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Adam Benson

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Adam Benson is Managing Director and U.S. leader of the Global Transaction Tax practice based out of New York City. Mr. Benson assists his clients with buy and sell-side transactions, internal reorganizations, and legal entity integration and rationalization in a wide range of industries, including healthcare, software & technology, energy, consulting, manufacturing, and infrastructure.

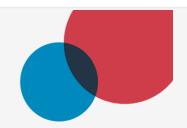
Mr. Benson has over 15 years of tax consulting experience advising on a range of domestic and international taxation issues. His professional focus has been on domestic and cross-border mergers and acquisitions, tax due diligence, cash tax modeling, complex carve-out transactions, capital structure planning, reorganizations, group structure changes, entity rationalization, global tax structuring, cash and effective tax rate optimization, and integration of existing and acquired businesses.

In addition, Mr. Benson has significant experience with tax planning for start-up and rapidly growing businesses including IP planning, global expansion and cross-border tax issues, tax accounting methods and periods, and tax optimization of global supply chains. Mr. Benson has also worked extensively with tax attribute planning in the context of M&A transactions and bankruptcy/restructuring situations.

Mr. Benson's clients have included a variety of public and private corporations, and numerous domestic and international

private equity firms. Notable clients include a highly acquisitive Fortune Global 500 organization (60+ transactions over the past 6 years), a large European based private equity firm investing into global healthcare, technology, and infrastructure assets, and a large domestic private equity fund investing into consumer goods and business services transactions.







Jason Clatworthy

Managing Director, Head of Infrastructure, Taxand UK

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Jason Clatworthy is a Managing Director with Alvarez & Marsal Taxand UK, LLP in London. He brings more than 20 years of experience in corporate and international tax advisory from holding senior positions in the profession, investment banking and industry where he has advised a significant number of infrastructure, private equity and financial services clients.

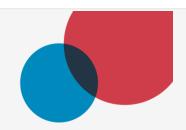
Prior to joining A&M, Mr. Clatworthy was a partner at Deloitte LLP within the M&A Tax Group, where he led the European Infrastructure Investors M&A practice after previously working for Macquarie Bank (London). He was also the Global Tax Leader of the Infrastructure sector alongside being a member of both the Firms Financial Services and Financial Investors Executive Committee.

Mr. Clatworthy has deep expertise with infrastructure/energy investors, large/mid-market private equity and financial services clients on both buy and sell side due diligence mandates, alongside international structuring support for both acquisitions, disposals, dividend recaps, MBO's and IPO's. He also advises portfolio companies with their post-acquisition strategy, structure maintenance and ongoing advisory needs, including compliance matters.

Additionally, Mr. Clatworthy has led the tax structuring on numerous European and Global infrastructure and private equity debt and equity fund launches, in both the listed and unlisted markets.

Mr. Clatworthy earned a honours degree in civil engineering from Loughborough University (UK). As a UK national, he is also a qualified Chartered Accountant (ICAEW) and Chartered Tax Adviser (CTA).







Ian Fleming

Managing Director, Head of Mid-Market, Taxand UK

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Mr. Fleming brings more than 20 years of experience in corporate and international tax advisory, with a strong focus in mergers and acquisitions and transaction tax for private equity firms. He has also served as Global Head of Transaction Tax for Taxand.

Mr. Fleming has advised large and mid-market private equity firms on their acquisitions and disposals. He has led many international due diligence projects from both sell-side and buy-side perspectives. He also advises portfolio groups on their post-acquisition strategy, helping them improve their tax profile and prepare for exit or refinancing.

Mr. Fleming brings extensive experience in structuring transactions tax efficiently to maximise returns to investors on specific cases, including multi-jurisdictional acquisition structures, US entities' investments in Europe and the implications for management. He has also advised on distressed debt acquisition structures.

Prior to joining A&M, Mr. Fleming was an associate partner with the Private Equity Tax group of KPMG, where he advised key private equity clients on their acquisitions and disposals. He also spent a year serving as Head of Tax at a FTSE company. Whilst in this role, he was responsible for improving tax processes and managing all tax aspects of their acquisitions and restructuring.

