

Press Release

Nice, September 7, 2009

EDHEC-Risk and CACEIS set up research chair on risk and regulation in the European fund management industry

EDHEC-Risk and CACEIS have announced the creation of a new research chair on ‘Risk and Regulation in the European Fund Management Industry,’ through which EDHEC researchers will develop solutions to the major risks currently faced by the asset management industry in Europe. The chair will be headed up by Noël Amenc, director of EDHEC-Risk.

According to Professor Amenc, “The financial crisis that we have been experiencing for the last two years has had some unprecedented consequences for the fund management industry. Up until now, financial crises only had negative consequences on the revenues of industry players by affecting the volume of assets managed on behalf of investors, with the latter being alone in bearing the risks of their investment. The most recent crisis has impacted not only the revenues, but also the operating expenses of third-party asset managers. Fund management firms and their service providers have had to take on some of the costs relating to the risks of the investments that they manage, conserve, price or audit. More specifically, this crisis is synonymous with a transfer of a portion of investor risk towards the providers of investment and related services.”

“The current period is a critical one for the European fund management industry because the responsibilities of the various actors in the industry have not always been clearly defined. As one of the leading asset servicing providers in the world, CACEIS is well aware of the importance of these issues for our clients and we are convinced that our partnership with EDHEC-Risk will provide solutions to measure, price and allocate the risks of all industry players. EDHEC-Risk has a proven track record of providing valuable applied research to the industry and we are delighted to continue our long-term association with their research team within the framework of this chair,” added François Marion, Chief Executive Officer of CACEIS.

“The purpose of this research chair is to analyse the major risks faced by the main actors in the European fund management industry due to their practices and the regulations; measure the importance of these risks and their impact on the actors’ solvency and business models; and propose rules and solutions that will enable the risk of the actors in the fund management industry to be limited,” concluded Noël Amenc.

EDHEC - R i s k

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About EDHEC

EDHEC Business School, founded in 1906 and among the select few institutions to have garnered international recognition through the triple crown of EQUIS, AACSB and Association of MBAs accreditations, offers management education designed to meet the needs of companies. For the last four years, as part of its strategy for international excellence, EDHEC Business School has espoused an innovative research policy that takes into account the needs of companies and the market.

The aim of EDHEC-Risk is to produce research that meets the most stringent academic standards and to facilitate corporate use of this research. In partnership with large financial institutions, the research centre brings together 46 researchers and implements six industry-sponsored programmes and ten research chairs focusing on asset allocation and risk management in the traditional and alternative investment universes.

About CACEIS

CACEIS is a banking group dedicated to institutional and corporate clients. Through offices across Europe, North America and Asia, CACEIS delivers a comprehensive set of high quality services covering:

- ❖ Depositary/Trustee-Custody
- ❖ Fund Administration and Transfer Agency
- ❖ Issuer Services

CACEIS is one of the world's leading asset servicing providers and is the premier player in the European domiciled fund market. In recent years, CACEIS has posted impressive growth figures driven by strong sales and targeted acquisitions in the North American, German and Swiss markets. Our services combine powerful IT systems, an innovative product range and expert staff to assist clients in achieving their international business development goals.

Key Figures:

- ❖ Assets under Custody: €2,120bn / Assets under Administration: €975bn (*As at June 30, 2009*)
- ❖ Standard & Poor's: AA-/A-1+ (*As at June 25, 2009*)
- ❖ 3,730 employees
- ❖ 11 countries

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