



FUND STRUCTURING INSIGHTS
September 2022

FUND STRUCTURING

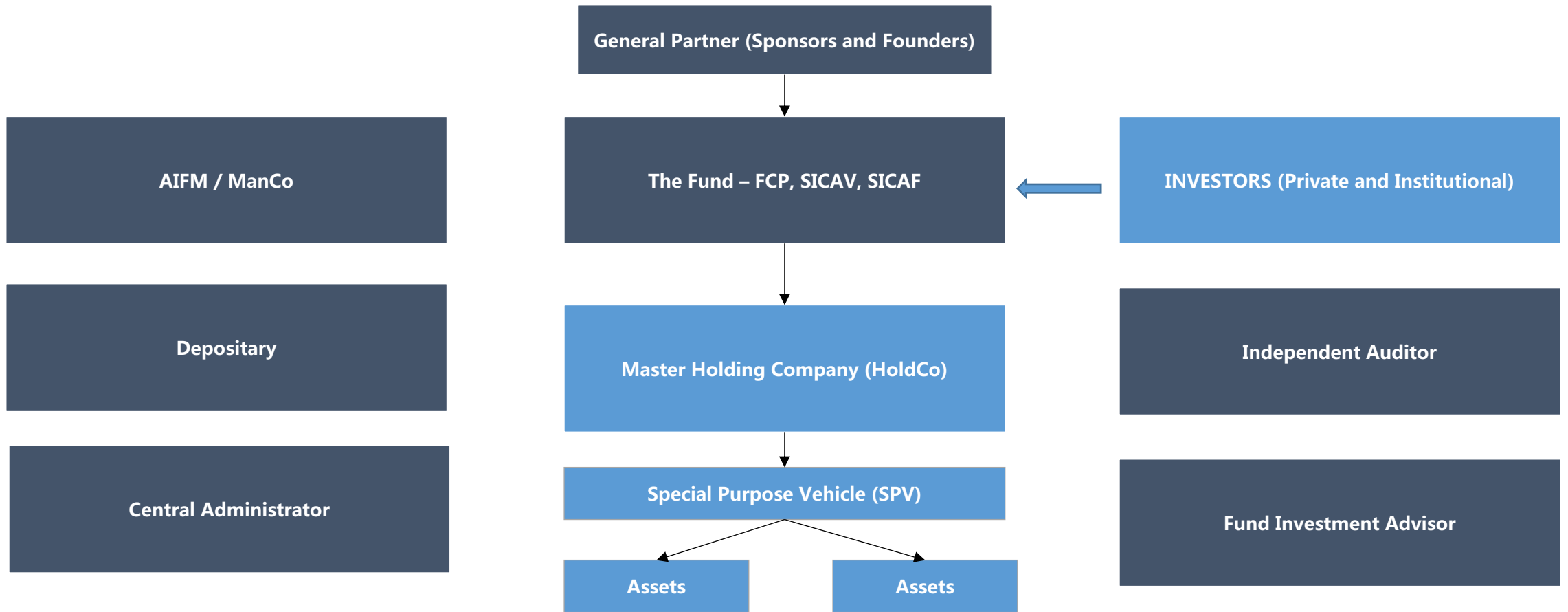
Current economic and geopolitical situation does not give us too many choices of how our assets and capital can be properly managed. The era is extremely challenging for fund managers to raise capital in an extremely competitive environment. If we add to that the complexity of the legal, regulatory and tax environment, structuring your asset become a mission impossible without a qualified external knowledge or advice. THALES CAPITAL brings the missing piece of the jigsaw.

