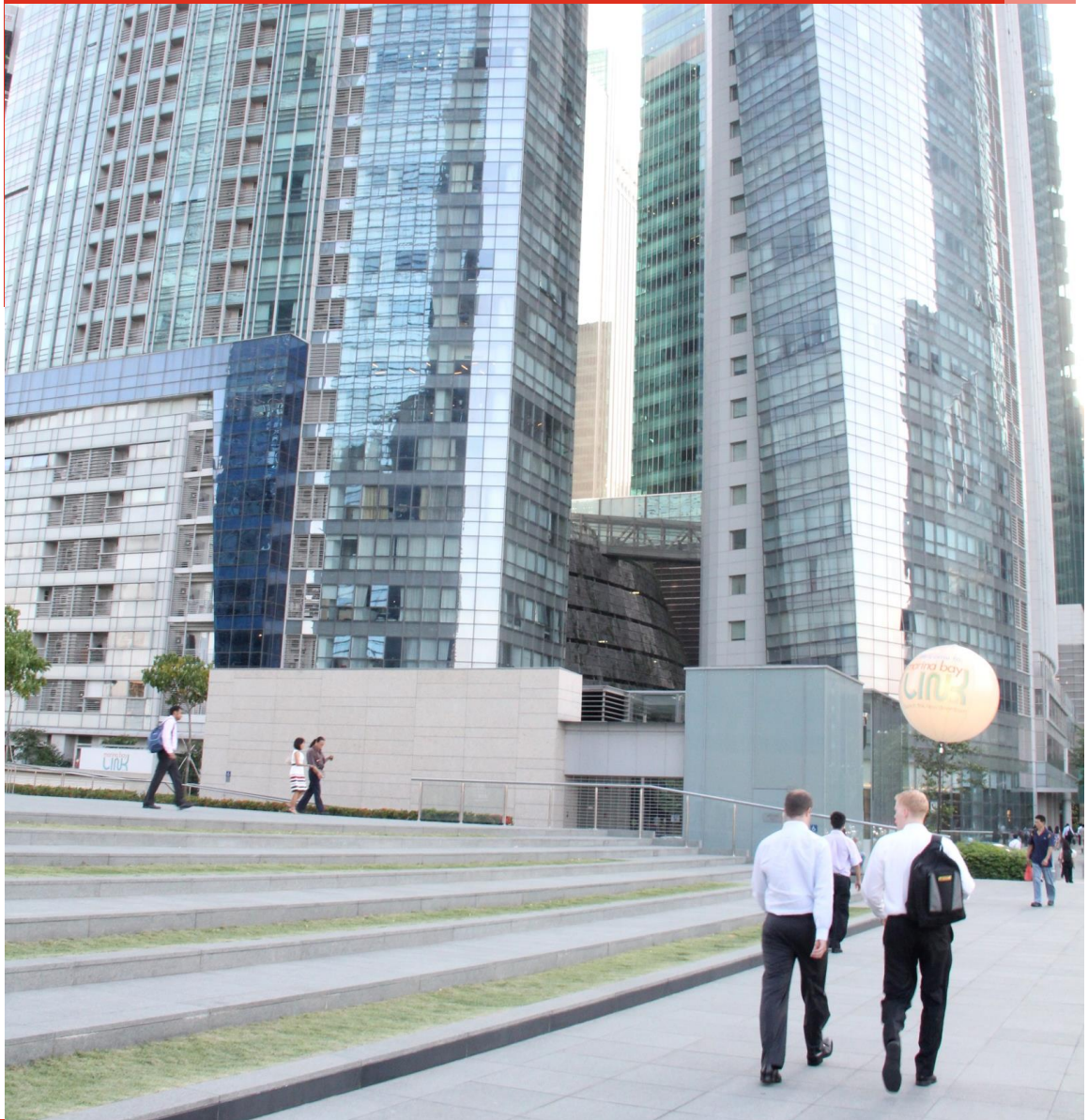


www.pwc.com/sg

Expanding your footprint

How PwC's Asian Investment Fund Centre can help you expand your footprint in the Asian and European fund industry

Supporting you in creating, delivering and maintaining a successful fund distribution strategy for your retail and alternative fund products



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Introduction...

