



香港信託人公會

Hong Kong Trustees' Association

HONG KONG
TRUSTEES'
ASSOCIATION
WEBINAR

Are you doing your
fiduciary duty in
minimizing costs and
mitigating risks for your
clients' assets?

Fiduciary Duty

A TRUSTEE'S FIDUCIARY DUTIES INCLUDE:

DUTY OF LOYALTY

DUTY OF CARE ON DECISIONS & INVESTMENTS

DUTY TO SEGREGATE FUNDS

DUTY TO SAFEGUARD ASSETS

DUTY TO INVEST PRUDENTLY

DUTY OF PROPER RECORDS AND ACCOUNTING

Legally, fiduciary duty is a process test

Generally when evaluating whether or not a trustee has delivered on its fiduciary duties, courts will distinguish between the decision-making process and the resulting decision.

The law is reluctant to test fiduciaries against wisdom of hindsight, or second-guess judgments that involve a balance of commercial risks, **providing that the fiduciaries can demonstrate that they applied an appropriate degree of diligence in their good-faith pursuit of beneficiaries' interests.**

Reserved Power Trusts

Does not negate responsibility for oversight...it does not mean trustee is simply an administrator rather than a trustee.

Especially in HK and Singapore where reservation of powers is restricted only to investment or asset management decisions and does not exempt the trustee from overall oversight and care.

Beneficiaries'
Interests

Safeguard, maintain
and increase the
value of assets
over time

Speakers

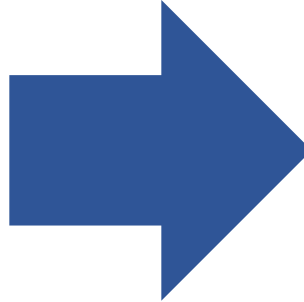
Alain Groshens: CEO & Founder, SystematicEdge

Alain founded SystematicEdge because he believes that the traditional financial services industry is at an inflection point and ready to be disrupted. He has decades of experience as an FX and interest rates trader and has managed trading teams across the globe. He started his career at Societe Generale, and then built regional and global trading teams at two other global investment banks. Alain and the team at SystematicEdge provide financial services in investment solutions & currency risk hedging using technology to maximize performance and drastically reduce costs.

Alexandre Riteau, Portfolio Manager, SystematicEdge

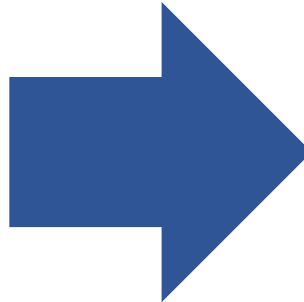
Alex is a partner in the portfolio management team at SystematicEdge. Alex started his career with BNP Paribas, where he most latterly worked as a structurer at THEAM working on systematic multi-asset and equity strategies. He has a Masters degree in Statistics from ENSAE as well as an MSc in Risk & Asset Management from EDHEC Business School.

1. Minimizing costs
2. Increasing income



Maximize Trusts' returns over time

3. Mitigating risks



Preserve Capital

1. Act in Good Faith
2. Act with Prudence and Care





- Custody fees [0.05% to >1%]
- Brokerage costs [0.005% to >1%]
- Price buy / sell spread when purchasing or selling an asset [0.005% to >1%]
- Negative interest on your clients' cash: JPY, EUR, CHF [0% to < -1.5%]
- Unnecessary withholding tax on income [0% to 30%]
- Currency conversion costs [0.001% to 0.50%]
- Unnecessary premium above the real value of asset like for ETFs or Bitcoin funds [0% to 20%]

- Cash Management: get the full money market interest on your clients' cash for
 - USD up to 1%
 - AUD up to 1%
 - RMB up to 3%

as opposed to close to 0% if you leave idle cash on bank accounts



- Foreign Currency Risk
- Liquidity
- Market Risk
- Concentration Risk
- Counterparty Risk
- Suitability Risk /
Product Understanding
- Leverage
- Lack of Transparency



SystematicEdge is a Financial Services firm that provides Investment and Currency Management Solutions

SystematicEdge is an Investment Management firm based in Hong Kong, partnering with Privium Fund Management, an Anglo-Dutch institutional Asset Manager with US\$ 2.5 billion in AUM. Privium is regulated in Hong Kong (SFC), Singapore (MAS), London (FCA), Amsterdam (AFM) and Luxembourg (CSSF).



Alain Groshens

CEO

Address

Southmark Tower A | Unit 3301 | 11 Yip
Hing St, Wong Chuk Hang | Hong Kong

Email address

alain.groshens@systematicedge.com

Phone

(+852) 6909-3335

Web-site

systematicedge.com

Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product or portfolio mandate. The value of investments and their income may fall or rise and investors may not get back the full amount invested. Movements in exchange rates can impact on both the level of income received and the capital value of investments. Investments in derivatives may involve a higher element of risk.

This document is not an offer to buy or sell nor a solicitation to do so in any jurisdiction where such an offer or solicitation is against the law, or to anyone to whom it is unlawful to make such an offer or solicitation or if the person making the offer or solicitation is not qualified to do so. The information in this document does not constitute legal, tax or investment advice. You should not rely upon the content of this document when making an investment decision.