managing Partner, Accelerando
Paul Price, Head of Distribution, MSIM
Klaus Schuster, Head of Business Development, PineBridge Investments
Michael Curtin, Partner, Mercer
Simon Shapland, Head of UK & Ireland, Allfunds

12.55PM
LUNCH - **Kindly sponsored by**

NORTHERN TRUST

14.00PM
GOVERNMENT KEYNOTE
Minister of Finance,
Mr Michael Noonan TD

14.35PM
PRODUCT PANEL

MODERATOR:
Olywn Alexander, Partner, PwC

PANELLISTS:
Gemma Steel, Senior Counsel, Source
Manuel Brieske, Managing Director & EMEA Head of Product Development, SSGA
Fearghal Woods, Director, Northern Trust Ireland
Jeremy Soutter, Global Head of Product Development & Management, Standard Life

15.15PM
COFFEE BREAK - **Kindly sponsored by**

MORGAN McKINLEY

15.40PM
AMBASSADORS PANEL

MODERATOR:
Ian Conlon, Investment Funds Lawyer, Maples & Calder

PANELLISTS:
H.E Afonso José Sena Cardoso, Ambassador, Brazil
H.E Philippe Roland, Ambassador, Belgium
H.E Paul Schellekens, Ambassador, Netherlands
H.E Dr Thomas Nader, Ambassador, Austria

16.30PM
FINTECH PANEL

MODERATOR:
Paud O' Keeffe, Head of Innovation, BNP Paribas Securities Services

PANELLISTS:
Alan Meaney, CEO and Co-founder Fund Recs
John Coolican, Programme Manager, Accenture
Anne-Marie Bohan, Partner, Matheson
Paul Conroy, CIO, Mediolanum International Funds Ltd

17.15PM
CLOSING REMARKS
Pat Lardner, Chief Executive, Irish Funds

17.30PM
NETWORKING DRINKS -
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19.30PM
GALA DINNER - **Sponsored by**
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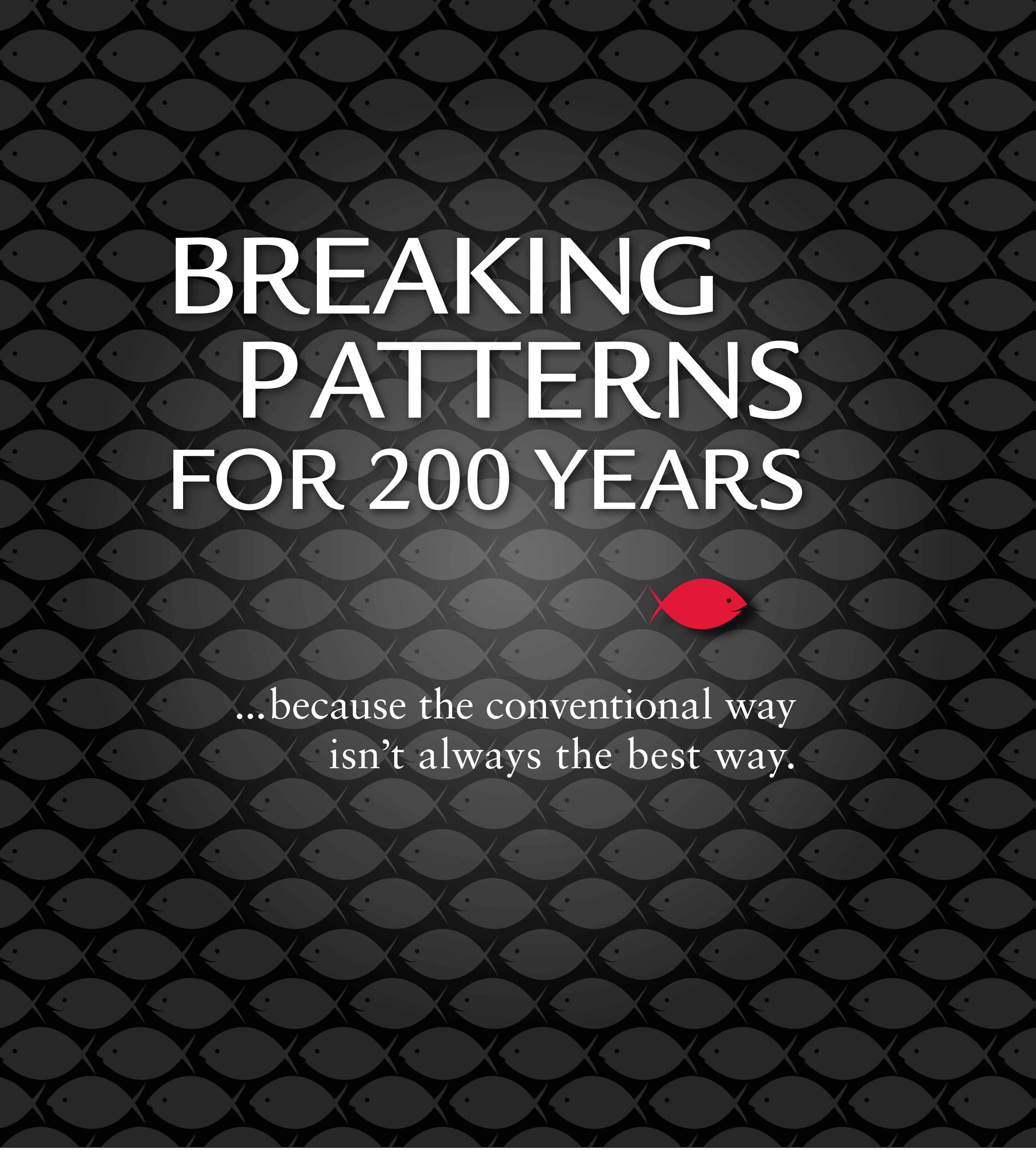
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FOR 200 YEARS
...because the conventional way
isn't always the best way.

WHAT ESTABLISHED COMPANIES CAN REALLY LEARN FROM STARTUPS

Timothy Bosco - Senior Vice President and Head of Innovation Strategy at Brown Brothers Harriman

Today, some of the most successful financial service providers are seeking lessons about risk taking from an unlikely source – early stage startup companies.

Whether it's through the venture investment community or directly with leading fintechs, more and more established companies are looking to model startup behaviors despite the fact that these emerging companies actually fail more than 90% of the time.[1]

It is easy to assume this growing trend must be because the fast-paced, innovative startup culture inspires established companies to take bigger chances in search of bigger rewards. The real reason for this new fascination, however, is often just the opposite. It might actually be the way startups deal with uncertainty and efficiently mitigate their risk of failure that is driving the real interest.

Clearly, the "eat-or-be-eaten" environment in which most startups operate has a way of forcing efficiency and creativity. When something is not working to plan, only those with the willingness and the ingenuity to shift fast enough have a chance of making it.

It's that dexterity large organizations envy most. In fact, there probably isn't a corporate innovation team out there that hasn't, at some point, incorporated the "fail fast" mantra into their lexicon. Large companies also recognize that many of the same factors that threaten a startup's succeswe same degree – technology can evolve overnight, customer preferences are fickle, funding is always limited, and new competition can spring up from anywhere at any time.

The difference for startups, though, is that they have the most to lose by ignoring signals to fail fast. In most cases, it is their survival instincts that draw out the entrepreneurial resiliency needed to bootstrap success even if that means setting aside their original ambitions.

Pinterest is one of many great examples of a startup that was forced to abandon its initial plan only to architect an even bigger opportunity. In 2009, the founders of Pinterest initially attempted to launch the very first mobile-enabled shopping application called Tote. Despite strong customer demand, retailer support, and adequate seed funding, the idea never took off because of the relative immaturity of mobile payment technologies. Instead of doubling down and waiting for payment technologies to catch up, Tote switched gears and relaunched a much simpler application that kick started a new visual social network phenomenon. It turns out that Pinterest is among the most likely IPO candidates in 2016 with an anticipated $11 billion valuation.[2]

While large companies can't necessarily manufacture the competitive environments that shape actual startup behaviors, there is still a lot they can learn from successful entrepreneurs about staying lean, focused, and in control of new product innovation. The following table outlines a few key success factors commonly found among startups that reinvented themselves early in their lifecycles.

[1] Forbes, 90% of Startups Fail: Here's What You Need to Know About the 10%, January 2015.
[2] Nasdaq, Is Pinterest a Top IPO Candidate for 2016? December 2015.
www.bbh.com/en-us/insights

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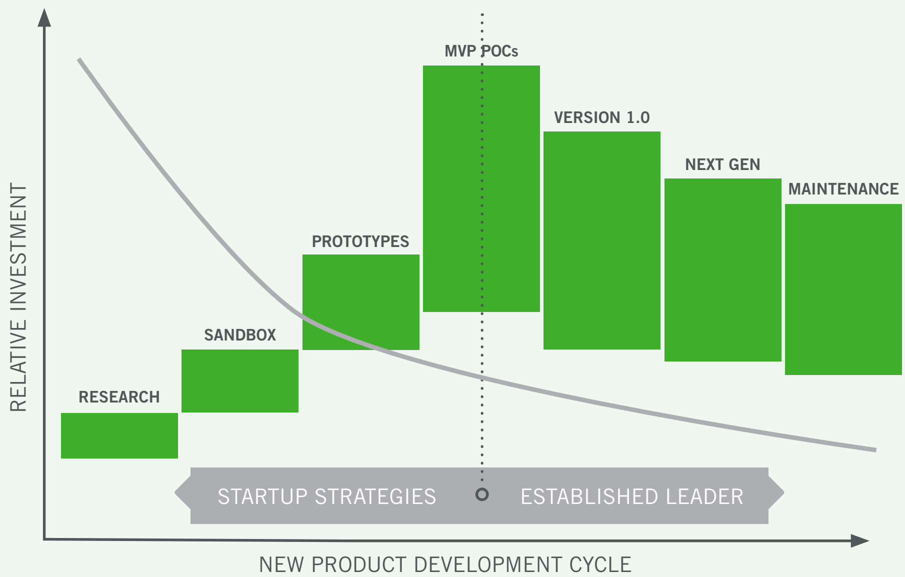
Adopting Successful Startup Strategies

	Startup Success Factors	Startup Success Factors
Technology Landscape	Acute awareness of the current technology landscape and potential for distruptive threats	Continuously research developments across wide range of new technologies
Build Capabilities	Commitment to building the highest impact new capabilities	Support an active R&D sandbox program with sufficient domain breadth and depth
Solution Test	De-risk investment priorities by continually	Develop rapid prototyping methodologies to quickly and cheaply validate new product concepts
Speed to Market	Focus on reducing complexity of early releases to accelerate time to market	Partner with trusted early adopters to pilot Proofs-of-Concept (POCs) and Minimal Viable Products (MVPs)
Active Portfolio	Pivot to new opportunities without losing innovative momentum	Cultivate a living protfolio of product initiatives across mix of product segements and disruptive technologies

Within the corporate context, these startup strategies also suggest an ideal investment profile for mitigating risk. The minimum and maximum ranges depicted below illustrate the relative levels of investment in terms of both time and money throughout the product development cycle.