As a leading global professional services firm, we possess the breadth and depth of experience and capabilities across the asset management industry to help our clients achieve success as they address their most important strategic initiatives, regulatory environment, fund launches and target operating model.

Asian Fund Distribution Services

In an increasingly globalised world, it's important to maximise the potential of any investment fund by looking beyond the domestic marketplace. PwC Singapore's dedicated fund distribution team has the knowledge, experience and key connections to help you create a successful distribution strategy, achieve a quick and efficient market entry and ensure your funds remain in compliance with all host countries' regulatory and tax reporting requirements.

PwC's Global Fund Distribution (GFD) service, headquartered in Luxembourg, has over 14 years of experience in bringing out the best in fund promoters' visions for distribution in foreign markets. This expertise has now come to Asia's shores, with the launch of the Asian Investment Fund Centre in Singapore. Not only do we understand the interconnected processes and specific local and international resources required for cross border distribution, but we also have the strategic thinking of the world's leading professional services firm in our DNA.

The GFD team currently covers more than 40 countries worldwide, thus is able to offer efficient and multijurisdictional solutions. The in-depth knowledge and experience of our combined GFD team based in Singapore and Luxembourg, supported by our extensive network of local distribution experts where necessary, provide you with a single point of contact for all aspects of your fund distribution activity. Above all, it is our client focus that has contributed most to our standing as the market leader in fund distribution services. We tailor our solutions to your distribution footprint in order to meet your operational needs and thus free up your internal resources.

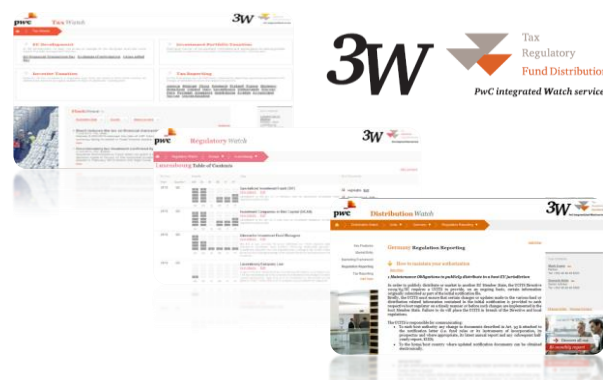
We believe that our expertise in designing, implementing and maintaining distribution strategies would not be as effective as it is without this flexibility.

The GFD service will support and guide you through the unique challenges of determining and managing a multijurisdictional fund distribution approach. This is achieved through the delivery of fully coordinated regulatory, tax reporting and advisory solutions. Our service is completed by a proprietary risk management web tool as well as an online market intelligence platform (3W). You can choose which specific service you need, the countries of coverage and the way you would like to work with us on a day-to-day basis.

