

Jack-of-all-Reads

A newsletter for multi-hat-wearing C-suite leaders and their key constituents.

Springing into SEC Proposals, Travel, Digital Health, and Talent

Our newsletter, *Jack-of-all-Reads*, shares the latest and greatest insights in a brief read on a monthly basis. Please let us know of any comments or questions – we welcome and appreciate your continued partnership.

Industry Insights:

- Cyber Security Plans: Ensuring you are protected.** As the comment period for the SEC’s proposed cyber rule has been reopened through May 22nd of this year, managers are beginning to evaluate what steps they may take to be prepared. The stated policy requires managers to report an event to the SEC within 48 hours of its occurrence. Managers equipped with a plan and materials prior to a potential cyber response will be best positioned.
 - How to respond more quickly to cyber-attacks:**
 - Implement data backup and recovery systems
 - Assign roles within personnel teams to take action when needed
 - Perform test with tabletop exercises
 - Review policies with the board of directors
 - Have internal cybersecurity education, credentials, and certifications
- Insights from Abroad** – The Jefferies Capital Intelligence team is back on the road - across North America, Europe, Asia, and the Middle East. Managers have expanded their global footprint and we noted increased interest in travel to Hong Kong, Singapore and the UAE.
 - Outsourcing Sentiment in Asia.** Demand for outsourced solutions accelerated most from US managers during the pandemic. Now it is gaining popularity amongst a global audience as more managers are aware of the benefits of outsourcing including business continuity, fund expense pass through, and more. New launch managers may seek to outsource part of their operational function to augment the in-house COO, as well as utilize an as well as utilize outsourced trading desks in a variety of different capacities.
 - Growth in the Middle East.** Some established funds have been making a shift to open offices in the region. Some catalysts and drivers include capital raising efforts and up-and-coming infrastructure. Additionally, various service providers have been looking to grow a presence in the region with groups such as Waystone and IQ-EQ increasing involvement.
- SEC’s Regulatory Update: 2023 Proposals**
 - Over the past few months, the SEC has issued several major proposals and we anticipate more in the upcoming months. To help our clients stay apprised of latest regulatory developments, here is a list of some of the proposals issued by the SEC in 2023 so far:
 - February 15th**, comments due May 8th
 - [SEC Proposes New Custody Rule Safeguarding Advisory Client Assets](#)
 - March 15th**, comments due June 5th
 - [SEC Proposes Enhancements to Regulation S-P: Privacy of Consumer Financial Information and Safeguarding Customer Information](#)
 - [SEC Proposes Cybersecurity Risk Management Rule to the US Securities Markets](#)
 - [SEC Reopens Comment Period for Cybersecurity Risk Management Rule](#)
 - March 22nd**, comments due May 22nd
 - [SEC Proposes Updates to the Exchange Act Electronic Submission Requirements](#)

Please reach out to your Jefferies contact for more information on any of the topics above.

Spotlight on Content and Events:

GAIM Ops Cayman Conference – We are looking forward to seeing our clients and industry partners in Cayman at the GAIM Ops Conference **Sunday, April 23rd – Wednesday, April 26th**. Please reach out to your Jefferies contact person if you are planning to attend.

Value Proposition of Hedge Funds. Last year, hedge funds had their best year of outperformance in over a decade. Continued volatility and unexpected market events has investors curious how hedge funds will navigate this environment. Our latest piece takes a deep dive into hedge fund performance and found that during periods of transition and turbulence, hedge funds outperformed indices and provided risk-adjusted returns.

Please pass along to your marketing department as you see fit



Digital Health: Below the Surface. Digital health is the latest healthcare theme capturing investors’ attention. Data breakthroughs in life sciences have been around for decades (Think: CRISPR DNA editing), but our healthcare systems are going through a complete digital transformation in the wake of Covid-19. [Digital Health: Below the Surface](#) unpacks the digital health universe, the institutional investor landscape, and how this area differs from other sub-sectors in life sciences.

Client Corner:

Demand for Talent. We have observed an uptick in demand for non-investment roles, specifically controllers. On the investment side, junior analyst movement has been high. Many buy-side firms are now more open to hiring investment professionals with less than 1-year of banking experience and platforms have begun offering internship programs with defined growth trajectory for juniors. We are keeping track of talent management and are happy to have conversations around the **when, where, and how** to source personnel along with associated costs.

Interesting Service Provider Reads: Highlighting Topical Content From Industry Leaders

- Seward and Kissel** – [SEC Proposes New Cybersecurity Requirements for Certain Market Entities and Reopens Comment Period for Proposed Cybersecurity Rules for Registered Advisers and Funds](#)
- Sadis and Goldberg** – [Massive Proposed Changes SEC – Registered Investment Adviser Custody Rule](#)

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