Creating the Right New Product Investment Profile

It clearly takes both practical decision making and an unconditional commitment to make it big as a startup. The people who run them are responsible for every detail, every success, and every failure. It is that entrepreneurial perspective that guides startups to fail fast. For that reason, established companies must understand the importance of empowering their product teams to own their decisions about how to incorporate failure before it gets expensive or even worse… before it becomes destructive.



RESHAPING RETAIL DISTRIBUTION

The retail distribution landscape is changing, and asset managers need to know the drivers of this change as well as the most appropriate strategies to come out ahead in this disrupted environment, says CACEIS

Retail Fund Distribution

is in the midst of the most profound structural change of the past 50 years. The prospects for funds in this incredibly dynamic business environment are positive. Opportunities are numerous and assets are growing with sustained growth projected for the industry (e.g. pensions, non-bank financing). Yet, the balance of power between the legacy industry players, such as asset managers, institutional investors and distributors, is uneven, and the entry of new players, like East-Asia asset managers and tech firms, is altering the status quo.

This business disruption is exacerbated by three main factors: Regulations, Millennials and Technology. Consequently, new strategic responses and value propositions are needed both for asset managers and distributors.

Retail Clients Take Centre Stage

As retail clients take centre stage in the new regulatory agenda, which puts "clients first", fee transparency and a focus on arm's-length advice models, will put retail and affluent clients in a much stronger position to obtain cheaper products (e.g. passive funds, inducement-free share classes) and tailored solutions (e.g. mandates, execution-only). However, advice gaps could occur in client segments not ready to pay the full cost of advice.

Winning Strategies and Tactics

Product Propositions and Distribution Models

Asset managers are facing a dilemma: the traditional distribution model based on the retrocession of trailer fees is not sustainable in the medium term and, as a consequence, the array of products distributed across the EU is rebalancing. Actively managed funds (products extensively using trailer fees) and passive products (i.e. Index funds and ETFs) are now placed at the same level to compete for the same distributors and client segments. Accordingly, active managers will need to adopt new pricing models, tailor cost-effective passive products or link the fees applied to active products to their performance. In addition, they will need to strengthen their service offerings with solutions such as asset allocation funds, Smart Beta and non-fund mandates management in order to better serve distributors and financial advisors.

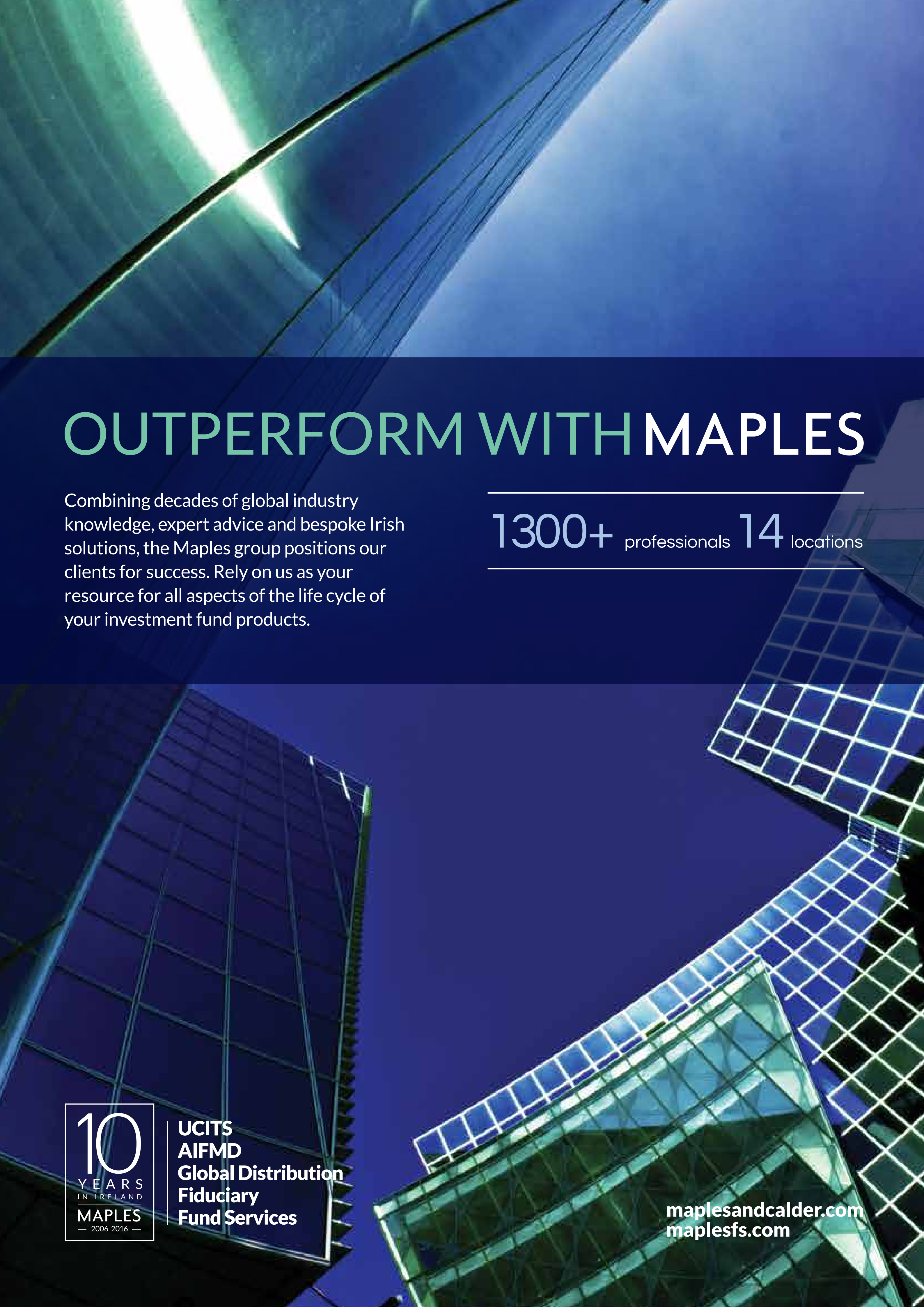
Finally, enhanced product solutions and reduced pricing will not always be sufficient to maintain or gain market share. Access to investors without an "incentivised" distribution network will become more challenging. Various strategies are already emerging in the market as players move to secure greater access to investors:

- Share class re-engineering (i.e. asset managers are "cleaning" share classes from "trailer commissions" paid to distributors who introduce business to them);
- Direct platforms allowing retail clients to acquire a large number of funds available in the market;
- Advisory service enhancement such as Strategic shareholdings in robo-advisor platforms;
- End-client marketing to build up strong digital brand recognition in the retail space.

Engagement Models

On the other side, the distributors need to provide retail clients with enhanced advice solutions, incorporating discretionary management and advisory services with a comprehensive products catalogue. In the trailer fees-free world, products will become "cost factors" for the distributors and, as such, management of the product shelf will be a core competency from a revenue and cost perspective.

However, a pure cost strategy will not be sufficient to distinguish distributors in the eyes of retail clients. In addition, they will need to develop better asset allocation capabilities and specialise in determined products or services, such as long-term saving solutions, to justify their advice fees.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New Technologies

The way new generations of investors interact with the industry and the way social media influences investment behaviour will be crucial elements of the change in the industry's balance of power. Millennials are supplanting Baby Boomers as the primary investorship. In this new environment, technology is a catalyst for the creation of new disruptive business models (e.g. robo advisor platforms).

The increasing adoption of SMAC (Social, Mobile, Analytics, Cloud) technologies to serve informed retail clients and create a constant flow of dialogue to promote products and services will be crucial. To increase brand recognition, ongoing multichannel dialogues with clients are likely to become a major differentiating factor in the industry. Also, to deliver proactive responses in a dynamic environment and to appease demanding clients, distributors will have to build robust data architecture in the "cloud", enhance their IT security standards.

Retail clients of the new generation will become "instividuals" in terms of their sophisticated information consumption, which demands tailored service delivered through the latest technologies.

Investments in technology are fundamental for asset managers and distributors who hope to succeed in the new investorship environment where cost pressure is mounting and the level of services sophistication is increasing.

Looking Forward

The next stage of disruption is already underway—Millennials are increasingly making investment decisions on their own without advice or intermediation. In the era of SMAC technologies, the emergence of investor communities and mirrored investing is likely to challenge the primary role of asset managers and distributors in the asset management space.

As a matter of fact, these technologies have given people the opportunity to share information and opinions in peer-to-peer networks and to replicate the portfolios of peers who they think could beat the market. Companies like eToro and Ditto Trade have built their approach to investing on the basis of investor communities.

These changes have introduced a new arena to the asset management industry in which the roles of the distributor and the portfolio manager commingle with the financial skills of a community of investors in web-based social networks.

About CACEIS

CACEIS is a leading European asset servicing company with in-depth experience in helping clients make the most of cross-border fund distribution opportunities. For more information on the future distribution landscape or CACEIS's cross-border fund distribution support services, visit us on **www.caceis.com**

FINTECH FIRMS IN 2025 DIDN'T THEY USED TO BE CALLED BANKS?

Padraig Kenny - Managing Director, RBC Investor & Treasury Services, Ireland, discusses the potential for collaboration

Whether banks and asset managers consider the Fintech sector a disrupter or a potential partner, there is no denying that its rapid emergence has stirred some soul searching among financial institutions.

Since the turn of the century, the Fintech sector has flourished in developing innovative solutions. One only has to look towards PayPal, arguably the pioneer in this space, for a resonating case study. In 2002 when eBay purchased the company, it was an answer to a specific problem that at the time no bank could solve. eBay was looking for a secure and convenient online payments solution to meet the needs of its customers. The irony was that PayPal took only a single year to build and today their transactions platform utilises the same systems the banks had spent billions of dollars developing.

The banking industry, while trying to compete with Fintech in chosen areas, has also had to manage events that have resulted in a scarcity of precious change management resources. Legacy IT architecture has required significant attention. Implementing an unprecedented wave of regulatory reforms and managing returns in a persistently low interest rate environment has additionally diluted resources.

Asset and wealth managers are not immune to the new kids on the block. Basic asset allocation and investment advisory services are becoming increasingly commoditised, driven primarily by new competition such as automated (robo) advisory service providers and open investment communities. In the 2015 World Wealth Report, published by Capgemini and RBC Wealth Management, 48% of High Net Worth Individuals (HNWIs) globally were noted to be already considering the use of automated services.

Automated advisory services also offer commoditisation of some investment and portfolio management functions. Increasing client demand for digital and do-it-yourself tools is driving increased prominence of automated services in wealth management. No surprises then that the next generation of HNWI's is seeing the potential value of lower fees, simple interfaces, and convenience of use.

Compete or collaborate?

Today we live in a world in which a generation of digital natives has never known life without the internet and social media. Is the financial industry attuned in delivering the services this generation expects? In reality, banks have been making significant developments but much of it has taken place in the background. Just as their own architecture has required significant attention, so too has the infrastructure they depend upon. Cash and securities settlement timeframes have been vastly improved over the past five years while front-end portals, anti-money laundering monitoring, and cyber security measures continue to require large-scale investment. Partnerships with Apple, Google and other IT giants are revolutionising the way consumers pay for their goods, while other collaborative efforts have introduced biometrics to improve security.