Global Fund Distribution



Regulatory, Tax and Distribution watch



Market Entry

Your challenges

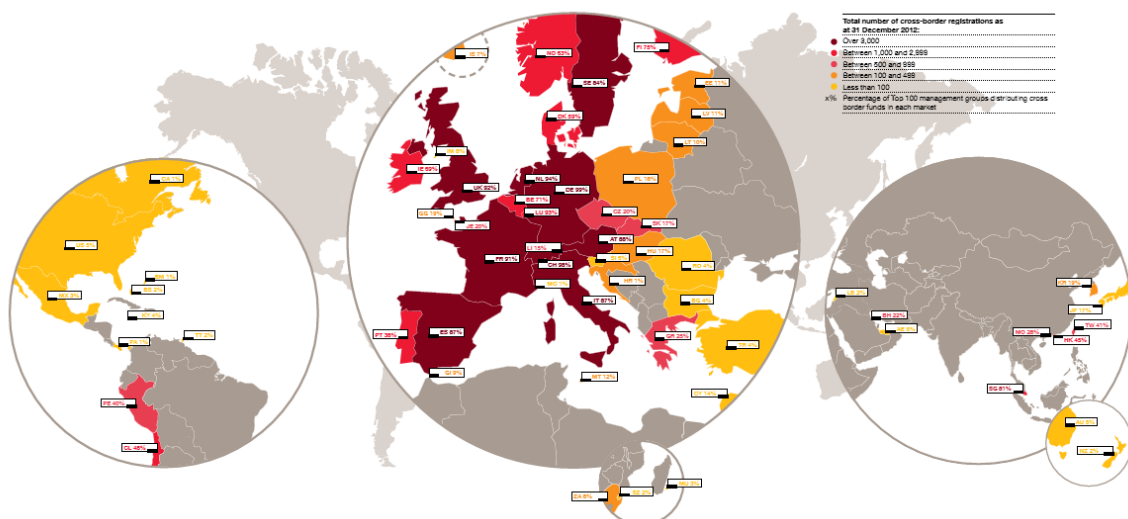
- Achieving a quick and efficient registration of your funds in multiple jurisdictions is a key challenge of cross-border fund distribution.
- At European level, the current regulations governing cross-border distribution of both UCITS and AIFs aim at harmonising and simplifying the registration process. However, some significant national divergences remain at the level of the marketing rules. In addition, for AIFs and AIFMs, the number of different scenarios (marketing passport, NPPR, marketing to retail investors, etc.) increases the complexity of the registration process.
- Outside Europe, the registration process is still in many cases complex and cumbersome, given the number of local regulations to be taken into account and the parties involved - local agent, local representatives, distributors, translators, etc. Our Asian team stand ready to help you navigate through these complex issues.
- Between the European and Asian team, we are best positioned to assist you in both continents and beyond.

How we can help

Our team of distribution experts, assisted by our worldwide network of regulatory specialists, will ensure that you:

- understand all requirements to achieve market entry in your chosen jurisdictions;
- are provided with a detailed step-by-step plan and realistic timetable;
- gain comfort and certainty that the entire registration process, and any required follow up with local regulators, is fully coordinated by your dedicated fund distribution team; and
- receive regular Activity Reports to monitor all tasks performed and a status update at any given moment.

Selecting the right countries of distribution



Only true cross-border funds were taken into account - i.e. funds distributed in at least 3 countries, including their domiciles.

Source: Lipper LIM and PwC analysis, 31 December 2012

Regulatory Reporting

Your challenges

- Although the harmonisation of processes has improved, many requirements relating to the maintenance of your fund authorisation still remain defined at national level.
- You need to ensure that your funds comply at all times with all local requirements, e.g. new laws resulting in modification of local Addenda.
- It is important to have a fully coordinated approach when dealing with several countries simultaneously.

How we can help

Our team of distribution experts, assisted by our worldwide network of regulatory specialists, will ensure that:

- Your funds satisfy all ongoing regulatory reporting obligations, including prospectus updates, new product launches, shareholder notices, etc., to remain fully compliant in all countries of distribution.
- You will be guided through the necessary actions to take in case of legal or regulatory changes in the countries of distribution of your funds.

To provide you with these services we use different tools:

- Market intelligence tools for monitoring legal/regulatory changes.
- Risk Management tool tailored to specific requirements to follow-up reporting activities.

We employ optimised processes with regulators and any other parties involved in the registration workflow.



