Serving Alternative Investment Asset Managers in Luxembourg

BDO

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Why Luxembourg?

Luxembourg – second largest hub for investment funds in the world

> 3,000*
RAIFs

> 11,000*
ScSps

Luxembourg is a well-established and **reputable European hub for Alternative Investments players**. The country benefits from **a stable political, economic and fiscal environment and a predictable regulator** which is reassuring and vital for the international business community. **Therefore, top global asset managers, investing in all asset classes** (Private Equity, Real Estate, Private Debt, Infrastructure, Funds of Funds…) **already have funds domiciled in Luxembourg.**

These players are attracted by the **local ecosystem and the unique toolbox of regulated and unregulated vehicles. They are establishing themselves and their structure more and more in the Grand Duchy**. The country provides a multijurisdictional expertise, a multilingual and **multicultural workforce that are essential to operate accross Europe and beyond.**

In addition to providing dedicated services offerings to local Alternative Investments, BDO Luxembourg can provide / offer global solutions and a greater reach through its global network.

*Source: LBR, RCSL

BDO in Luxembourg – Advisers of the future

An agile and bespoke partner in a complex and fast-changing environment

- We deliver **comprehensive value enhancement** at **every stage of the investment lifecycle.**
- We provide a **single point of contact** and an integrating set of advisory services encompassing:
  - fund administration,
  - tax structuring,
  - regulatory consulting,
  - transactions services,
  - valuation expertise…
- Our **seamless approach** and focus on **high-quality service delivery** offer our clients the **peace of mind** they are looking for.
- From pre-deal strategy and transaction support to post-deal value creation and exit support, **we help fund managers achieve the greatest potential from their portfolio investments.**

BDO's specialist teams in Luxembourg have a strong focus on the Alternative Investments industry:

An extensive scope of services

A tailored approach

A Multilingual staff (EN, FR, DE, IT, LU etc)

A wide range of **ICT solutions and applications** (including our BDO Portal which is an effective platform to share documents and other work processes).

We know **how to work with our global network** (coordination / one team / 2.000 offices in over 160 countries and territories)

A **strong expertise with an international base of clients** with investments across all asset classes in Alternative Investments

How we can help you

Services Overview

Tax services

Unique cross-border industry knowledge and technical expertise empowered by the international dimension of our network

Fund Administration services

The right knowledge and experience to deliver high quality services and ensure your peace of mind

AM Regulatory Advisory services

Turning regulatory requirements into practical, workable solutions for asset managers

Deal Advisory

Supporting our clients in navigating through the complexity of a transaction

Accounting & Corporate services

A seamless service offering that is the natural extension of your local organisation

Advisory / Consulting services

Combining multidisciplinary competences to implement improvements or operational changes

Audit services

Short decision-making processes and strong cooperation with our international network

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Tax services

How we can help you

Unique cross-border industry knowledge and technical expertise empowered by the international dimension of our network

- Assistance with tax planning for funds, including advice on selecting the most appropriate investment structure for the fund and its carried interest vehicle
- Help structure efficient investments from start to finish and throughout your investment life
- Preparation of due diligence reports in order to confirm the tax attributes of a target
- Review/assessment of tax risks (e.g. ATAD I, ATAD II and ATAD III, Pillar 2 assessment, DAC 6 analysis,…)
- Assistance with setting up transfer pricing strategies for Funds, including advice with structuring the intercompany transactions and drafting the terms and conditions of agreements, in line with the arm's length principle
- Preparation of documentation files for the intercompany financing transactions and those related to the Fund management activity
- Preparation of transfer pricing risk assessments and support during audits or disputes

Fund Administration services

How we can help you

The right knowledge and experience to deliver high quality services and ensure your peace of mind

- Fund structuring including operational advice to put in place the investment structure that meets your needs
- Central Administration Services
- Net Asset Value Calculation
- Transfer Agent
- Registrar

Our multilingual dedicated accounting and transfer agent teams has a wealth of expertise in:

- all typical investment structures (regulated and non-regulated),
- and all assets classes

AM Regulatory Advisory services

How we can help you

Turning regulatory requirements into practical, workable solutions for asset managers.