It is likely that financial services will continue to further adopt a Fintech approach to innovation; proactivity will become more commonplace with Agile and innovation labs ensuring resulting capabilities are delivered significantly faster to clients. It is probable that Fintech will play a role in many of the labs and become a valuable collaborator, however with each sector bringing its own unique expertise the question will be how far does either want to move into the other's space?

Fintech firms and the approach they adopt can provide the solutions that both banks and asset managers need to innovate more rapidly and help them to flourish in the long-term. It would, however, be naïve to suggest that Fintech will take over the financial industry simply given the lack of capital required to meet the regulatory obligations applied to retail and wholesale financial institutions. While many governments are embracing Fintech, as these companies move closer to handling retail money rather than just transaction and reporting activities, they are also debating the required level of oversight. With that said, by leveraging the Fintech ethos, banks and asset managers alike, can embrace this opportunity to transform by recognising what they are good at and how the Fintech mindset can make them even more valuable to their clients.

The influence of Fintech is sure to be felt for many years to come and as the next generation starts to bank and invest their money, they should be forgiven for looking confused when their grandparents explain how a bank or wealth manager used to deliver their services.

SPEAKERS

Olwyn Alexander
PwC

Olwyn Alexander is a partner in the audit practice and leads PwC Ireland's alternative asset management practice.
Olwyn spent 6 months working in PwC Dallas and 4 years working in PwC New York specialising in hedge funds, structured products and private equity. Olwyn co-chaired the AIMA Guide to Sound Practices for Hedge Fund Valuation and was a member of the expert working panel for IOSCO's principles on hedge fund valuations in 2007. She has also presented at numerous global hedge fund conferences and has published a number of articles on alternative investments, in particular on valuation. Olwyn is a member of the AIMA research committee, a Director of the Society of Investment Analysts of Ireland, the PwC representative on the Alternative Investment Management Committee with the Irish Funds Industry Association and is also a Fellow of the Institute of Chartered Accountants in Ireland. Olwyn obtained her Chartered Financial Analyst qualification in 2003.

Anne-Marie Bohan
Matheson

Anne-Marie Bohan has 20 years experience in technology related legal matters, with specific focus on the requirements of financial institutions and financial services providers in the area. As a member of Matheson's Asset Management and Investment Funds Group, as well as of its FinTech Group, Anne-Marie brings together funds industry knowledge, an understanding of applicable regulatory rules and regulatory requirements, and significant practical experience in advising on technology and privacy legal issues. Her experience includes advising on technology and business process outsourcings, including multi-jurisdictional cross border administration services outsourcings; electronic commerce, internet and mobile enabled financial services, and online sales; and data protection and cyber security issues, including cross-border data transfers, processing arrangements, breach guidance and data access requests.

Manuel Brieske
State Street Global Advisors, Development SSGA

Manuel Brieske is Managing Director and EMEA Head of Product Development within the Global Product and Marketing Group at State Street Global Advisors, based in the London office. Manuel is responsible for developing, launching, and continuously improving SSGA's product sets across all client segments and product types for all SSGA funds within EMEA. Manuel joined SSGA in 2014 from Barclays where he was Head of Product Development and Fund Range Management in their Wealth and Investment Management division. He has over 20 years of experience working in European asset management firms including Barclays (BGI), BlackRock, Investec, F&C and Merrill Lynch in a wide variety of product, business development and distribution roles. Manuel has an MSc (Econ) from the London School of Economics and an Executive MBA from the London Business School.

H.E. Afonsa José Sena Cardoso
Ambassador, Brazil

With over 47 years of experience in foreign policy, Afonso José Sena Cardoso was born in Rio de Janeiro and started his career in the Brazilian Civil Service at the Ministry of External Relations in 1967. His first overseas posting was to Budapest, where he served from 1970-1973. After graduating with a degree in Portuguese and Latin from the "Centro de Ensino Unificado de Brasília", Mr. Cardoso entered the Brazilian Diplomatic Academy and started his career as Third Secretary in 1976. Postings to Washington (1980-1983) and Montevideo (1983-1987) followed. Between 1990-1993, he was assigned to the Brazilian Mission at the United Nations, where he first served at the 5th Commission of the General Assembly and, later on, at the Security Council. He has also served in Santiago (1994-1996) and In 2008, Mr. Cardoso was appointed Ambassador to Angola and, in 2010, became the Brazilian Consul-General in Toronto, Canada. He has been the Brazilian Ambassador to the Republic of Ireland since 2014. Ambassador Cardoso is married to Solange Escosteguy Cardoso, a Brazilian visual artist. They have three children and two grandchildren.

Declan Casey
Irish Funds

Declan Casey has for the past 14 years been the Legal & Technical Director of Irish Funds, the representative body for the international investment funds industry in Ireland. Declan is responsible for both the international and domestic regulatory environment, with a particular focus in the areas of UCITS, Corporate Governance, Financial and Regulatory Reporting and Anti Money Laundering. Declan is a member of Irish Fund's Legal & Regulatory, Technical, Depositary and Tax Committee(s). In addition Declan sits on a number of government groups, in particular the Taoiseach's IFSC Funds Group, the Legislative Sub-Group and Anti Money Laundering Steering Group. Prior to joining the Irish Funds Declan spent 11 years working for an Irish banking institution where he was involved in structured finance and commercial lending.

SPEAKERS

Ian Conlon

Investment Funds, Maples + Calder

Ian is a partner in the Investment Funds Group in Maples' Dublin office. He has extensive experience in the establishment, operation and regulation of all available fund vehicles in both the UCITS and AIFMD space, with particular focus on alternative investment funds, such as managed account platforms, hedge funds, fund of funds and master-feeder structures. He also advises services providers including administrators, depositaries, AIFMs and investment managers.
Ian also has significant expertise advising in the areas of derivatives, prime brokerage and securities law. Some highlights of Ian's experience include: establishing the first Irish Collective Asset-management Vehicle authorised by the Central Bank for the Permal Group; advising various master/feeder managed account hedge fund vehicles including Goldman Sachs, Decura and Sector Asset Management; establishing and advising on various QIAIF property funds and structuring of underlying trading subsidiaries for tax efficiencies; and advising on various redomiciliations of fund vehicles by way of either legal migration or asset transfer from BVI, Cayman Islands and the Isle of Man into Ireland. Ian joined Maples and Calder in 2010 from a large Irish corporate law firm. Prior to that, he worked in the prime brokerage division of UBS AG. Ian has published numerous articles in funds industry publications and in 2014 also co-authored with Adam Donoghue the chapter on Irish fund regulation in the 2nd Edition of Hedge Funds – Jurisdictional comparisons.
Ian is a graduate of the University College Dublin.

Paul Conroy

Mediolanum International Funds Co

Paul is an IT professional with over 20 years working in various industries including Financial Services, Insurance, Telecommunications and Construction. The focal point of Paul's career has been a track record of successfully delivering IT capability through building and retaining high performance teams. Paul has achieved a significant amount during his career over the last 20 years, rising continually through the ranks of IT to become the Chief Information Officer in his latest role at Mediolanum International Funds. Paul has achieved major success on both a local and global stage across all projects, programs or initiatives he has lead during his career. Paul worked with Royal Sun Alliance and 123.ie for the previous 8 years as Head of IT and Change. Paul has also worked in HP, IBM, AOL over the last number of years. Paul has a 1st Class Honors degree from DIT Kevin Street in Ireland.

John Coolican

Accenture

John is the Programme Manager for Accenture's FinTech Innovation Lab (Dublin) accelerator, which fosters innovation by bringing together leading banks, payment companies and new tech start-ups. He facilitates the mentoring of the Irish-based start-ups and entrepreneurs through the introduction to relevant teams within the banks and selected Accenture and third-party experts across a variety of fields relevant to the challenges facing the FinTech companies. He focuses on the practical aspects of adopting innovation and the generation of tangible value in corporates. Over the last fifteen years John has worked with C-level executives of large corporates and private equity in the UK, Ireland, Europe and the USA. He works with clients to develop and implement corporate growth strategies, both organic and via M&A transactions (both buy and sell sides) with an emphasis on value generation, protection and crystalisation. Prior to Accenture John spent 5 years with KPMG Consulting in Silicon Valley developing new software offerings and services with local start-ups. More recently he focused on fundraising and valuing both private and public companies in Corporate Finance and Equity Analysis roles with Merrion Capital Group and Mazars Corporate Finance. He has a degree in Mechanical Engineering and an MBA.

Michael Curtin

Mercer

Michael is a Partner and senior investment consultant in Mercer's Investment business based in Dublin and London. He has 20 years of investment industry experience, concentrated in investment consulting, fund management and macro-economic analysis. Michael manages a number of relationships with financial institutions, private banks and family offices in Europe and contributes to the development of Mercer's wealth management initiatives globally. He also advises a small number of DB and DC pension plans on their investment arrangements. Prior to joining Mercer Michael was Head of Investments with Bank of Ireland Private Banking where he was responsible for the management of a multi-asset, multi manager fund. Prior to joining Bank of Ireland Michael spent a number of years with Russell Investments in the UK analyzing and constructing multi-manager funds. Michael holds an MA in Economics from University College Dublin and also holds the Investment Management Certificate (UK) qualification.

SPEAKERS

Charles Farquharson
Insight

Charles joined Insight in January 2005 as Head of Distribution and is a Board Director. Charles was appointed Chief Risk Officer in February 2008. Before joining Insight, Charles was with Merrill Lynch Investment Managers Limited (formerly Mercury Asset Management). During his 16 years there, finally as Head of Institutional Business ex US, Australia and Japan, he had worked in a number of senior management roles including Company Secretary, Head of Compliance and Head of Legal. Prior to Merrill Lynch, he spent five years working in the banking department at Simmons and Simmons after qualifying as a solicitor. Charles has a degree in Law from St Catharine's College, Cambridge.

Kieran Fox
Irish Funds

Kieran Fox joined the Association in August 2007 and is the Director - Business Development for Irish Funds. As well as being responsible for working with investment managers and developing our membership offering, Kieran participates in a number of our steering groups including Distribution, Marketing & Promotion and Front Office and has led engagement on specific regulatory matters. Kieran has a BSc Finance and holds a Post Graduate Certificate in Information Systems. Prior to joining us he gained significant experience both in industry and within the regulator. He was a senior regulator and risk specialist with the Central Bank of Ireland for almost two years and prior to this spent seven years in a variety of roles across the front office within the hedge fund industry in London. Kieran represents the Association on the Summit Finuas Network Steering Committee.