Mr. Fleming earned a bachelor's degree in accountancy and finance and is a qualified Chartered Accountant (ICAEW) and Chartered Tax Adviser (CTA). Mr. Fleming is a UK national.







Romain Tiffon

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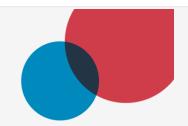
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A tax professional since 2006, Romain has experience in structuring Pan-European alternative investment funds across all asset classes, as well as coordinating tax structuring advice and implementation for a wide range of institutional investors. He has also extensive experience in structured finance, M&A transactions, and sovereign wealth funds.

Romain is a member of the Tax Committee of the American Bar Association (ABA), of the New York State Bar Association (NYSBA), of the International Bar Association (IBA), and of the Tax Group of the British Chamber of Commerce (BCC) in Luxembourg.

Romain is admitted to practice as an Attorney and Counselor-at-law in New York State (USA). He holds a Master's degree in Tax law from the Université Panthéon Sorbonne (Paris I) as well as a Master's degree in Business Law from Université Panthéon Assas (Paris II). Romain also holds an LLB degree from the London School of Economics and Political Science.







Craig Webster

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Craig Webster is the National Leader of Borden Ladner Gervais LLP's Tax Group. He is experienced in the areas of investment funds, international tax, derivatives, REITs, structured finance, mergers and acquisitions, and corporate reorganisations. He is the Partner responsible for Taxand Canada.

Craig is a member of the Canadian Tax Foundation and the Canadian Bar Association.

He is a member of the Taxation Committee of the Investment Funds Institute of Canada. He was called to the bar in Ontario, Canada in 1993.





INVESTMENT FUNDS OVERVIEW (1/2)



- Investment entities are typically organised as partnerships or other pass-through entities. Investors may include pension funds, sovereign wealth funds, endowment plans, family offices, high-net worth individuals, foundations, insurance companies, other investment funds, etc.
- Types of funds:
 - Private Equity investment funds that pool capital for investment in privately owned businesses, with the objective of long term capital appreciation (typically 5-7 year investment horizon). Exit strategy may including selling to strategic buyer, another fund, or taking the company public
 - Real Estate real estate funds focus on direct investments in real estate, REITS, real estate operating companies
 - Infrastructure focuses on investments in utilities, airports, toll roads, etc.
 - Structured Capital PE investment with both debt and equity features

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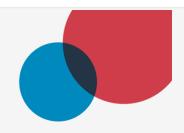
INVESTMENT FUNDS OVERVIEW (2/2)

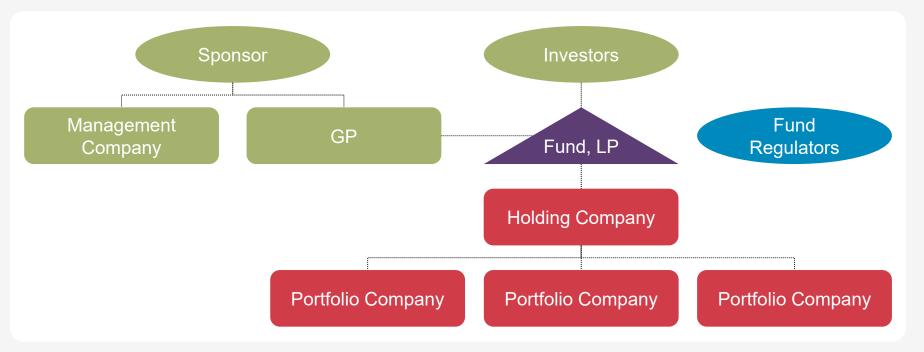


- Venture Capital private equity fund that focuses on providing equity and financing to start-ups, with a focus on providing investors with above average returns. Investments are typically in lessdeveloped companies with a big growth opportunity
- Marketable Security Funds investment funds that trade in stocks, bonds and marketable securities. Investment strategy targeted to specific asset classes (small cap, mid cap, large cap, emerging markets, etc)
- **Hedge Funds** use alternative investment strategies, hedging against downturns, investing in currencies and distressed securities, using leverage, derivatives, arbitrage
- Fund of Funds investment fund with an investment strategy designed to hold a series of underlying fund investments versus directly owning stocks, bonds or operating companies. Can be hedge fund FoF, PE FoF, Real Estate FoF.