- **AIFM Setup, Substance & Operating Model**: Supporting AIFM setup, authorisation, licence changes and fit-for-purpose operating models.
- **Regulatory Product Advisory**: Assessing the regulatory feasibility and implications of new alternative funds, strategies and asset classes.
- **Governance & Board / CO Effectiveness**: Strengthening governance frameworks, decision-making and Board / Conducting Officer effectiveness, including the interaction between AIFM, GP and fund governance.
- **Delegation & Outsourcing Oversight**: Designing and enhancing oversight of portfolio managers, investment advisers and other key delegates and service providers.
- **Regulatory Readiness, Response & Remediation:** Preparing AIFMs for regulatory scrutiny and supporting effective responses, remediation and implementation.
- **Regulatory Deal Support & Due Diligence:** Identifying regulatory risks and requirements in acquisitions, disposals and transactions involving regulated asset-management businesses.
- **Regulatory Updates, Interpretation & Training**: Translating regulatory developments into practical implications, guidance and targeted training.

Flexible solutions tailored to client needs – from targeted advice, health checks and gap analysis to project support, interim management and expert secondments.

Deal advisory

How we can help you

Supporting our clients to navigate through the complexity of a transaction

- Assist in performing or reviewing valuations of alternative and illiquid assets
- Help to navigate through the complexity of a transaction performing buy side due diligences, sell side due diligences, vendor due diligences, vendor assistance services, and commercial diligences
- Assistance in selling alternative and illiquid investments as well as buying alternative and illiquid investments
- Assistance in developing robust and efficient business plans by building financial business models, reviewing financial business model and performing strategy impact analyses
- Support the development of start-ups and new initiatives drafting business plans, feasibility studies and facilitate the discussions with potential investors
- Sector focus on Private Equity, Private Credit, Real Estate, Infrastructure, Renewables, ESG and Impact investments

Accounting
& Corporate services

How we can help you

A seamless service offering to be the natural extension of your organisation locally

- Fully comprehensive services ranging from assistance in the incorporation until the dissolution/liquidation of the entity and provision of the registered address (or business centre services), directorships, accounting, tax compliance, company secretarial and day to day administrative assistance
- Provide support with IFRS and consolidation from our team of experts
- Meet your reporting and filing and non filing requirements
- Provide assistance in the full liquidation process including the mandate of liquidator, corporate legal aspects, taxation, coordination with existing service providers and regulatory entities

Our multi-lingual teams will ensure optimal communication via your preferred BDO points of contact in Luxembourg and facilitate cross-border services with our other offices abroad.

Advisory / Consulting services

How we can help you

Combining multidisciplinary competences to implement improvement or operational changes

- Support in the regulatory compliance process: help design the framework, documentation (policies, procedures..), organisation, help select and implement tools, train people, prepare for CSSF/ AED OSI… (in AML, sustainable finance, FATCA/ CRS, market abuse, service providers oversight…)
- Assistance in the management of projects, transformation, outsourcing and operational efficiency
- Preparation of Financial Statements and regulatory reporting;
- Risk Management services:
  - Risk Management internal tools development or external tools selection;
  - Risk Management framework, organisation, documentation (policies and procedures…) review and improvement.

Audit services

How we can help you

Short decision-making processes and strong cooperation with our international network

- Issue audit opinions on the financial statements to the attention of the investors and management
- Other services encompass review engagements of interim financial information, agreed-upon procedures, review engagements in relation with interim dividends distribution, contribution in kind, mergers, liquidation…

Our multilingual dedicated audit alternative investments team has a wealth of expertise in the audit of:

- all typical investment structures (regulated and non-regulated),
- assets classes

Key contacts

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