

New securities brokerage firm offer premium investment services

As part of its strategy to emphasise the banking aspect of the company, Caledonian Global Financial Services is launching a new securities brokerage firm called Caledonian Securities Limited, offering premium investment services in the Cayman Islands that will be globally compliant from an offshore jurisdiction.

"Historically, the general impression of Caledonian has been one as a fund administrator. That is still an important line of business that we undertake, but it's not the one that we lead with anymore. We want to be known first and foremost as a bank," said Caledonian CEO Kobi Dorenbush.

Approval of Caledonian Securities is still pending from the Cayman Islands Monetary Authority, which licenses and regulates many Caledonian entities. Once approval is gained, Caledonian Global Financial Services will be able to offer services through Caledonian Securities.

Caledonian Securities will cater to sophisticated investors, including high-net-worth individuals and international businesses, who wish to invest and deploy their deposits on a regular basis while maintaining the integrity of their offshore fund structures. The service provided is a "traders' service", geared toward customers who require more than basic phone orders.

Nathaniel Orr-Depner, Managing Director of Caledonian Financial Securities Limited, has spent the last decade as a trader. Caledonian Securities offered him the opportunity to design a business that would offer everything he would have desired in his previous occupation, buying and selling across markets and jurisdictions. He said the firm will be able to accommodate practically any type of trades that customers wish to engage in, through a robust front-end Web-based platform (with the option of phone orders as well).

"We will be executing trades on behalf of our customer base. We'll start initially with equities, and then we'll take the temperature of what else is out there. If there's a demand to go into options, we'll look at our own risk structure. If it works with our comfort level we won't shy away from it," Orr-Depner said.

He added that, in addition to being flexible, Caledonian Securities is focusing on remaining compliant with international laws, while maintaining advantages due to keeping its regulatory footprint wholly in the offshore world, as opposed to the United States, United Kingdom or Europe.

"We've really spent a lot of time on global compliance and will continue to do so, We will make sure the service we offer continues to remain compliant in this ever-changing environment. For example, FATCA and Dodd-Frank will be brought to the forefront in the 2012 US elections, and we will be ready for that," Orr-Depner said.

Earlier this year, Caledonian Global Financial Services was acquired by New World Holdings Inc., a privately held investment company in Cayman. The new Caledonian Securities is indicative of the company's plan to grow Caledonian Global.

Due to its connection to New World Holdings, Caledonian Global Financial Services has a new array of corporate affiliates to bolster its activities. For example, Caledonian Securities will eventually roll out propriety



Pictured above is CEO Kobi Dorenbush and Nathaniel Orr-Depner, Managing Director of Caledonian Financial Securities Limited.

software, developed by an affiliate, that will allow clients to access different types of markets in different jurisdictions, to work with their portfolios on a real-time basis, via a clean, neat and easy online interface.

In addition to the international expertise, Dorenbush noted the talents brought internally by existing Caledonian staff members, who number more than 120 people in five countries.

"We have a lot of people who have an amazing array of skill sets and experiences, who have worked at top financial institutions all over the world, people with incredible educational backgrounds and different experiences such as running family businesses, interesting coachships or internships, and things like that," Dorenbush said. "There's an amazing talent pool here, and we're trying to capitalise on that as much as possible."

Dorenbush said Caledonian's history, being established in Cayman in 1970, is a huge competitive advantage. The company's presence in Cayman is only expected to be strengthened.

"There are a lot of companies out there who were originally based in Cayman, and they for whatever reason have decided to shift a lot of operational focus outside of the Islands. There are a number of different reasons associated with it. I don't know that we necessarily agree with those reasons," he said.

"We have always been a Cayman-based business, and we plan on maintaining that and enhancing our footprint on the Islands. We think that Cayman is a unique and very important piece in the marketplace, and we don't see that changing any time soon. While we have offices internationally, we believe those offices are there in order for us to generate more business and drive more business

to our central office in Cayman. We plan on being here for the long term, investing in the community locally and building our presence here," Dorenbush said.

While Caledonian has a steady history with Cayman, the current global marketplace is anything but stable. Dorenbush said that forces companies like Caledonian to anticipate opportunities, for example starting Caledonian Securities.

"The market has shifted. Financial institutions have to work that much harder to generate returns and keep clients happy. We have to offer more dynamic services. We cater toward a client base that is looking for that premium service," he said. "We're not a retail institution. We deal in a particular market space, and in the market segment we're dealing with, people have a high level of expectation as far as quality and timeliness of execution."

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Strength

Caledonian Global Financial Services is a global financial service provider built on a family legacy of respect, trust and integrity.

Recognised as key architects of the legal framework for the Cayman Islands financial industry, Caledonian's leadership understands innovation and has delivered the highest level of expertise and service to our clients globally for over 40 years.

We offer securities, banking, fund administration, trust and company management and captive management services.



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