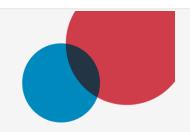
FUND OVERVIEW







2018 FUND RAISING



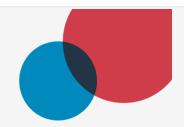
REGIONAL FOCUS OF CAPITAL RAISED IN 2018				
	Capital raised (\$billon)			
North America	135.48			
Multi- regional	99.22			
Europe	65.61			
Asia-Pacific	56.62			
Rest of the World	1.32			

Source: Private Equity International

	2018 FUNDRAISING STRATEGY BREAKDOWN			
	2018 Capital raised	2018 Funds closed		
Buyout/Corporate Private Equity	63%	28%		
Venture Capital	12%	38%		
Growth Equity	11%	17%		
Secondaries	6%	6%		
Fund of Funds	4%	7%		
Distressed/Turnaround	2%	1%		
Co-Investment	1%	3%		
Total	\$358.25 billion	508		



2018 FUND RAISING



YEAR-ON-YEAR FUNDRAISING					
	Capital raised (\$billion)	Number			
2012	259.08	741			
2013	364.11	758			
2014	386.49	809			
2015	357.00	736			
2016	391.06	802			
2017	473.21	757			
2018	358.25	508			

\$425 billion

Total amount raised between 2012 and 2018 by the 10 largest managers.



63%

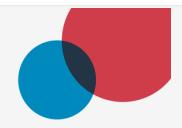
Of the total amount raised between 2012 and 2018 was raised by US-headquartered firms.

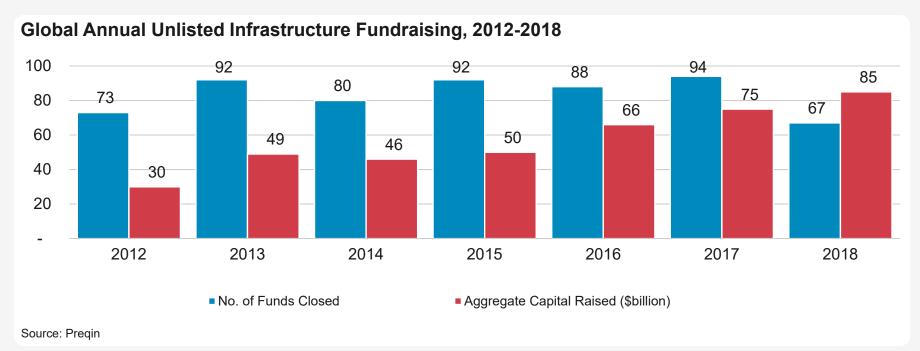


Source: Private Equity International



INFRASTRUCTURE FUNDRAISING







INFRASTRUCTURE KEY STATS



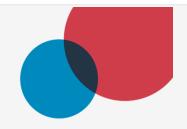
- Sixty-seven unlisted infrastructure funds closed in 2018, raising a combined \$85 billion. This is a record capital total for the asset class.
- Twenty-two North America-focused funds raised \$44 billion, while 33 Europe-focused funds secured \$35 billion.
- The year was dominated by mega funds and the average fund size rose from \$864 million in 2017 to \$1.3 billion.

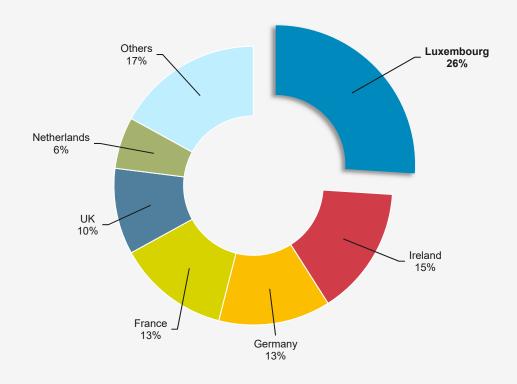
Source: Pregin

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- Dry powder has climbed to a new record of \$172 billion as at December 2018.
- Four funds raised \$5 billion or more, the largest being the \$7.4 billion KKR Global Infrastructure Investors III
- Looking ahead, 208 funds are in market targeting an aggregate \$193 billion in January 2019 – a record high
 - The largest of these are Brookfield Infrastructure Fund IV and Global Infrastructure Partners IV. Each is targeting \$20 billion, which could make them the largest infrastructure funds ever and among only six funds to ever reach \$20 billion.