Sven Gentner
European Commission

Sven Gentner is head of unit for asset management in the European Commission's directorate-general for financial stability, financial services and capital markets union.
Sven joined the European Commission in 2004 and has served in various positions in its Brussels headquarters and abroad. From 2004-2006 he was responsible for the coordination of the EU-US Financial Markets Regulatory Dialogue, in 2006 he served as a member of the private office (cabinet) of Commissioner Charlie McCreevy, from 2007-2011 he was executive assistant to the director general of Directorate General Internal Market and Services with special responsibility for financial services. In 2011 he was seconded to the African Union Commission in Addis Ababa to advise the AUC on building an African internal market. From 2012 to 2013 he was head of unit for human resources and planning in DG Internal Market and Services. From 2013 to 2015, Sven was a counsellor in the Economic and Financial Affairs Section of the Delegation of the European Union to the United States. He dealt with EU-US regulatory issues and TTIP negotiations in financial services.
Sven started his professional career in the private sector where he worked for an insurance company. Sven holds master's degrees in economics from Johann Wolfgang Goethe University, Frankfurt, and the University of York, UK.

Philip Kalus
Accelerando Associates

Philip Kalus, founder & managing partner of accelerando associates, has more than 23 years of experience in the asset management industry internationally. Before setting up accelerando associates in 2004 Philip worked in European fund sales as well as in investment manager selection.

Philip has published numerous articles in the European investment media and is a recognized thought leader on European fund distribution. He has spoken at many major asset management and fund distribution conferences, Philip is an engaged member of one of the world's leading service clubs and has been repeatedly awarded for youth leadership programs. He is a native German speaker, resident with his family in Valencia, Spain and speaks fluent English, Spanish as well

Paud O'Keeffe
BNP Paribas Securities Services

Paud O'Keeffe is the Head of Innovation at BNP Paribas Securities Services. Paud leads the newly founded Innovation Lab recognizing the critical role innovation must play in driving growth at BNP Paribas amid accelerating disruptive forces and heightened customer expectations. A career Innovator, Paud and his team partner with BNP Paribas' businesses to shepherd creativity and implement breakthrough solutions for BNP Paribas clients His experience prior to BNP Paribas spans multiple industries; public sector, advertising, education and information technology. Previous roles include Head of R&D at Citi Innovation Lab, Directory of Technology, Innovation and New Ventures at Houghton Mifflin Harcourt and Technical Director at Agency.com Paud is Chairman of the Irish Funds Fintech working group and holds a degree in Applied Physics.

SPEAKERS

Pat Lardner
Irish Funds

Pat Lardner is CEO of the Irish Funds Industry Association Limited (Irish Funds) which represents close to 100 member firms with more than 2 trillion in assets under administration. Pat attended UCD gaining a Bachelor of Commerce Degree and UCD's Smurfit Graduate School of Business and graduated with a Master of Business Studies Degree in Financial Services. Pat has a wealth of experience in industry starting in 1991 with Lloyds Private Banking. In 2005 he moved to Australia with Bank of Ireland Asset Management as a Regional Director with responsibility for Asia ex Japan. In 2008 Pat was approached by Hastings Funds Management Limited to join the company as an Executive Director. Pat has also been a past Council Member of the IAPF and a Director of the IAIM. He is currently a Board Member of EFAMA.

Alan Meaney
Fund Recs

Alan Meaney is the CEO and Co-founder of Fund Recs. Fund Recs was founded in 2013 and develops reconciliation software for the global Funds Industry. Clients include Capita Asset Services and Mitsubishi UFJ Fund Services. Fund Recs is backed by Enterprise Ireland, Telefonica and private Angel investors. Alan has over 10 years' experience working in Operation roles in Fund Administration with HSBC and SEI Investments.
A graduate of DIT Hothouses New Frontiers Entrepreneur Development programme, Alan was also a member of the last batch of companies that participated in Telefonica's Wayra Accelerator in Dublin. In early 2016 Alan founded the Dublin Funds Industry Innovation meetup group. Heading into the groups fourth bi-monthly event it boasts over 300 members.

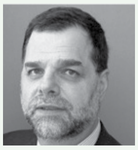
John Mullins
Amarenco

John Mullins is Chief Executive Officer of Amarenco, a fast growing company which is focused on the development, financing and ownership of solar assets in Europe. Previous to this role, John was Chief Executive of the Irish Gas Utility, Bord Gáis. He has held senior management positions with ESB, ESB International, PricewaterhouseCoopers (UK) and NTR plc. He is Chairman of the Port of Cork Company and Chairman of the Irish Ports Association. He is also Chairman of Heneghan PR in Ireland. He is a Fellow of Engineers Ireland and the Irish Academy of Engineering. He holds a Bachelor and Masters Degree in Engineering and an MBA from the Smurfit Business School in Dublin. John was recently awarded the honour of a Chevalier de la Légion d'Honneur by the French Government.

Gareth Murphy
Central Bank of Ireland

Gareth Murphy is responsible for the supervision and regulation of Irish securities markets including the funds, stockbroking and investment management industries. He is a member of the Board of Supervisors of the European Securities and Markets Authority. Prior to joining the Central Bank Gareth was a Senior advisor at the Bank of England. He previously held roles at JP Morgan Chase in London and was co-head of the European Equity Flow Derivatives desk. Prior to this, Gareth was a strategist at Long Term Capital Management and a partner at Castlegrove Capital Management in London. Gareth graduated from University College Dublin with a BA in Mathematics and Economics. He holds a Diploma in Mathematical Statistics from the University of Cambridge and an MSc in Economics and Finance from the University of Warwick.

SPEAKERS



H.E Dr. Thomas Nader

Ambassador, Austria

Dr. Thomas Nader was born in Vienna in 1959. He studied law and economics at the University of Vienna and graduated in 1981. Following this, Nader engaged in much postgraduate studies including a Master's Degree in social-economic studies. Upon completion of his studies, he worked in Austrian Embassies in Sweeden, Australia, Belgium and Norway. In August 2007, Dr. Nader was appointed the Austrian Ambassador to Egypt, Eritrea and Sudan. He finished his term there in October 2012 and assumed his role as the current Austrian Ambassador to Ireland in November of that year. Dr. Nader is married with three adult children.

Leonard Ng

Sidley Austin LLP

Leonard Ng is Co-head of the EU Financial Services Regulatory Group at Sidley Austin LLP in London. He advises a wide range of financial institutions, in particular investment managers, on the ongoing changes to the UK and EU regulatory landscape. He also works closely with Sidley's global regulatory team in advising clients on cross-border regulatory reform, in particular clients affected by overlapping US and EU regulations. Leonard spends a significant portion of his time advising clients on UK FCA complex compliance issues, the implementation of MiFID II, MAD II, SFTR, REMIT, AIFMD, EMIR, Short Selling Regulation, Basel III/CRD IV, Solvency II and the proposed regulatory framework for shadow banking. Leonard is a member of the Board of the Managed Funds Association (MFA) and is a frequent speaker at industry conferences.

Michael Noonan, TD

Minister for Finance

Minister Noonan was re-elected to Dáil Éireann (Irish Parliament) in 2016 and was re-appointed Minister for Finance on 6 May 2016. First elected to the Dáil in 1981, Minister Noonan was Leader of Fine Gael from February 2001 until May 2002. He was appointed Fine Gael Finance Spokesperson in July 2010. He was re-elected to the Dáil Éireann in May 2002 and was on the Fine Gael Front Bench from 2004 until 2007. During this time Minister Noonan was also the party's spokesperson on Northern Ireland. Minister Noonan was the Fine Gael front bench spokesperson on Finance from 1997 to 2001 and was Minister for Health between 1994 and 1997. He held two different ministerial posts between 1986 and 1987, that of Minister for Industry, Commerce and Trade and Minister for Energy respectively. During Fine Gael's previous term in government Minister Noonan was Minister for Finance 2011 -2016

Paul Price

Morgan Stanley Investment Management

Paul is the global head of Distribution for Morgan Stanley Investment Management. He joined Morgan Stanley in 2010 and has 31 years of industry experience. Prior to joining the firm, Paul was global head of the institutional business at Pioneer Global Asset Management; he was also a member of the firm's executive committee and held various directorships. Previously, he was head of MFS Investment Management's non-U.S. institutional business. Paul has also served as an associate director on the Fixed Income team at Lombard Odier and held various roles, both as a senior dealer in the treasury division and within the asset management business while at the Bank of Ireland. Paul received a bachelor of commerce degree from the University College Dublin and a master's degree in investment and treasury from Dublin City University.

H.E Philippe Roland

Ambassador, Belgium

Philippe Roland was born in Brussels. Philippe is a Law graduate. Philippe entered the Foreign Service on 1.09.1983. He was Promoted to 2nd administrative class on 1.02.2008. Philippe is the Commander of the Order of Leopold. Since August 2013, Philippe is the Ambassador of Belgium in Dublin, Ireland.

Verena Ross

European Securities and Markets Authority (ESMA)

Verena Ross is the Executive Director of the European Securities and Markets Authority (ESMA). She was appointed to the role in March 2011 and joined ESMA on 1 June 2011. She is the first Executive Director of the organisation and forms part of the senior management team along with the Chair of ESMA. The Executive Director has responsibility for the day-today running of the organisation. Prior to this, Verena held a number of senior posts in the UK's Financial Services Authority (FSA), with her final position being Director of the International Division from October 2009 to May 2011. Verena was also a member of the FSA's Executive Committee and the Executive Policy and Risk Committees. Verena joined the FSA in 1998 to run the Executive Chairman's office during the regulator's start-up phase, and was briefly a seconded advisor

SPEAKERS

to the Hong Kong Securities and Futures Commission in 2000. She subsequently held various positions in the Markets Division and was Director of the Strategy & Risk Division before becoming Director of the International Division. She began her career at the Bank of England in 1994, where she worked as an economist and then banking supervisor, following studies in Hamburg, Taipei and London (SOAS).

H.E Paul Schellekens

Ambassador, Netherlands

Paul Schellekens joined the Ministry of Foreign Affairs (Netherlands) in 1977. Early in his career he was posted at the embassies in Columbia, Tunisia and Trinidad and Tobago. From 1994 to 1998 he was the consul general in Toronto, Canada. From 1998 to 2002, Schellekens was deputy head of Mission and Head of Political Section in the Netherlands Embassy in Beijing, China, and from 2002 to 2006 he served as the Netherlands ambassador to Peru. Schellekens became director of the Queen's Office on 1 September 2006. In January 2012, it was announced that Paul Schellekens was appointed to the post of Netherlands ambassador to Ireland in Dublin and he took up this position in the summer of 2012. He is married to Maureen van Rijk.

Klaus Schuster

PineBridge Investments

Mr. Schuster is Head of Business Development in Europe and responsible for intermediary and institutional business development efforts across the continent. Additionally Mr. Schuster is a Director of PineBridge Investments Europe Limited and PineBridge East Africa Limited. He was previously responsible for European sales and product development efforts at the Financial Advisor Services company for Europe. Prior to joining the firm in 2001, he was a Senior Relationship Manager in International Private Banking at Bank Leu. Prior to that, he worked for Fidelity Investments where he was responsible for building up their Austrian business.

He also held various positions at Fidelity Investments in the European Broker business. Mr. Schuster received a BA in Economics from the University of Augsburg, Germany and a German Masters diploma (Dipl. Kfm) in Banking, Finance and Business Management from the University of Augsburg. In addition, he also received the German Bankers certification (Bankkaufmann, IHK) from the German Industry and Trade Association.

