

**The Softening of Corporate Governance Rules
– Learning a Lesson for the Regulation of Hedge Funds
from Corporate Governance Codes and Codes of Conduct for
Pension Funds**

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Draft of presentation slides

Corporate governance codes – the starting point of corporate self-regulatory regimes with disclosure mechanisms

- The short history of corporate governance codes in Europe
- Regulatory evaluation

Self-regulation – a general view on the tool

Self-regulatory aspects of corporate governance codes

Public policy”-character

Characterisation of corporate governance codes as *quasi* self-regulation

- A softening of corporate governance rules by modified means – the regulatory impact of corporate governance codes

Disclosure-mechanisms in corporate governance codes

- Disclosure in the Combined Code
- „comply or explain“
- Categorisation of disclosure with respect to disclosed contents

Purely organisational disclosure

Organisational and latently disciplining disclosure

Disclosure as an additional self-control device

Documentary disclosure with partial deterring effect

Communicative disclosure

- The classification of disclosure patterns of the Combined Code
- Disclosure patterns of the German Corporate Governance Code (DCGK)
- Scope and technique of disclosure in corporate governance codes

Softening the corporate regulatory landscape by codes of best practice for pension funds – a regulatory step further than corporate governance codes

- Codes of best practice for pension funds
- The “investment chain” as the distinctive feature shaping codes of best practice for pension funds
- The market situation of pension funds
- Myners principles
- Shareholder activism
- Disclosure patterns of the Myners principles
- Categorisation of the disclosure contents – taking disclosure to the next level: disciplining disclosure

Disclosure in the private equity industry: the Walker Report

- The Guidelines
- Categories of disclosure
- Reputation-related disclosure
- Risk-related disclosure enabling evaluation
- The scope of disclosure in the Walker Report

Regulating hedge funds – expanded self-regulation and disclosure

- History and economic significance of hedge funds
- The (non-)/regulation of hedge funds in the USA, UK, and Germany
- „Retail funds“
- Entering the “learning process” for the regulation of hedge funds
- Regulatory ratios
- The role of self-regulation
- Disclosure devices
- Sketching a risk-adjusted self-regulatory set of disclosure rules for hedge funds

Conclusion