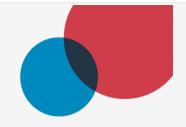
EUROPEAN FUND MARKET SHARE

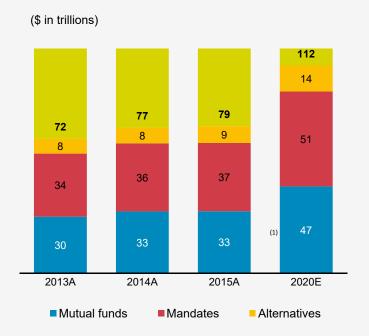


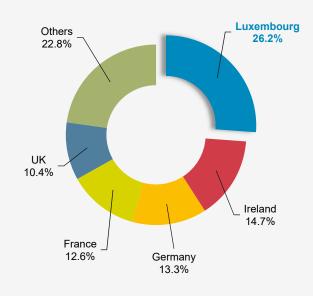




GLOBAL ASSETS UNDER MANAGEMENT

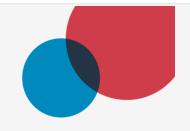




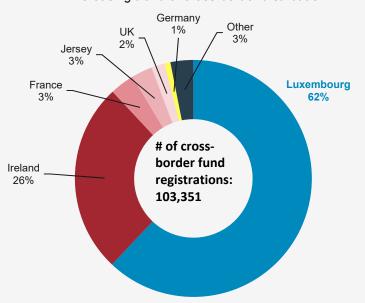




REGISTRATIONS BY DOMICILE



Increasing trend of cross-border distribution

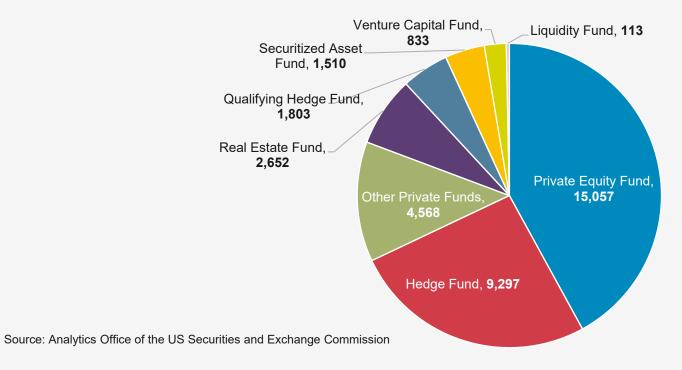


Domicile	2015-2017 growth	
Luxembourg	4.2%	
Ireland	15.6%	
France	3.7%	
Jersey	6.3%	
UK	0.8%	
Germany	2.9%	
Other	(0.3%)	
World	6.6%	
Germany Other	2.9%	

