

Newsletter

November 2013

Dear All,

Below is our November report on the developments at the HFSB.

New Signatory

We are delighted to welcome a new addition to the HFSB family:

- Saba Capital Management, L.P. (USA)

HFSB Annual North American Stakeholder Event

The HFSB held its annual North American Stakeholder Forum on 25th November 2013 in New York City. The event was hosted by KPMG and included a roundtable where the HFSB Signatories, Investor Chapter members and Core Supporters presented case studies on topics ranging from AIFM-D Third Country rules, dealing with insider trading to discovering conflicts in fund documentation, corporate governance and analysing fund expenses.

The keynote speech was made by Marc Wyatt, Senior Specialized Examiner, Office of Compliance Inspections and Examinations, U.S. Securities & Exchange Commission. He highlighted that “investors play an important role in driving better standards in the industry and the HFSB created a helpful mechanism for collaboration between managers and investors”.

Carlos Ferreira of PAAMCO, who was one of the presenters, noted: “This HFSB event provided a great platform for a useful dialogue between managers and investors. It has been educational, constructive and to the point. We need more events like this”.

Upcoming Institutional Investor Roundtable in the Nordic Region

The HFSB is holding its second annual Nordic event in Helsinki on 4 December 2013. The event will be hosted by Varma Mutual Pension Insurance Company and will include a roundtable where practical case studies will be presented by the HFSB Core Supporters Towers Watson, Unigestion and PAAMCO, HFSB Signatory Matterhorn Investment Management and Varma Mutual Pension Insurance Company.

New events in 2014

- 3 February 2014: HFSB West Coast Institutional Investor Roundtable (San Francisco)
- 6 February 2014: HFSB Australian Institutional Investor Roundtable (Melbourne)

HFSB in Bermuda

On 19 November 2013, Dame Amelia Fawcett delivered a keynote speech at the Bermuda Monetary Authority's International Regulatory Forum.

The event covered banking, hedge fund and insurance issues. It also included high-level panel discussions on the continuing evolution of global regulatory initiatives in relation to hedge funds and key developments in the asset management sector.

In her keynote speech, Dame Amelia talked about global challenges in the financial sector and how financial institutions might navigate through them. She also shared her thoughts on the potential future regulatory environment and the role of standards, including the Hedge Fund Standards. She specifically stated: "Some see the dilemma as one of legislation and regulation *versus* standards. To my mind, we need both, with standards complementing, sitting alongside legislation and regulation. There are situations where standards are more likely to deliver a desired outcome. Black-line rules and complex regulations are not the only way to deliver results. If we care about better outcomes, we need to make use of all regulatory techniques available—principles, standards and rules all have merit and different applications."

Public Speaking in November

Thomas Deinet spoke at the following events:

- GAIM Ops Paris (Panellist): *How to improve fund governance and operational due diligence of boards*
- Hedge Fund World Zurich (Moderator): *Navigating the regulatory environment in Switzerland and Europe*
- JP Morgan Alternatives seminar, London (Panellist): *Success factors in a dynamic business environment, management of service providers (including improvement of standards), regulatory trends*
- Mysis Sophis Hedge Fund Forum, London (Keynote speaker): *how to improve risk management, address systemic concerns, and the role of market based finance*

APPENDIX

Saba Capital Management, L.P.

Saba Capital Management, L.P. (Saba) is a New York-based investment adviser launched by Boaz Weinstein in April 2009. Saba is a lift-out of the Deutsche Bank proprietary credit trading group, which Mr. Weinstein founded in 1998. Between 1998 and 2009, the group grew to become one of the largest investors in the credit markets and developed new strategies in capital structure arbitrage and relative value credit investing. At Saba, Mr. Weinstein leads a team of 62 professionals and the senior members of the investment team have worked together an average of 11 years. Saba currently manages approximately \$4 billion across its flagship credit long/short and credit tail hedge strategies.