Market Intelligence and Newsflash

Your challenges

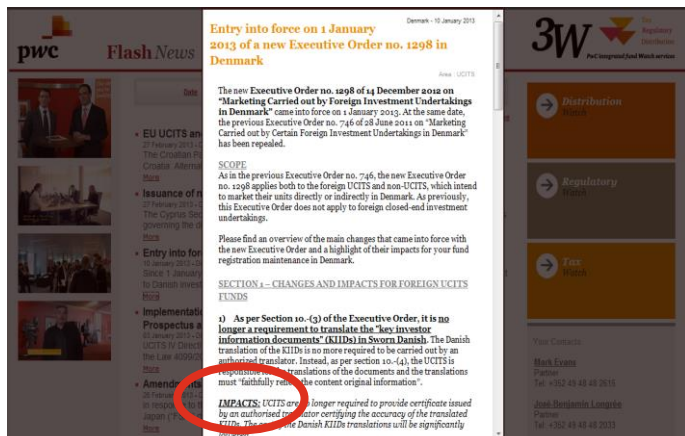
- Your funds need to maintain their authorisation in each target market.
- In a period where legal and regulatory changes, both at international and national level, are occurring at an increasing pace, it is vital that you remain abreast of all changes that might impact your funds. And, even more importantly, that you translate this into action whenever required.
- Monitoring several jurisdictions and all the possible sources of information, is indeed a challenging and time consuming activity, that requires skilled resources.

How we can help

- Our online market intelligence tool, 3W - Fund Distribution Watch, covers more than 35 markets and related topics critical to cross border fund distribution. It is fully supported by our global network of local fund specialists offering their expert knowledge of fund distribution.
- We publish:
 - ✓ Newsflashes on a regular basis, covering the key aspects of the fund regulations in various jurisdictions;
 - ✓ A weekly Newsflash Alert that is sent directly to your inbox and provides a comprehensive summary of the week;
 - ✓ The 3W - Fund Distribution Watch bimonthly report that includes an Editorial, a Hot Topics global map and the full compilation of Newsflashes published during the prior two months.

Functional newsflashes

We insert an "IMPACT" section within newsflashes each time this is relevant.



Distribution Watch bimonthly report

Our bimonthly report has a worldwide coverage – presently around **30 countries**.



Asset Manager Operational Due Diligence

Your challenges

- Asset manager due diligence is getting rather complex and cumbersome with increased regulations and compliance obligations. The need to have an objective and independent assessment is key to meeting your investor's expectations. With increased regulations comes increased costs and pressure on resources.
- Conducting due diligence across continents can be challenging in an increasingly cost conscious environment. The perception is that in-house due diligence programmes lack independence and objectivity, can be costly and lacks the ability to be benchmarked.

How we can help

- You need a local presence in multiple geographies to conduct such due diligence by independent and objective experts in the field, who can provide you with such assessments as well as allow you to be benchmarked to industry peers.
- Our objective assessment with a detailed report allows you to ultimately control the investment decisions.
- Our procedures include:
 - ✓ search based on publicly available information;
 - ✓ desk top research;
 - ✓ financial stability analysis;
 - ✓ on-site visits;
 - ✓ service providers assessment;
 - ✓ review of the operations and;
 - ✓ infrastructure along benchmarked to your peers and background searches.
- We can also assist in your readiness to respond to investor due diligence requests.
- Being at the centre stage of new regulations and industry trends, we are well placed to provide you with an independent and objective review report based on factual data to assist you in making your decision.



Market Publications

Your challenges

- Remain fully aware of the various obligations imposed on domestic and foreign funds in terms of fund prices and corporate event notices across all the jurisdictions in which your funds are authorised for public and private distribution.
- Establish a streamlined, efficient and rationalised process in order to minimise the costs of publication, e.g. replacing paper publication in a newspaper with web publication where and when possible.
- Remain systematically up to date whenever changes occur on publication requirements in the countries where you distribute your funds.

How we can help

We understand the fund publication obligations and best practices imposed on your fund by all target market regulations.