Simon Shapland

Allfunds Bank

Simon Shapland Head of the UK & Ireland - Allfunds Bank. Simon Shapland is Head of the UK & Ireland for Allfunds Bank, Europe's largest o pen architecture fund platform. Allfunds Bank Group offers integrated fund solutions (operational, analysis and information). Created in 2000 and owned in equal parts by the Santander and Intesa Sanpaolo groups, today Allfunds Bank has more than €215Bn assets under administration and offers close to 46,000 funds from 497 fund managers. Simon has more than 20 years of experience in the Securities Services Industry. Prior to Allfunds, Simon spent a decade with Royal Bank of Canada culminating in the role of Managing Director for the UK & Middle East of RBC Investor and Treasury Services where he was responsible for the company's UK Branch overseeing some 350 staff. Simon joined RBC Global Services in 2004 as Regional Head of Sales and Relationship Management for the UK, Ireland and the Middle East. After the creation of RBC Dexia Investor Services in 2006 he transferred to Luxembourg in 2008 and held the role of Head of Sales & Distribution for Continental Europe.

Simon joined RBC from BISYS Fund Services where he was Senior Vice President and Head of Sales for Europe and had previously held a number of senior positions at Mellon Global Securities Services, including that of First Vice President, Regional Sales and Marketing Manager for Europe. Simon began his career in IT Industry as an analyst programmer a British Olivetti, before moving into sales and relationship management at Wang Laboratories Inc.

Jeremy Soutter

Standard Life Investments

Jeremy joined Standard Life Investments in 2014 as Global Head of Product Development and Management. Immediately prior to this, he had been Global Head of Product at Ignis Asset Management for a period of two years and held the same role at Aviva Investors from 1999 to 2012. Jeremy has been involved in the mutual fund industry since 1980 first working for Lloyds Bank then Gartmore Fund Managers. In 1985 he joined Henderson as a Portfolio Manager. During his 12 years at Henderson Jeremy moved from managing private client accounts to become Technical Director. Throughout his career Jeremy has been involved with various industry bodies and regulators, including Chair of the IMA Product and Regulation Committee and Chair of ALFI's Real Estate Group in Luxembourg. Jeremy is currently a member of the IMA International Distribution Committee.

SPEAKERS

Alan O'Sullivan
Brown Brothers Harriman

Alan O'Sullivan is a Managing Director and Head of European Business Development for Brown Brothers Harriman. Alan also serves as a Director of the BBH Fund Administration Services (Ireland) and BBH Luxembourg Fund (SICAV).

Alan has been with Brown Brothers Harriman for 20 years and has held a number of senior positions within the Relationship Excellence Division, both in Boston and Dublin. Alan is a graduate of University College Dublin and is one of the initial groups that qualified in the Certified Investment Fund Directors Programme at the Institute of Bankers in Ireland. Alan is currently a member of Council of Irish Funds and serves as Chair of the Industry body for 2016/2017.

Joseph Sullivan
Legg Mason Inc.

Joseph A. Sullivan is Chairman and Chief Executive Officer of Legg Mason Inc., a global asset management firm listed on the New York Stock Exchange, which ha $670 billion in assets under management (as of March 31, 2016). Mr. Sullivan also serves on the Board of Governors for the Investment Company Institute (ICI), and is a current Trustee and former Chair of the Securities Industry Institute. He previously served as Chair of the Fixed Income Committee of the National Association of Securities Dealers (NASD), a Board Member of the Bond Market Association and as a member of the New York Stock Exchange (NYSE) Hearing Board. Mr. Sullivan joined Legg Mason in September 2008 and, after serving as Head of Global Distribution and Chief Administrative Officer, was appointed interim Chief Executive Officer as of October 2012.

Before joining Legg Mason, he served on the Board of Directors of Stifel Financial and as Executive Vice President and Head of Fixed Income Capital Markets for Stifel Nicolaus from December 2005. Mr. Sullivan has more than 35 years of industry experience, holding prior executive roles at Legg Mason Wood Walker, Dain Bosworth and Piper Jaffray. Mr. Sullivan holds a Bachelor of Arts degree in Economics from St. John's University and is a graduate of the Securities Industry Institute at the Wharton School of Business at the University of Pennsylvania. Mr. Sullivan is active in public service and committed to improving education by serving or having served as a member of the Board of Trustees for Johns Hopkins Medicine, Johns Hopkins Carey Business School Financial Services Advisory Board, Catholic Charities, St. Ignatius Loyola Academy, Chair of the Board of Trustees of Loyola Blakefield School, and President of the Baltimore Youth Hockey Association.

Gemma Steel
Source

Gemma is a senior lawyer in the Source legal team, and assists on all legal and compliance matters relating to product launch, maintenance and distribution. Before joining Source Gemma worked at Morgan Stanley Private Wealth Management, where she dealt with legal queries relating to asset management, distribution, product development and launch, lending and new regulation. Previously Gemma worked as an investment funds lawyer at Hogan Lovells, and also spent time on secondment at BGI/BlackRock. Gemma has an MA from Cambridge University in Law and Art History, and is qualified and admitted to practice as a solicitor in England and Wales.

JonathanWillis
Calastone Limited

With over 25 years experience within financial services, Jon joined Calastone in September 2014 as Chief Commercial Officer with focus on client relationship management, product development and sales. Jon joins Calastone from his previous role as BNY Mellon's Head of Transfer Agency for EMEA and APAC. Prior to joining BNY Mellon in 2010, Jon was Chief Administration Officer at IFDS, State Street's Transfer Agency organisation, a position he held for 13 years. Jonathan's initial training was as an accountant before moving into the collective industry over 20 years ago. Five years were spent with AEGON before moving to Matheson's (part of the Jardine Group) to set up their unit trust operation. Jon previously chaired the TA Forum, the UK industry body for Transfer Agents and Platforms, and sits on the Board of TEX the industry re-registration group.

Michael J Wilson
Ex State Street

Michael J. Wilson Mike is a Board Director and Advisor, based in London, having worked in financial services, globally, for the past 32 years. Mike spent over 20 years with State Street Corporation; originally based in Boston, spending the past 17 years based in London and Tokyo, before retiring in early 2016. Most recently, as Executive Vice President, he was responsible for working across State Street's global services, global markets and asset

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management groups globally to create partnerships and C-suite relationships. He has also spent many years creating partnerships with bulge-bracket private equity firms, as well as sourcing/ evaluating M & A opportunities. Prior to these roles, Mike was President and Chief Executive Officer of State Street Japan, a founding member of State Street's Asia-Pacific Executive Board, and President of SSGA's Ventures Group, based in Tokyo. From 2000-2003, he was based in London, where he led State Street's sales and marketing teams across EMEA. He joined State Street Corporation in 1996 in Boston as Head of Offshore Funds. Mike has specialised in multiple aspects of the investment management and investment services businesses in most global markets. He has advised on the creation and support of offshore and domestic funds, in both established and emerging markets, and has extensive experience in the sales and marketing of funds and institutional pension products globally. Prior to joining State Street, Mike was a Managing Consultant for ATKearney's investment management practice. He was also Vice President of International Development and on the Board of offshore funds for Putnam Investments; also serving as VP and Counsel.

Mike holds a Bachelor of Arts degree from Boston College, an MBA from The Amos Tuck School of Business Administration at Dartmouth College, and JD degree from Boston College Law School. He has taught at the graduate level and lectured extensively at universities in the UK and US. Mike has served on multiple Boards and committees, globally. He has been a Board member of many offshore funds, serves as a Senior Advisor to Hengtian Services, has been a member of the International Committees of the ICI and NICSA (US), and a member of the Ireland (IFSC/Taoiseach) Savings and Investment Group. He has also served on the Board of Overseers and the Business Advisory Council of Boston College Law School, and serves as an advisor to multiple finitech firms.

Fearghal Woods

Northern Trust Ireland

Fearghal Woods has over 20 years experience in the investment funds industry in both Dublin and Luxembourg. He is currently a Director of Northern Trust Ireland where he has responsibility for EMEA Product Development. Prior to joining Northern Trust in 2011, Fearghal worked with Bank of Ireland Securities Services as Director of Business and Product Development. Fearghal also worked with State Street International (Ireland) Limited as Director of Client Services and Operations.Fearghal is an active member of the Irish funds industry and is currently an elected member of the Council of the Irish Funds Industry Association where he served as chairman for the year 2012.

David Wright

Flint-Group

After graduating from Worcester College, Oxford in 1974 in politics, economics and philosophy (PPE) David has worked for nearly 34 years in the European Commission from 1977- 2011. He held a variety of posts including at the beginning of his career responsibility for oil and gas data in the Statistical Office, Luxembourg (1977-1981) during the second oil crisis; energy policy coordination and modelling in the Directorate General for Energy, Brussels (1982-1987); and then industrial trade policy negotiations during the Uruguay multilateral trade round (1987-1989). From 1989-1992 he was a member of President Delors' "Think Tank" called the "Cellule de Prospectives" where he worked on industrial policy and wrote the first Commission document on sustainable development. In this period he co-authored a book with Professor Alexis Jacquemin on the post-1992 EU political and economic agenda called "Shaping factors, shaping actors". From 1993-1994 he was a member of Sir Leon Brittans' Cabinet and worked on various aspects of trade and industrial policy, including completion of the Uruguay Round in 1994. In 1995 he became an Adviser to President Jacques Santer in his Cabinet – covering competitiveness, industrial and telecom policies, political relations with the UK and Ireland, financial services, risk capital and various other trade and foreign policy briefs.
From March 2000 – October 2010 he was first Director, then Deputy Director-General for securities and financial markets, then for all financial services policy in DG Internal Market and Services. He helped design and drive forward the Financial Services Action Plans to integrate the EU's capital and financial services markets.

He was the rapporteur for both the Lamfalussy (2000/1) and De LaRosière Committees (2008/9), chaired the Securities and Banking Committees and represented the Commission in the Financial Services Committee and in various FSB/G20 fora. He also played a leading role in the EU-US financial markets dialogue in this period. He was the EU Visiting Fellow at St Antony's College, Oxford until July 2011 and was a Member of the European Commission's Task force on Greece until the end of January 2012. David Wright's appointment as Secretary General of the International Organization of Securities Commissions (IOSCO) commenced on 15 March 2012.David Wright left IOSCO in March 2016. He is a now a partner in the strategic business advisory firm Flint-Global, London and Chairman of EUROFI, Paris.