The very first and primordial question which needs to be asked before you start the structuring of your investment vehicle is **WOULD I BE ABLE TO FEED THIS VEHICLE?** What can be truly helpful there is to understand **WHAT ARE THE MAIN OBJECTIVES OF FUND STRUCTURING.** Here they are:

- Maximize investors' return on investment
- Investment vehicles must be truly functional
- Establish a proper tax planning including all involved parties
- Comply with investors' regulatory requirements
- Optimize the capital structure for moving, repatriating funds
- Cost efficiency at all levels
- Select the right service providers
- Exit flexibilities for investors
- Having a strategy adaptable to future economic and investment shocks

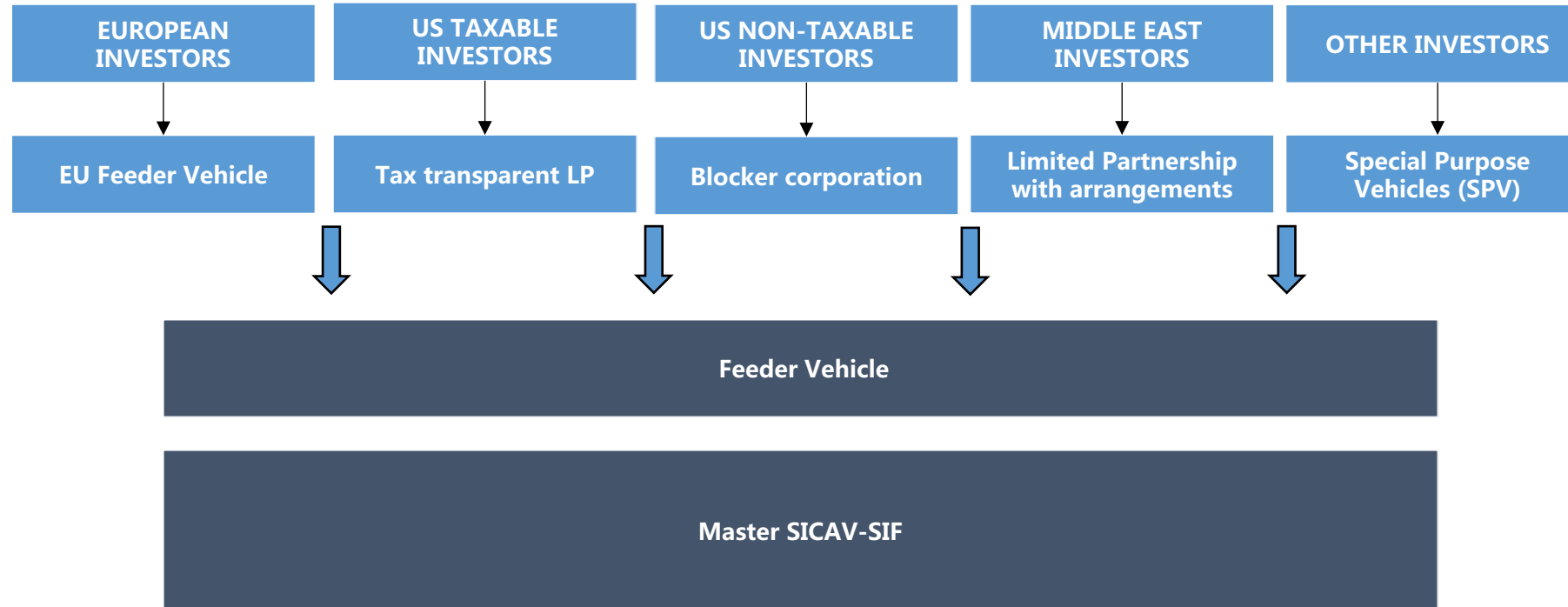
The bottom line from tax perspective must be the following: As the main fund in the big majority of the investment vehicle cases, is perceived by investors as a structure functioning majorly as a pooling vehicle, it must benefit from a tax neutrality. Which means that the taxes should only be considered at investment level, and mainly where applicable in investors' hands. What does it mean? The idea behind is that the fund must not suffer from any withholding, income or gain taxes.

HOW MAY A FUND STRUCTURE LOOK LIKE: REGULATED VEHICLE



Advantages of the structure: Low subscription tax of 0,01%; No wealth tax; Minimum required capital of EUR 1,25M; Diversified portfolio; Cost efficiency; Possibility of listing; No income tax.

HOW MAY A FUND STRUCTURE LOOK LIKE: MASTER-FEEDER WITH TAX ADVANTAGES



Advantages of the structure: Full tax efficiency; Consolidation of various portfolios into one entity; Investor comfort and regulatory supervision for private investors; Convenient investor management; Cost efficiency

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