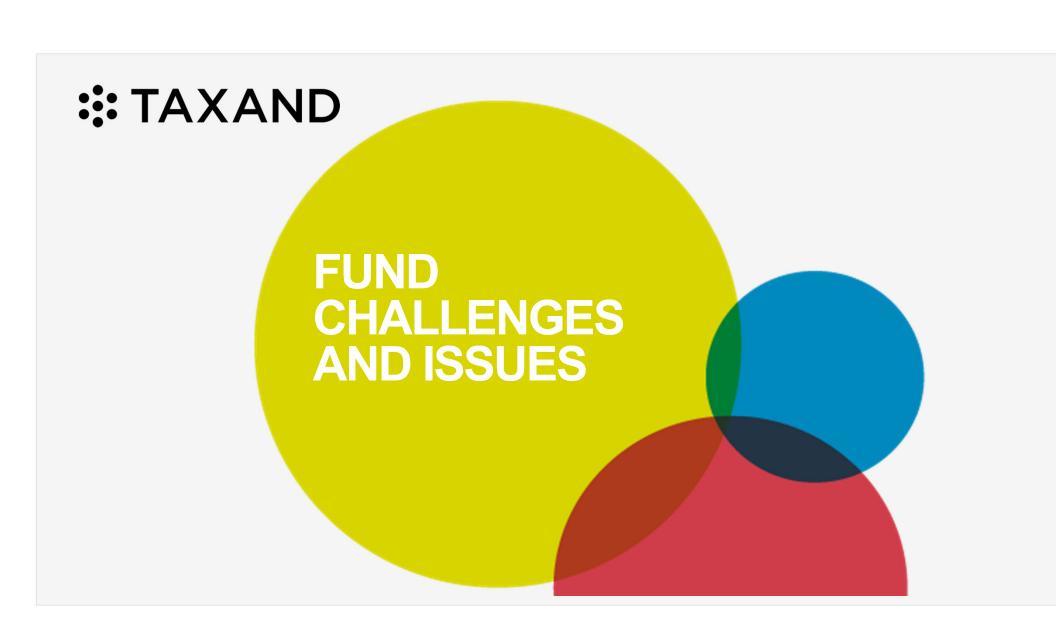


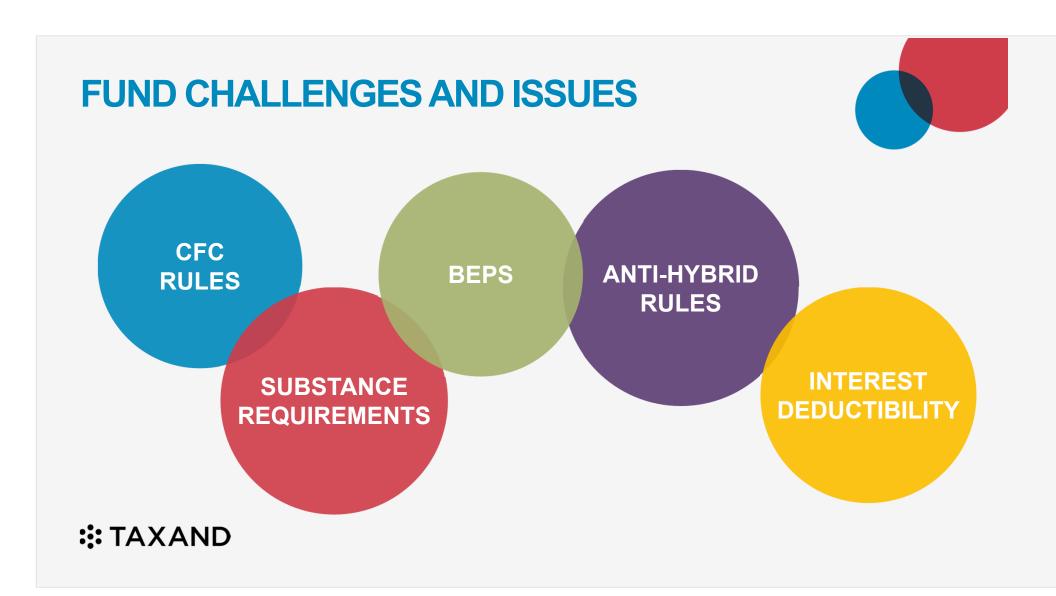
NUMBER OF FUNDS US – SEC REGISTERED

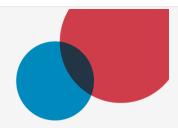








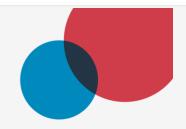


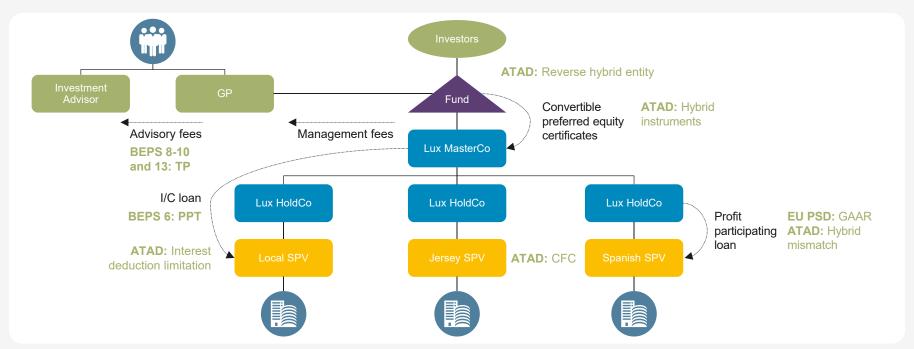


		IMPLEMENTATION OF BEPS MEASURES		
		WITHIN EUROPE	GLOBALLY	
OECD BEPS Project		ATAD/ATAD 2/DAC 6	Other instruments	Local tax law changes
Action 2 – hybrid mismatches	ightarrow	ATAD 2	Action 15 – MLI	Case-by-case
Action 3 – CFC rules		ATAD		Case-by-case
Action 4 – limitation of interest deductions		ATAD		Case-by-case
Action 6 – treaty abuse			Action 15 – MLI	
Action 7 – artificial avoidance of PE status			Action 15 – MLI	
Action 8-10 – transfer pricing			OECD TP Guidelines	
Action 12 – mandatory disclosure regime		DAC 6		
Action 13 – TP documentation) —		OECD TP Guidelines	
Other measures		GAAR (ATAD)		
		Exit taxation (ATAD)		

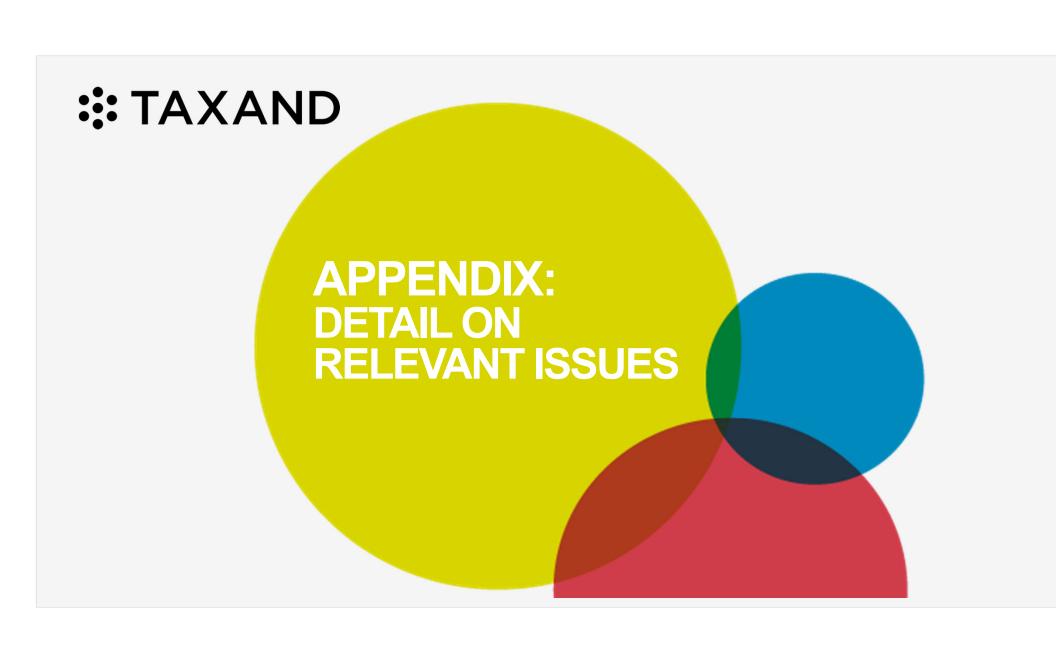


CASE STUDY (LUX)





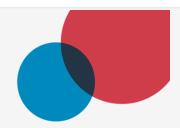






- BEPS refers to tax avoidance strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations. Under the OECD/G20 Inclusive Framework on BEPS, over 125 countries and jurisdictions are collaborating to implement the BEPS measures
- * The OECD/G20 BEPS Project began when OECD and G20 countries agreed on the need for multilateral efforts to improve tax rules, with the aim of ensuring that MNEs report profits where economic activities are carried out and value is created
 - OECD has always sought to eliminate double taxation
 - BEPS is aimed at eliminating double-non-taxation
- Model rules have been developed to ensure coherent design of domestic laws are implemented. There are 15 Actions, which include model rules aimed to eliminate hybrid mismatches, address tax deferral tactics (CFC rules), limit interest deductibility/debt push-down tactics, prevent treaty shopping, etc.