WHY IRELAND THE FACTS

SOURCE: Central Bank of Ireland, Monterey Insight Ireland Survey 2015 and Irish Funds (Net assets and number of funds valid as of Dec 2015)

841 Fund Promoters

(463 promoters of Irish Domiciled Funds)

Irish Investment Funds Industry

€3.8

TRILLION TOTAL AUA

€1.9

TRILLION DOMICILED AUA

13,878 TOTAL FUNDS

6,201 IRISH DOMICILED

7,677 NONDOMICILED

DISTRIBUTION TO OVER

70 COUNTRIES

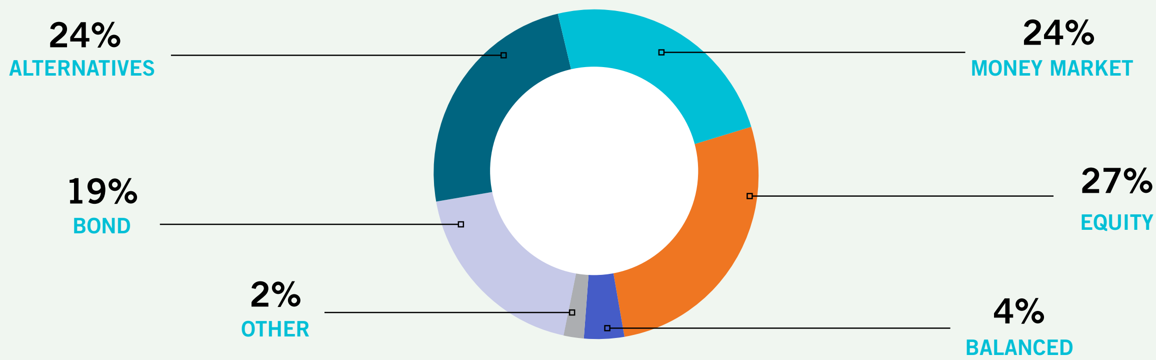
LAWYERS
ACCOUNTANTS
LISTING BROKERS

45
ADMINISTRATION COMPANIES

18
TRUSTEE / CUSTODIAN BANKS

SOURCE: Central Bank of Ireland, Dec, 2015

Irish Domiciled Funds
Breakdown by type



INVESTMENT FUND GOVERNANCE
DEVELOPING A RISK-BASED OVERSIGHT FRAMEWORK

Sean Smith - Partner, Risk Advisory, Deloitte, Michael Hartwell, Partner, Financial Services, Deloitte and Dr Margaret Cullen, CEO of the Certified Investment Fund Director Institute

Introduction

While much of the scrutiny in the aftermath of the global financial crisis has focused on corporate board structures, practices and processes resulting in numerous corporate governance codes across the financial services industry, less has been written on investment fund governance. There is a tendency to entangle investment fund governance within the norms and rules of corporate governance. There are, however, fundamental differences that require a unique governance framework.

Investment fund governance in this context moves beyond mere regulatory compliance towards a Risk-Based Oversight Framework that which puts the protection of investors at its core. The Certified Investment Fund Director Institute (CIFDI) joined forces with Deloitte to offer the Risk Based Oversight Framework to the wider asset management community through our joint White Paper - Investment Fund Governance: Developing a Risk-Based Oversight Framework. The Risk-Based Oversight Framework for Investment Funds (hereafter "Risk-Based Oversight Framework") can be implemented by investment fund boards and/or those charged with the governance of funds.

The Risk-Based Oversight Framework is flexible in its application and can be applied to take account of specific local regulatory requirements of a fund.

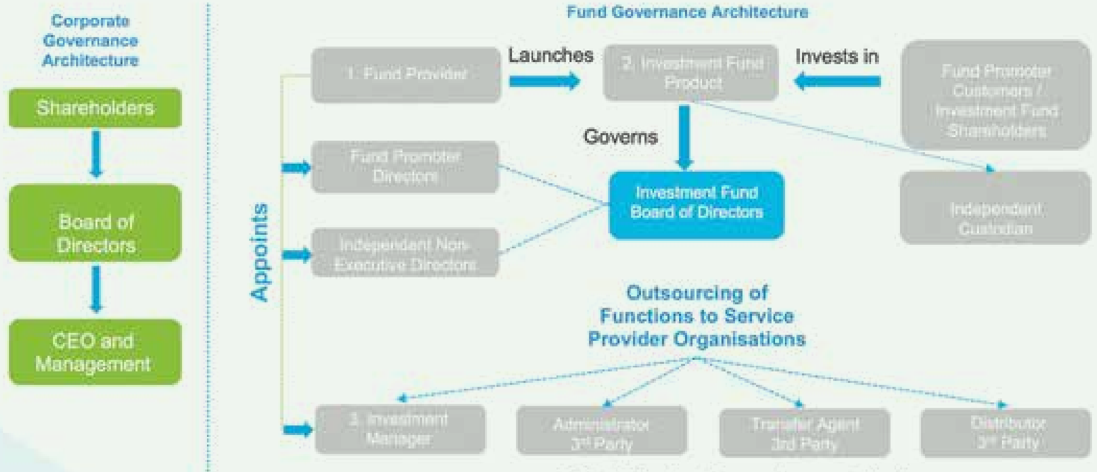
Setting the scene for a Risk-Based Oversight Framework

1.Defining the principles of investment fund governance

The ultimate goal of the governance framework is investor protection. Critically this goal does not equate to protecting investors from market-related losses. Rather, according to International Organisation of Securities Commissions, the objectives are to:

- enable investors to understand the risks attached to investment fund products;
- prevent misleading or fraudulent practices;
- prevent investor loss due to the malfeasance or negligence of fund promoter organisations; and
- minimise conflicts of interest.

Fig. 1: Comparing Corporate and Fund Governance Architecture



1, 2, 3 = Key fund promoter control roles

Source: Cullen and Brennan, 2015, Reconceptualising Investment Fund Board Effectiveness: The Critical Role of Fund Promoter Organisations, Working Paper

INVESTMENT FUND GOVERNANCE
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Sean Smith - Partner, Risk Advisory, Deloitte, Michael Hartwell, Partner, Financial Services, Deloitte and Dr Margaret Cullen, CEO of the Certified Investment Fund Director Institute

2. Unique characteristics of investment funds versus companies

Two key features that influence the design of the Risk Based Oversight Framework are the product nature of investment funds and the typical outsourcing model employed by them.

i. Investment funds are fund promoter products

The aim of an investment fund is limited to facilitating the collective investment by investors in capital markets. Investors invest in the fund promoter's investment product, i.e. the fund, rather than the fund promoter organisation.

ii. Outsourcing model

As reflected in Figure 1, investment funds typically outsource the core portfolio and related investment management activities which can present challenges for investment fund boards including:

- The board may not be formed and functioning when considering the selection of fund service providers.
- The outsource model requires the board to effectively oversee the service providers in order to place reliance on the operations and management of risks being undertaken by the fund service providers.
- the operations and manage ment of risks being undertaken by the fund service providers.
- Management of risks that are not outsourced remain under the sole control of the board.
- Increasing global standards and higher levels of expectation (of regulators and investors) in respect of the role of the fund director.

3. Understanding the governance framework of investment funds

The governance framework for investment funds is made up of

- The oversight by the investment fund board (and/or management company)
- An executive layer.

RISK-BASED OVERSIGHT FRAMEWORK FOR INVESTMENT FUND GOVERNANCE

The Risk-Based Oversight Framework captures the unique characteristics of investment funds and the respective roles, responsibilities and accountabilities of those involved in investment fund governance. It provides a practical methodology and a range of enabling tools that can be implemented by those charged with governance.

Key steps

The framework is split into two phases to allow an effective governance launch (Steps 1 to 3) and the ongoing activity (Steps 4 and 5) to ensure appropriate governance into the future.

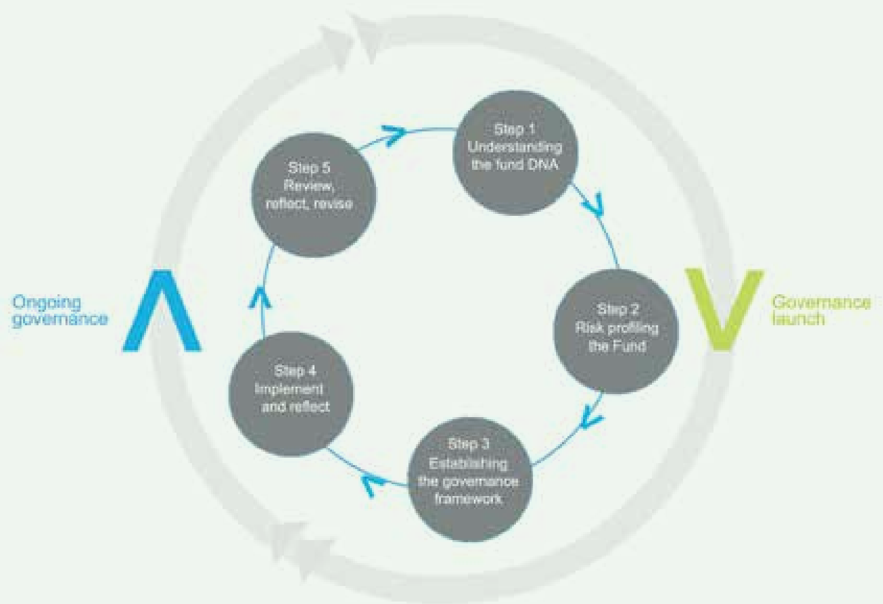

Figure 2: Risk-Based Oversight Framework for investment fund governance

INVESTMENT FUND GOVERNANCE
DEVELOPING A RISK-BASED OVERSIGHT FRAMEWORK

Sean Smith - Partner, Risk Advisory, Deloitte, Michael Hartwell, Partner, Financial Services, Deloitte and Dr Margaret Cullen, CEO of the Certified Investment Fund Director Institute

Step 1: Understanding the fund DNA
The governance framework originally adopted by the board should be aligned to the legal structure of the fund but also to how it will operate in practice. The framework should be bespoke to the unique characteristics of the fund in question as changes to the governance framework become more difficult to implement once the fund is set-up. An effective governance framework must be designed and implemented with a full understanding of how the fund operates.

Step 2: Risk profiling the fund
The input for step 2 is:
1. Risk identification
2. Risk reconciliation
3. Risk allocation
4. Determining residual risk
5. Risk assessment / Measurement

The output from Step 2 is a Risk Heat-map reflecting the following key fund information:

- Inherent risks (including materiality)
- Risk ownership and accountability (agreed between the board and each service provider)
- Controls mapped to the risks
- Residual risk
- Residual risk measurements

Step 3: Establishing a governance framework
Step 3 involves comparing the top down analysis from the board with the bottom up analysis of each service

1. There is complete alignment across all parties to the fund as to the nature ownership of and accountability for these risks and related controls and is reflected in contractual agreements.
2. That the operating policies of each of the service providers reflects the DNA of the fund, its respective risk profile, the ownership / accountability for each risk and are agreed by the investment fund board.
3. That the escalation and reporting procedures of the service providers for the particular fund ties into the aligned risk profile of the fund and related risk measurements agreed with the board.
4. That all service level agreements are accurate and up to date, reflecting the above.

Step 4: Implement and report
Once the governance framework is structured, it must be implemented by the investment fund board and the service providers. Service providers must provide management information to the investment fund board as agreed under Step 3.

Step 5: Reflect, review and revise
Changes to the fund risk profile may also drive changes to the governance framework information received by the board.

Conclusion

The objective of the Framework is to provide those who are involved in the governance of investment funds with an effective governance framework which will assist in protecting the interests of investment fund investors as well as enabling boards of directors to make risk intelligent decisions. Full details of the framework can be found at.

www2.deloitte.com/ie/en/pages/financial-services/articles/investment-fund-governance.htm

Contacts

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95% OF ASSET MANAGEMENT CEOS ARE CONFIDENT OF REVENUE GROWTH OVER THE NEXT THREE YEARS

Olwyn Alexander, Partner
Asset Management Practice - PwC Ireland

A PwC survey of asset management CEOs globally shows that just 30% expect the global economy to improve in the next 12 months, down from 39% the previous year. What's more, as they were surveyed before China's slowing economy sparked volatility in global equity markets, this high level of doubt may have risen since then.

