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Michael Evans – 20 October 2011

SGI board 'desperate'

The battle for control of the remaining \$60 million in assets-locked Signature Capital Investments is intensifying, with the listed hedge fund's board providing limited details of a placement and advisory arrangement with Multiplex heir and billionaire Andrew Roberts.

SGI has detailed the investments in the \$9.2 million in assets transferred by Roberts in return for its 13 per cent stake in SGI, but didn't detail the performance of those funds or liquidity of assets.

SGI said a Roberts family vehicle would receive a base advisory fee of 0.5 per cent of total net assets, a figure approaching \$400,000. The fee appears to be in addition to a 0.8 per cent fee SGI already pays another group for advisory services. The Roberts group will also receive a performance fee.

Shareholder Geoff Wilson, from Wilson Asset Management, who is trying to remove the board, is unimpressed. "It's a desperate attempt by the board to keep themselves in power and proves the original deal was done in haste," he said.