We can provide expert assistance with:

- confirmation of the publication requirements in each jurisdiction;
- confirmation of the requirement of notifying the Host authority for an event/notice;
- preparation and/or review of the notice;
- pre-filing of notices with Host regulators, where required;
- making the necessary notification to Host regulators and submitting any other relevant documents, where required;
- coordination of the publication of notices.



How we can help

Your challenges

Whether you are a Fund Manager established in or outside the European Union, a Management Company managing non-UCITS funds or a distributor marketing these products, you will sooner or later be affected by the AIFMD and its impact on the distribution of alternative funds. Due to its scope and the use of grandfathering rules, the AIFMD raises a number of initial questions that need to be addressed, including:

- Can I benefit from the marketing passport?
- Is private placement still possible today?
- Will there still be local marketing requirements to satisfy?
- What if I do not get the passport?

- **Distribution and Marketing analysis:** Determine the impact of the marketing passport by evaluating all your AIFs, where they are sold, who your investors are, where they are located, where your licensed AIFM is based, and what is your current and future marketing strategy.
- **Definition of the reporting requirements:** Based on the results above, we will identify the nature and frequency of all reporting to each EU Member State, whether it is the home country of the AIFM or the host country of distribution.
- **Notifications to EU host countries:**
 - **Initial registration** - Once authorised, an EU AIFM can only market the EU AIF within the European Union by using the “marketing passport”.
 - **Ad-hoc notifications** - The AIFMD requires that each time there is a material change in the information previously sent to regulators to initially use the passport, the change(s) must be notified, according to specific rules.
 - **Regular reporting** - Ongoing reporting is required depending on the type of AIFM, on the countries of distribution and on the type of investors.
 - **Non-UCITS funds distributed through private placement** - The distribution and marketing availabilities under NPPR depend on the laws and regulations of each host EU Member State.



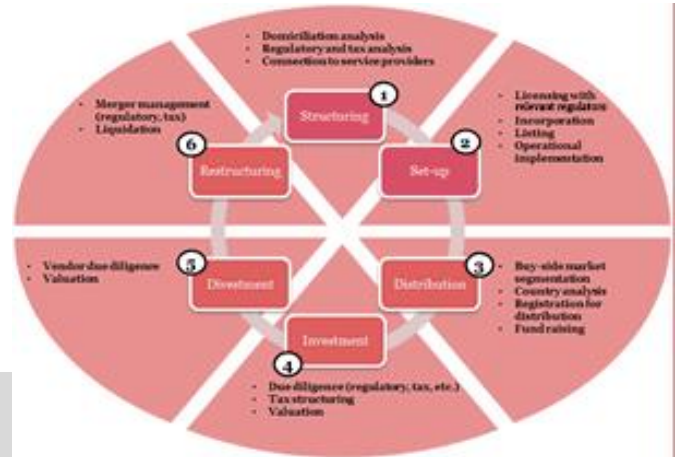
Fund Structuring Launches

Fund set-up and maintenance services

Your challenges

We help our clients identify and develop strategic solutions to their most critical business and operational challenges.

- Determining the most efficient fund structure and domicile.
- Designing a cost efficient and scalable operating model.
- Assessing and selecting key service providers.
- Ensuring consistency in all claims, metrics and disclosures across marketing, due diligence and regulatory materials.
- Identifying necessary personnel roles and hiring priorities.
- Preparing legal documents such as articles of incorporation, trust deeds, prospectus/offering memorandums, investment management agreements.



How we can help

We possess a wide variety of tools and resources to help our clients define, plan and meet their fund launch goals.

- Drafting legal documents such as articles of incorporation, trust deeds, prospectus/offering memorandums and investment management agreements.
- Tax and accounting knowledge and experience to review legal documents and advice on fund structures and formation of entities.
- Regulatory knowledge and experience in assisting with building and assessing regulatory compliance programs.
- Service provider evaluation, selection and governance.
- A disciplined and structured program management approach to planning for and managing the fund launch and related filings, dependencies, risks, and resource requirements.