However, PwC's report 'Redefining business success in a changing world', which surveyed 189 asset management CEOs in 39 countries, reveals that their confidence in their own business prospects remains unshaken. There's considerable optimism about growth in underlying assets. Nine out of ten (90%) asset management leaders are confident of revenue growth in 2016 and this confidence remains absolute at 95% over the next three years.

Reviewing Risk Management, Marketing and Technology to remain competitive

Almost all asset management CEOs (92%) are responding to changing stakeholder expectations by looking at how they define and manage risks. In the past, the main focus was on investment risk. Now there is a much more holistic review of all risks.

There is a revolution underway within marketing departments. A large majority of CEOs (89%) say that changes in stakeholders' expectations mean they are reviewing how they manage brand, marketing and communications. CEOs are refocusing the brand on investor outcomes while reorienting communication towards digital and social media. Digital content marketing is beginning to have concrete results for the firms pioneering this.

Well over three-quarters (85%) of those surveyed are examining how they use technology to improve the stakeholder experience. Indeed, asset managers have an opportunity to learn from e-commerce firms that have harnessed 'big data' so successfully.

85% of CEOs are responding to shifting stakeholder expectations by reviewing whom they partner with and how they manage these partnerships. They are seeking to fill product gaps as they move to the centre of finance's ecosystem. Partnerships and other alliances are important ways of doing this.

Technology and customer engagement

Nearly two-thirds (64%) of CEOs believe data and analytics are the most effective means for engaging customers, while 52% favour social media communication and engagement, another indicator that the sector is embracing digital content marketing.

Asset management in Ireland and globally is going through a period of fundamental change. This is a time of great opportunities for growth, yet asset managers need to become more innovative, leverage technology, manage a wider range of risks and use digital communication intelligently if they are to remain competitive. In ten years' time the sector is likely to be far bigger, but asset management companies will look very different from today.

CONTINUED

95% OF ASSET MANAGEMENT CEOS ARE CONFIDENT OF REVENUE GROWTH OVER THE NEXT THREE YEARS

Olwyn Alexander, Partner
Asset Management Practice - PwC Ireland

Addressing a wider range of stakeholder expectations

The survey highlights that most asset management CEOs think ‘responsibility’ will play an important part in defining their success in five years’ time. Most significantly, 86% say they will prioritise long-term over short-term profitability. Furthermore, 69% say they will report on both financial and non-financial matters, while 68% anticipate corporate responsibility being core to everything they do.

What’s already true is that environmental, social and governance are now important factors in many investment decisions in the industry. From a fiduciary perspective, it’s becoming accepted that investors need to take environmental and climate change risks into account.

China still ranks second to the US – but only just

As is often the case in uncertain times, CEOs have turned to their traditional markets for growth, with some appearing to shelve plans to expand in China. Over a third (39%) view the US as the most important market outside their country of origin in 2016.

While 24% still see China as the most important market for them, this is far lower than 31% in 2014, a level the country had held for several years. According to PwC, hopes for a surge in business from China’s newly affluent middle classes will likely be postponed by that economy’s challenges. With a potential to grow to €3.5 trillion by 2020, the Irish asset management industry has a great future. As Asset Management moves Centre Stage, often bridging the yawning funding gap that emerged post crisis, Ireland has plenty of opportunity to capitalise on this growth. However it is imperative that we remain relevant to the industry – maintaining our track record as a world class, pro-business environment and maintaining a competitively priced, highly skilled talent pool will make us especially attractive to global asset managers as margins continue to be squeezed. Current global volatility has presented challenges to the industry, but as long as policy setters globally maintain accommodative monetary policies, with quantitative easing and an enduring low interest rate environment, cash has to be put to work in the asset management industry. Ireland is well positioned to continue to grow its asset management industry and provide high value jobs if we remain competitive in terms of costs, range of products and the legislative and regulatory environment.

THE WORLD IS NOT SO FLAT

J.P. Morgan's 2016 Asset Manager Survey reveals an industry grappling with historic change

In 2005, Thomas Friedman's The World Is Flat painted the picture of a global economy where geographical distinctions would become increasingly irrelevant. As asset managers enter yet another year of change, many probably wish it were only that simple.

In early February, J.P. Morgan hosted a webinar and partnered with Dechert LLP and the financial consulting firm FUSE Research Network to survey participants for their views on the trends that will shape their business in 2016 and beyond.

J.P. Morgan has since distilled the findings into "The Top Five Distribution and Product Trends" identified by our clients for 2016.

The growth potential and considerable barriers to entry in Asia

- Although the U.S. and Europe remain the primary focus, asset managers are drawn to the potential growth in Asia. Projections through 2019 from a survey conducted by the Boston Consulting Group (BCG) call for assets under management (AUM) in Asia to grow at 10% annually, twice the rate as in the U.S.
- But the upfront costs will likely be considerable, particularly in China. Many managers are concerned that restrictions on the ability to sell non-local product in China and Hong Kong will continue to restrain access to China's $1 trillion fund market. The managers in our survey acknowledge they will likely need to establish (and win Chinese recognition for) Hong Kong-domiciled funds or cultivate a presence in China itself via joint ventures.
- Dechert's clients are looking at asset-gathering opportunities in geographic markets that may be easier to penetrate. For example, while smaller in absolute terms, the Latin America market is growing significantly. Moreover, given the right product offerings, capital can be accessed across jurisdictions (relatively) quickly through the privatized pension systems.

The convergence of asset classes, investment approaches and types of managers

- The growth in exchange traded funds (ETFs), at +22% from 2013 through 2014 versus +10% for mutual funds, and alternatives (+35% since 2012) continue to play a large role in asset managers' product development strategies.
- But the real trend is the continued emergence of more nuanced solutions that blur the lines between active and passive and alternative and conventional products.
- Each new hybrid product type can create its own complications behind the scenes. That is why some argue that the more often managers keep functions like clearing and settling, reporting and prime brokerage under one roof, the easier it may be to find ways to streamline.

The increasing mass and class of the U.S. financial advisor market

- In the U.S., the primary retail distribution channel is branching off in two directions: At one end, there is the rise of the registered investment advisor (RIA); and, at the other, the increasing importance of the home office "menu," as more mainstream brokers look to leverage efficiencies that can help them build their own businesses and compete more aggressively on price.

THE WORLD IS NOT SO FLAT

J.P. Morgan's 2016 Asset Manager Survey reveals an industry grappling with historic change

- Both trends make for more discriminating customers. For RIAs, the choice of providers increasingly comes down to more sophisticated product offerings. For the broker dealers, it is often about more sophisticated service. Automation and its potential for disintermediation are also playing a role. More advisors seem to accept they can't compete with the new wave of ETF "robo advice" portals on fees, and so are starting to incorporate these sites into their practices as a way to help service their smaller accounts.

The redrawing of the global regulatory map

- It is not just all of the new regulations that have been introduced, but the volume of additional regulations and finalized rules likely still to come that have many managers overwhelmed by the potential costs and compliance requirements of the post-crisis environment.
- Compounding the difficulties is the mosaic effect that has resulted from different jurisdictions coming at the reforms from different perspectives and timelines. Firms with the scale and flexibility to develop local product and service operations and strategically work with local distribution partners increasingly have the edge.

The regulation-Fintech amplifier effect

- Many managers today clearly see increased regulation and the possible disintermediating effects of developments like robo advice and Blockchain as twin challenges. But some also see opportunity in the convergence between regulation and Fintech.
- As impactful as developments like robo advice could be over the long term, it is important to remember they still represent a tiny portion of AUM.

This is an excerpt of an article published by J.P. Morgan in March 2016. The full piece can be found under Insights at **www.jpmorgan.com**

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IRELAND AS A LEADING DOMICILE FOR LOAN ORIGINATING FUNDS

By Michelle Ridge - Asset Management and Investment Funds Group, Matheson

Matheson recently advised on one of the first loan originating QIAIFs to be authorised by the Central Bank of Ireland, one of a small number of regulated loan funds currently operating in Europe. Recent initiatives of the European Commission may lead to the introduction of a European framework for loan originating funds and Ireland, as the first EU jurisdiction to implement a specific national framework, will be in an excellent position to take advantage of this increased appetite at European level to facilitate innovative forms of corporate financing.

In September 2014, Ireland became the first European Union ("EU") member state to introduce a specific regulatory framework for loan originating investment funds. The amendment of the Central Bank of Ireland ("Central Bank") rules applicable to qualified investor alternative investment funds ("QIAIFs") to permit such funds to engage in loan origination means that, once authorised by the Central Bank, a loan originating investment fund may be marketed throughout the EU pursuant to the Alternative Investment Fund Managers Directive ("AIFMD") marketing passport.

As part of its action plan to build a Capital Markets Union, the European Commission ("Commission") has identified the development of a coordinated approach to loan origination by investment funds as one of its key objectives in establishing the building blocks of an integrated capital market in the EU by 2019. To assist the Commission in launching its public consultation on establishing a common EU approach to loan originating funds, the European Securities and Markets Authority ("ESMA") published an opinion in April of this year providing input on the key issues upon which the Commission's consultation should focus and suggesting necessary components for a common European framework. The ESMA opinion sets out the European regulator's views on matters such as the authorisation of loan-originating funds and their managers, eligible investors, organisational requirements and leverage.

Many of the features of the framework recommended by ESMA to the Commission are common to the existing Irish regime. These include the requirement that loan originating funds be closed ended (but should allow for the possibility of redemptions under certain conditions) and that loan originating funds should be restricted as regards the persons to whom loans may be originated. Other common features include requirements relating to stress-testing, liquidity and limits on leverage.

ESMA notes in its opinion that, in most jurisdictions that have established a regime for loan originating funds, such funds are allowed to pursue other business activities distinct from loan origination as part of their investment strategy. Potential moves at a European level to allow asset mixing as an element of the common framework may encourage the Central Bank to revisit its requirement that loan originating QIAIFs only engage in loan origination and participation in loans on the secondary market, together with activities arising exclusively therefrom.

As a leading domicile for investment funds, with an established national framework for loan originating funds, Ireland stands to capitalise on the development of a European regime, which is likely to share many of the features already embedded within the Irish rules. The framework for loan originating QIAIFs provides an opportunity for European funds to engage in loan origination strategies under a clear and transparent regulatory framework. Significantly, such QIAIFs also benefit from the fast-track authorisation procedure available to all QIAIFs, which means that they are capable of being authorised within 24 hours of a single filing of documentation with the Central Bank.

The partners at Matheson would be delighted to discuss with you any aspect of the Irish loan origination funds regime and the European proposals for an EU-wide framework. Full details of Matheson's Asset Management and Investment Funds Group, together with further updates, articles and briefing notes written by members of the Asset Management and Investment Funds team, can be accessed at **www.matheson.com**

IS BLOCKCHAIN REALLY ALL IT'S BEEN HYPED UP TO BE?

