

## **SBAI Launches its Alternative Credit Working Group and Welcomes New Core Supporters**

1 April 2019

The Standards Board for Alternative Investments (SBAI) launched its Alternative Credit Working Group to explore current institutional investor priorities in the credit space, as well as standards and practices. The Standards Board also has welcomed Angelo Gordon, Bridgewater Associates and Magnetar Capital as new Core Supporters.

The Alternative Credit Working Group will explore a wide variety of topics in the credit space, including managing conflicts of interests, investor transparency requirements and valuation of credit investments. The launch event on 12 March in New York, brought together leading credit investors and managers and was hosted by New Holland Capital, with the support of Angelo Gordon. The Working Group is expected to complete its work by the end of 2019.

Over the past decade, many institutional investors have embraced alternative credit, which is an important asset class, providing funding to economic activity outside of bank balance sheets. Jim Grossman, Chief Investment Officer of the Pennsylvania Public School Employees' Retirement System (PSERS) and member of the working group, said: "Good standards of practice are critical from an institutional investor perspective. We encourage credit investment managers to sign up to the Alternative Investment Standards, and we look forward to contributing to the working group."

The Standards Board's new Core Supporters, Angelo Gordon, Bridgewater Associates and Magnetar Capital, expand the organisation's group of Core Supporters, which also includes Aberdeen Asset Management, Albourne Partners, Arrowgrass Capital Partners, Carlson Capital, Citadel, Ionic Capital Management, Orchard Global Asset Management, PAG and Unigestion.

Kirk Wickman, President of Angelo Gordon, said: "The Standards Board is of tremendous benefit to the alternative investment industry through bringing together investors and managers to improve how the industry operates. We are delighted to be strong supporters of this important organisation and its work."

Alec Litowitz, founder and CEO of Magnetar Capital, said: "Alternative credit has been a core part of our business for many years. We are proud to be a Core Supporter and are pleased SBAI is creating a working group to provide a forum for alternative credit investors and managers to discuss pressing trends as the strategy continues to evolve."

The Standards Board is the global standard-setting body for the alternative investment industry and custodian of the Alternative Investment Standards. It is supported by approximately 200 alternative investment managers and institutional investors who collectively manage \$3.5 trillion. The SBAI Toolbox complements the SBAI's standard-setting activities by providing additional guidance to managers, investors and fund directors on practical issues.



## 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. Through the SBAI Toolbox, the Standards Board also provides practical guidance 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](http://www.sbai.org).
2. In July 2014, the SBAI became an affiliate member of the International Organization 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 and Co-CIO Martlet Asset Management
  - Clint Carlson, President & CIO, Carlson Capital
  - Bruce Cundick, CIO, Utah Retirement Systems
  - Luke Ellis, CEO, Man Group plc
  - Stuart Fiertz, Co-Founder & President, Cheyne Capital
  - David George, Deputy Chief Investment Officer, Public Markets, Future Fund Australia
  - Chris Gradel, Founder, PAG
  - Richard Lightburn, CEO, MKP Capital
  - 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, Strategic Partnership – Developed Markets, Caisse de dépôt et placement du Québec
- Dale West, Senior Managing Director, Teacher Retirement System of Texas
- Poul Winslow, Senior Managing Director, Global Head of Capital Markets and Factor Investing, Canada Pension Plan Investment Board

4. The Founders of the SBAI are:

- 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
- Angelo Gordon
- Arrowgrass Capital Partners LLP
- Bridgewater Associates
- Carlson Capital
- Citadel
- Ionic Capital Management LLC
- Magnetar Capital
- Orchard Global Asset Management
- PAG
- Unigestion