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## ***News release***

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**Pages** 2

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### ***PwC Bermuda: Regulatory compliance an opportunity – not a burden; can provide a strategic advantage***

**Hamilton, Bermuda** – Asset managers continue to face regulatory and compliance challenges from around the world, and keeping up with the new regulations and ensuring effective implementation is daunting. But **PwC Bermuda Asset Management leader Scott Watson-Brown** says rather than being seen as a burden, implementation of the post-crisis flood of regulation can enhance a company’s operational structure and provide a strategic advantage in a competitive market.

“The current level of regulatory scrutiny is here to stay,” says Mr. Watson-Brown. “Proactive management of regulatory risk is key to operational success. An ad hoc approach to regulation is not a viable long-term solution.”

The new regulatory and compliance landscape was the focus of the RCA’s **Regulation, Operations & Compliance (ROC) Symposium 2015**, which drew more than 200 senior regulators and industry professionals to the island last week. PwC senior strategy & policy advisor Troy Paredes was among former SEC commissioners at the Symposium who discussed the unprecedented regulatory and compliance challenges faced by the asset management industry.

As well as grappling with the regulatory framework and demands of the landmark Dodd Frank Financial Reform and Consumer Protection Act (Dodd-Frank Act), industry participants face mandated compliance with an evolving governance framework covering many other aspects of operations – from provision of advice, securities trading, marketing and financial statements disclosures, and as far reaching as rules governing employees’ personal trading and political contributions.

The Symposium attendees heard that regulators are focusing on compliance areas including:

- ‘Tone at the top’
- Governance programmes and fiduciary duties
- Conflicts of interest and disclosures
- Adequacy & competency of in-house compliance functions
- Fee and expense allocations
- Cybersecurity

“The expectations of today’s alternative investment managers have never been higher,” Mr Watson-Brown says, noting that key stakeholders including investors, clients and prospective clients are



demanding greater transparency and assurance over the effectiveness of investment manager internal control frameworks and compliance functions. Recent high-profile fraud cases and compliance failures have only heightened these concerns and expectations.

PwC has the expertise to advise firms on how to navigate business risks in an increasingly demanding regulatory environment and increase confidence in the effectiveness of their compliance programmes.

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