Susan Dargan - Head of State Street Global Services Offshore

Many years from now, when people look back at the first two decades of the 21st century, the stories they will tell won't be about the Global Financial Crisis (GFC) or its aftermath. Instead, this period will likely be remembered for the role technology-driven innovation played in transforming and disrupting the way we live, work and interact.

Companies that fail to move quickly and decisively to explore and adopt these new technologies risk being rendered obsolete by those who do. As emerging technologies and breakthroughs in digitisation begin to spur re-assessments of business models, the value chain for financial services is ripe for disruption.

Blockchain is one of the more potent vehicles for disruption, and its appeal is obvious. It allows for the near instantaneous and decentralised distribution, verification and record-keeping of transaction information, potentially far more effectively and efficiently than current methods allow. In a nutshell: it could create a single source of truth for transactions –with far-reaching consequences.

But why has blockchain become the buzzword of 2016?

Trust.

Much trust was lost in the aftermath of the GFC. Blockchain has the power to automate the trust process. It could record every transaction ever processed through the network exchange, potentially creating an entirely different value chain and cost structure.

Without going into too much jargon – traditionally, a trade comes first, followed by post-trade processes that include matching, reconciliation, settlement, clearing and reporting. In a world of blockchain, the fact a trade has been made means these other steps have already been completed – having become part of an automated system.

Another potential benefit is protecting against money laundering; it allows you to track how money is flowing, exactly as it happens, meaning it would become incredibly easy to detect whether or not money is being moved legitimately.

Risk.

Blockchain could reduce systemic risk. When central parties or counterparties in a network are removed, the central points of risk or failure are also removed or greatly reduced. As opposed to having all messages or transactions sent to the single central point for validation or matching, a distributed system could greatly reduce systemic risk and, therefore, increase the resilience of the financial system.

Simplification.

Blockchain has the potential to notably simplify end-to-end trading workflows. This kind of technology is unlikely to replace high-frequency trading anytime soon, given the speed that already exists on exchanges. But it could greatly benefit the entire end-to-end trading process. In cases where speed of execution isn't paramount, it's the efficient workflow that could really add value. Many assets, particularly over the counter (OTC), are not trading in high frequency. In such scenarios, blockchain could be a great venue for bringing parties together.

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What's next for blockchain in financial services?

It's important to recognise the blockchain is still highly experimental and in the nascent stages of development. Full-scale adoption, the true test of the blockchain, requires addressing a number of challenges, including significant areas such as trust, regulation and governance, people and technical scalability.

For example, what will it take for institutions to adopt a dramatically different trust and security framework? How can the blockchain achieve the massive scale necessary to support institutional investment services? What will the regulatory and governance models of the future look like? And what will the implications be for the types of roles and skillsets the industry will require as advances in automation lead to a shift from repetitive tasks to higher-value activities?

Disruptive technologies, though often hard to imagine, are the most far-reaching in their impact. While they may start off slowly in the form of experimental innovation, they could ultimately change an industry's fundamental products and services through customization, collaboration, standardisation or the introduction of alternative applications. As a result, disruptive technologies – such as blockchain –tend to redraw an industry's boundaries, enabling new business models and new players to emerge

Although we're far from realising the full impact of the blockchain and other emerging technologies in financial services over the next few years, companies can't count on business as usual.

THE ICAV HAS MADE A GREAT START AND HAS A BRIGHT FUTURE

Hugh Beattie - is a partner in the Investment Management Group of McCann FitzGerald and heads up its London office

To mark the recent passing of the first anniversary of the Irish Collective Asset-management Vehicle HUGH BEATTIE takes stock of how it has been received. Within a very short time, he says, it has become the obvious starting point for anyone considering establishing an investment fund in Ireland.

The ICAV is the latest - and possibly most innovative - offering in the Irish funds industry's constant drive to deliver a world-leading product and service in investment management. Since the birth of the industry with the implementation of the UCITS regime in 1989 the Irish funds industry has consistently listened to and sought feedback from the wider global investment management community on the issue of the product offering. The ICAV is a good example of how this approach works in practice.

Before the implementation of the Irish Collective Asset-management Vehicle Act 2015 the traditional corporate structure was the 'investment company,' a public limited company established under either the UCITS Regulations for UCITS funds, or under Part XIII of the Irish Companies Act 1990 for alternative investment funds.

But even though it was highly regarded, this vehicle had its shortcomings. In particular, it is a 'per se corporation' for US tax purposes and thus not entitled to elect to be treated as a disregarded entity or a partnership, as the case may be, for US tax purposes. The ability to 'check the box' for tax is an imperative for many US investors. Furthermore, in the context of Qualifying Investor Alternative Investment Funds (QIAIFs) which did not otherwise have any investment restrictions, a QIAIF plc must aim to spread investment risk, making it unsuitable for single asset investments in real estate or private equity funds.

The legal framework around plcs is also embedded within general Irish company law, which had its bedrock in the Companies Act 1963. But this framework, amended on many occasions over the past 50 or so years, no longer reflected the realities of modern Irish corporate life, let alone the much more specialised investment funds sector. For example, the 'model corporate form under the 1963 Act was the 'ordinary' public limited company, which in 2014 represented no more than about 5% of registered companies in Ireland, with the private limited company being by far the dominant form.

Over the years the Irish funds industry managed to avoid or mitigate most of the provisions of general law found to be unhelpful in the investment fund space. But it was always necessary to keep a sharp eye out for any changes to the general law which could have potential unintended negative effects on the investment company regime. There were and still are, of course, a number of alternatives to the corporate structure, such as common contractual funds and investment limited partnerships for AIFs, both of which, unlike other legal forms of QIAIF, are tax transparent for Irish tax purposes. The most popular alternative to a corporate structure is the unit trust. But these, too, could be somewhat unwieldy or unattractive to certain investors - even though they are able to 'check the box' for US tax purposes, where required, and not subject to 'risk- spreading' diversification requirements.

Furthermore, concepts of trust law are not consistent across jurisdictions, which arguably complicated how they were perceived by some investors. In addition, OTC counterparties, banks and other lenders sometimes struggled to dovetail their collateral, lending and security arrangements with how these were constituted. Typical arrangements for secured financing transactions had to be tailored to capture the particular features of these structures. Again, there were no issues here, but when Ireland as a jurisdiction had to line up against the best of the rest of the world, every positive message helped.

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The arrival of the ICAV coincided with the emergence of number of major currents in the international and investment community - some expected, others not - but all contributing to its rise to pre- eminence among the Irish and global offerings of fund structures.

The overhaul of the Irish companies regime, with its repeal, reiteration and improvement in the Companies Act 2014, provided an opportunity to offer a new alternative product to the plc investment company structure, protected from the ever changing tides of general company law and to draw on the 'best in class' thinking which had gone into formulating the new Irish company law framework. The result was the ICAV Act.

One of the ICAV's primary advantages is that it has its own legislative regime. Unlike the traditional investment company, it is not subject to those aspects of company law which are irrelevant or inappropriate from a collective investment scheme perspective. That helps to reduce the administrative burden and costs.

The ICAV Act has also dispensed with the legal requirement for risk-spreading. Importantly, in the context of umbrella funds, audited financial statements can be produced on a sub-fund basis - something not permitted to plcs and therefore requiring them to produce financial statements at umbrella level. The ability to produce audited financial statements on a sub-fund basis is extremely helpful to managers of umbrella structures with different investment strategies and different investor bases, especially if the manager is sensitive about sharing information on all sub-funds to all investors – a managed account platform being a particular case in point.

Significantly, unlike the M&A for a plc investment company, an ICAV's instrument of incorporation may be amended without shareholder approval provided its depositary certifies that the change does not prejudice the shareholders interests. Furthermore, an ICAV is entitled to elect to be treated as a disregarded entity or partnership for US tax purposes, an option closed to an investment company. These innovations had for many years been on the 'wish list' of changes sought by both the Irish funds industry and the international investor community. They arrived just in time to catch the wave which arose with the re-emergence of Irish real estate as a mainstream commercial investment and the continued influx of international investor money into both Irish and European product.

In Ireland there had been a noticeable increase in both the number and prominence of Irish fund entities in Irish real estate investment transactions in the period leading up to this. Domestically this was evidenced in particular by the emergence of Irish real estate investment trusts (REITS) following legislation in 2013. In addition, the relatively new and increasingly active Irish 'loan sale' market began turning to investment fund structures more frequently, as the flexibilities and positive regulatory treatment they offered appealed to international investors.

The ICAV entered the market at a time when all the above factors came together. It is impressive that 174 new ICAV registrations were made between March 2015 and end-April 2016. In addition to quantity, in quality terms the market's 'brand-names' have also taken up the product as their own. 15 of above registrations were re-registrations from existing investment companies under the old regime, further reinforcing the message that the ICAV is the 'go-to' investment vehicle.

As noted above, the ICAV addresses the deficit in the previous corporate offering by facilitating investment in single assets. This caters in particular to the resurgence in real estate investment, mostly coming from international private equity and other similar specialist value investors - a sizable portion of which are based out of the US.

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Unlike a Section 110 debt vehicle, which cannot hold real estate or most other physical assets directly, an ICAV can be used to acquire real estate and other physical assets and in recent times has arguably become the preferred vehicle for financing and acquisitions by international investors.

Loan sale transactions have also come to dominate the Irish domestic market, again largely drawing international interest. Many of these are so large they require 'club' funding, with the ICAV being ready- made to meet the diverse range of needs and expectations of the various investor constituents within them. Private equity wants a robust, flexible and effective investment vehicle while banks and other financiers want certainty of security within a recognisable, regulated framework. In a short space of time, therefore, the ICAV has emerged as the vehicle of choice for any manager wishing to establish a new fund in Ireland.

Furthermore, many existing managers are considering the possibility of converting their existing fund structures to an ICAV structure, and this extends not only to existing Irish plc investment companies but also to non-Irish corporate funds which can be redomiciled to Ireland as an ICAV.

AIMFD

The implementation of the Alternative Investment Fund Managers Directive (AIFMD) in 2013 prepared the ground for a flexible new European platform. Outside the regulated UCITS space, US and other non-EU managers had long relied on the well-trodden pathways to the European market of reverse-solicitation and private placement. With the arrival of AIFMD, however, the long-term viability of those strategies came into question.

International alternative fund managers with foresight have begun to look at turning the potential challenge posed by AIFMD into an opportunity by meeting the new Directive head-on.

With over 41% of the world’s hedge funds already being administered in Ireland, its common law framework and use of the English language, Ireland’s preeminent position in the alternative investment space makes it a natural launching point for any manager seeking to establish either a new AIF platform or bringing themselves within an Irish regulated umbrella AIF structure.

The international appetite for UCITS product continues to grow. As European investment fund regulation continues to rotate around the twin poles of UCITS and AIFMD, the ICAV is well positioned to offer both UCITS and alternative fund managers a cost-effective and market- leading structure to access European capital at a time when the old routes to market are looking less certain. The ICAV is still in its relative infancy, but its quick rise to prominence and early adoption by the investment community points to a bright future.


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