Distributor/Local Agent Analysis

Your challenges

- Selecting the right distributors/agents at local level is not an easy task.
- Assessing their compliance with the contractual obligations and regulations.
- Benchmarking their efficiency and internal procedures.

How we can help

As an independent expert on cross-border distribution, we can provide assistance with the initial selection of distributors, assessing their compliance with contractual obligations and regulations, benchmarking their efficiency and surveying their needs, requirements and concerns.

Our expert team can provide assistance in the following areas:

- Providing names and contact details of the main actors for each market;
- Active assistance during the selection process based on objective criteria (i.e. responsibilities, internal procedures, etc.);
- High level review of local agent agreements to ensure that local regulation requirements are met; and
- Assistance to define the best markets for your products according to your marketing strategy (i.e. type of investors, fund and manager domicile, distribution channels, etc.).



AML Distributor Due Diligence

Your challenges

- Growing pressure from regulators to comply with Anti-Money Laundering (AML) and Counter Terrorist Financing (CTF) rules and regulations.
- Implementing an oversight over your distribution network as ultimately the Management remains accountable for your network.
- Keeping investor confidence and protecting your reputation from the threat of fines and reputational damage .
- Monitoring your risk to take advantage of new business opportunities.

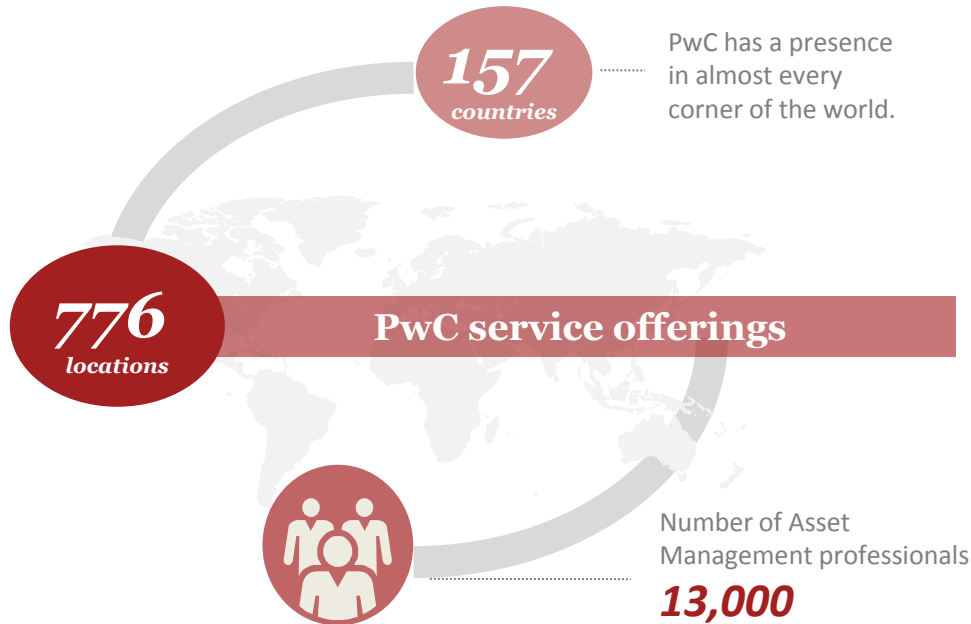
How we can help

Our team of distribution due diligence experts can provide assistance with the set-up of your company's distributor due diligence procedures and the performance of initial and ongoing distributor due diligences by providing:

- Training to the Board of Directors, compliance teams and staff in all AML/CTF matters;
- Assessment of your distribution model and the overall AML/CTF risk;
- Advice on how to enter new markets, combining our global AML/CTF expertise with our knowledge of different markets and local regulations;
- Assistance in the performance of due diligence exercise, country risk assessment and gap analysis between different AML/CTF regulations; and
- Ongoing support and assistance in the monitoring of your network.



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