

SBAI Appoints Stuart Fiertz and Richard Lightburn to the Board

21 June 2018

The Standards Board for Alternative Investments (SBAI) has appointed Stuart Fiertz, Co-Founder and President of Cheyne Capital Management, one of Europe's leading alternative investment managers, and Richard Lightburn, Chief Executive Officer of MKP Capital Management, a leading diversified alternative investment manager based in New York, to its Board.

The SBAI is the global standard-setting body for the alternative investment industry and custodian of the Alternative Investment Standards. The SBAI and the Standards are supported by approximately 200 alternative investment managers and institutional investors who collectively manage \$3.5 trillion.

Dame Amelia Fawcett, Chairman of the SBAI, said: "Stuart and Richard, as prominent leaders in alternative investment management, will bring invaluable insights to our board as the SBAI utilises its unique platform to bring together investors and managers to set industry standards and processes. We are pleased to have them join the board and look forward to their contributions as we continue to stay at the forefront of new developments in alternative investing."

Stuart Fiertz, Co-Founder and President of Cheyne Capital Management, said: "Cheyne is one of the founding members of the SBAI and has been a strong supporter since its inception in 2008, as we strongly believe that robust and constantly improving global standards at alternative investment managers are good for our investors and therefore for our industry. I look forward to working closely with fellow board members and the SBAI to support the group's activities and bring their benefits to wider audiences."

Richard Lightburn, CEO of MKP Capital Management, said: "One of the founding principles at MKP was building an enduring firm, and this has helped MKP successfully navigate and respond to a changing market and industry for over 20 years. Our longstanding support of the SBAI is part of our active dialogue with investors to ensure we fully understand and respond to their needs and concerns as our business and industry evolves. I'm pleased to join the SBAI's board and actively contribute to the SBAI's initiatives."

Stuart Fiertz is the Co-Founder, President and Director of Research of Cheyne Capital Management (UK) LLP which invests across the capital structure from the senior debt to the equity of corporates and real estate. From 1991 to June 2000, and prior to establishing Cheyne Capital with Jonathan Lourie, Stuart worked for Morgan Stanley where he was responsible for the development and

implementation of customised portfolio strategies and for credit research in the convertible bond management practice. Prior to joining Morgan Stanley, Stuart was an equity research analyst for the Value Line Investment Survey, and a high yield credit analyst in Boston at Merrill Lynch and in New York at Lehman Brothers. Stuart is a CFA® charterholder and a CAIA designee. He is also on the board of the CFA Society of the UK, a council director of the Alternative Investment Management Association (AIMA) and chairman of the AIMA Alternative Credit Council. Stuart was educated at the International School of Geneva and at Dartmouth College where he was awarded a BA degree in Political Science and Economics.

Richard Lightburn serves as Chief Executive Officer of MKP Capital Management, bringing more than 25 years' experience in financial markets to the role. He is a Principal of the firm and is a member of the Investment Committee. Prior to being named CEO, Richard led all of MKP's global rates and Agency MBS trading strategies at the firm. Before he joined MKP in 2008, he worked for three years as a Managing Director at HSBC Securities, where he managed the prime mortgage trading business. Prior to HSBC, Richard worked for 15 years at Goldman Sachs. When he left the firm in 2004, Richard was a Managing Director and Co-Head of the Mortgage Liquid Products trading group. Richard received a B.S. in Mechanical Engineering from the Massachusetts Institute of Technology (1989).

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Notes to editors:

1. The SBAI (formerly known as Hedge Fund Standards Board (HFSB)) was formed in January 2008 as the standard-setting body for the alternative investment industry, bringing together managers and investors globally to help determine how the industry should operate. It is custodian of the Alternative Investment Standards, which create a framework of transparency, integrity and good governance for the industry, facilitate investor due diligence and complement public policy. The SBAI also provides practical guidance through the SBAI Toolbox to investors and managers in areas such as fund governance, standardised transparency and risk reporting, cyber security and a standardised total expense ratio. The SBAI is supported by more than 125 alternative investment managers with approximately \$1 trillion in aggregate assets and by more than 65 institutional investors overseeing \$2 trillion in assets. The Standards and the full list of signatories and supporters are available at www.sbai.org.
2. In July 2014, the SBAI became an affiliate member of the International Organisation of Securities Commissions (“IOSCO”). In April 2017, Ashley Alder, CEO of the Securities and Futures Commission of Hong Kong and Chairman of IOSCO, said: “When the industry evolves its own robust conduct standards, particularly through an organisation like the HFSB, where funds and investors come

together, laws and regulations we enforce are less likely to be breached. There is no reason why the Standards should only apply to hedge fund managers, and we would like to encourage the HFSB to explore widening its remit." In May 2016, Gerard Fitzpatrick, Senior Executive Leader, Investment Managers and Superannuation at the Australian Securities Commission (ASIC) said: "I commend the HFSB for identifying the importance of adequate risk disclosure and its ongoing transparency initiatives, including the launch of the standardised Administrator Transparency Report last year and the Open Protocol risk reporting standard. These initiatives are not just relevant to hedge fund managers but to all alternative investment funds and beyond."

3. The Trustees of the SBAI are:

- Dame Amelia Fawcett, Chairman, Standards Board for Alternative Investments (SBAI)
- Jane Buchan, CEO, PAAMCO
- Clint Carlson, President & CIO, Carlson Capital
- Bruce Cundick, CIO, Utah Retirement Systems
- Luke Ellis, CEO, Man Group plc
- Stuart Fiertz, President, Cheyne Capital
- David George, Deputy CIO, Public Markets, Future Fund Australia
- Chris Gradel, Founder, PAG
- Kathryn Graham, Head of Strategy and Co-ordination, Universities Superannuation Scheme Ltd
- Richard Lightburn, CEO, MKP Capital Management
- George Robinson, Co-Founder, Sloane Robinson
- Simon Ruddick, Chairman & Co-Founder, Albourne Partners
- Daniel Stern, Co-Founder and Co-CEO, Reservoir Capital Group
- Betty Tay, Managing Director, Head of External Managers Department, GIC Private Limited
- Mario Therrien, Senior VP, External Portfolio Management - Public Markets, Caisse de dépôt et placement du Québec
- Dale West, Senior Managing Director, Teacher Retirement System of Texas
- Poul Winslow, Managing Director, Head of Thematic Investing and External Portfolio Management, Canada Pension Plan Investment Board

4. The Founders of the SBAI are:

- AlphaGen Capital
- Brummer and Partners
- Cheyne Capital
- CQS
- Man Group plc
- Marshall Wace
- Oz Management

- Winton

5. The Core Supporters of the SBAI are:

- Aberdeen Asset Management
- Albourne Partners
- Arrowgrass Capital Partners LLP
- Carlson Capital
- Ionic Capital Management LLC
- PAAMCO
- PAG