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## **PRESS RELEASE**

**For Immediate  
Release**

### **HARVARD & STOCKHOLM DUO SCOOP STANDARD LIFE INVESTMENTS FINANCE PRIZE**

Standard Life Investments, the global fund manager, has awarded its prestigious Annual Finance Prize to two professors from Harvard and Stockholm for their investigation into the effect that management fiduciary duties have when there is conflict between equity and debt holders of a company in financial distress.

The award, sponsored by Standard Life Investments, forms part of the 2013 European Corporate Governance Institute's (ECGI) Working Paper Competition, the results of which were presented last night (Wednesday) at the ECGI's Annual Dinner in Dublin.

The winning paper is 'Fiduciary duties and equity-debtholder conflicts' by Bo Becker from the National Bureau of Economic Research at Harvard Business School, and Per Stromberg from Stockholm School of Economics and the University of Chicago Booth School of Business. It uses important legal events associated with a Delaware court ruling in the 1991 Credit Lyonnais v Pathe Communications bankruptcy case, to highlight how managerial fiduciary duties are affected by equity-bond holder conflicts in a way that is economically important.

After presenting the Finance Working Paper prize, Guy Jubb, Global Head of Governance and Stewardship at Standard Life Investments, said:

"Standard Life Investments is delighted to once again champion this award. The prize-winning paper highlights the dilemma that directors face in determining whether their fiduciary responsibilities are to shareholders or creditors at a time when firms are in the 'zone of insolvency'. This is an aspect of public policy that deserves more attention, and the prize-winning paper provides policy-makers with an excellent starting point.

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“A key aim of the ECGI is to foster best practice in corporate governance and thereby influence the development of European governance policy. This is entirely aligned with Standard Life Investments’ approach to governance and stewardship, where we believe that systematic engagement is integral to a successful, forward-thinking investment process.”

ECGI chairman, Jörgen Holmquist added: “The prestige associated with winning this prize is one of the main contributing factors in the series, attracting some of the best academics and the best academic papers on corporate governance published anywhere in the world.

“We could not resist the opportunity to hold the award event in Ireland whilst it holds the EU Presidency in 2013.”

Founded in 2002, the ECGI is an international scientific non-profit association. It provides a forum for debate and dialogue between academics, legislators and practitioners, focusing on major corporate governance issues and thereby promoting best practice throughout the industry.

Standard Life Investments has been sponsoring the Finance Working Paper prize every year since its inauguration in 2005.

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**Notes to Editors**

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