- ∴ Anti-TaxAvoidanceDirective(ATAD)
- * The EU ATAD is part of a larger anti-tax avoidance package adopted by the EU in response to BEPS action plan. ATAD lays down minimum standards for EU Member States, requiring them to change their corporate tax laws in certain areas and within specific timelines
- Five anti-abuse measures
 - ATAD 4 Interest Limitation: Limited tax deductibility of net financing expense (intercompany and third parties)
 - ATAD 5 Exit Taxation: Mandatory taxation of hidden reserves upon relocation of entities/assets
 - ATAD 6 General Anti-Avoidance Rule: Disregarding of non-genuine arrangements
 - ATAD 7/8 CFC Rules: Mandatory inclusion of certain types of non-distributed income of foreign subsidiaries/PEs in tax base of parent/head office
 - ATAD II 9/9a/9b Hybrid Mismatches: Mandatory add-back (denial of deduction or requirement for inclusion) of double deductions or deductions without inclusions due to differing qualification of payments, entities, financial instruments, etc.





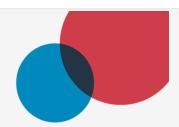
- ∴ Anti-Tax
 Avoidance
 Directive
 (ATAD) timing
 for Adoption
- Starting 1 January, the following measures have to be put into effect in the EU over the subsequent years. Earlier implementation is also possible
 - 2019: Interest limitation Rule; General Anti-Abuse Rule; CFC Rules
 - 2020: Exit taxation; Hybrid mismatch rules
 - 2022: Hybrid mismatch rules reverse hybrids
 - 2024: Latest date of implementation for interest limitation rule for member states with existing similar interest limitation rules.





- **BEPS Action 2 develops model treaty provisions and recommendations regarding the design of domestic rules to neutralise the effects of hybrid instruments and entities (eg double non-taxation, double deduction, long-term deferral)
- Types of Mismatches include:
 - **Deduction/no inclusion** where the payment is deductible under the rules of the payer jurisdiction but not included in the ordinary income of the payee
 - Double deduction where the payment triggers two deductions in respect of the same payment
 - **Indirect deduction/no inclusion** where the income from a deductible payment is offset by the payee with a deduction under a hybrid mismatch arrangement.

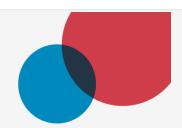




- **# CFC Rules**
- *BEPS Action 3 contains rules and recommendations designed to prevent taxpayers from shifting income into foreign subsidiaries. Existing CFC rules may not adequately address mobile income such as that for intellectual property, services and digital transactions
- ** CFC rules re-attribute the income of a low-taxed controlled company to its parent company, even though the income has not been distributed (anti-deferral regime).

- Discourages multinational groups from reducing the overall tax base of the group by financing group entities in high-tax jurisdictions through debt
- Limitation of 30% of EBITDA or EUR 3 million
- Optional exclusion of financial entities.





Substance Rules

- * Following initial work by the OECD under BEPS Action 5, an investigation by the EU Code of Conduct Group into certain low or no corporate income tax regimes resulted in such jurisdictions being required to put in place laws to address economic substance matters by the end of 2018 to avoid being placed back on an EU Blacklist
 - Many of the affected jurisdictions (ie, Bahamas, Bermuda, BVI, Cayman Islands, Guernsey, Isle of Man and Jersey) put laws in place beginning January 2019
- The new substance requirements apply only to companies that perform certain activities, described as either 'relevant activities' or operating in a 'relevant sector' (e.g., banking, insurance, fund management, holding companies, financing and leasing, etc)
- General requirement that 'core income generating activities,' must be carried out in the same jurisdiction.





:: GAAR

- ** BEPS Action 6 and ATAD Measure allows the tax authorities of an EU Member State to deny taxpayers the benefit of arrangements considered as abusive
- Principal Purpose Test: If the principal purpose was to obtaining a treaty benefit.

:: Exit Tax

- * ATAD Measure discourages taxpayers to move their tax residence and/or assets to low-tax jurisdictions
- Ensures that member states can impose tax on the value of a product before it is moved out of the EU.

