



## REGULATED FUNDS SERVICES

Gallium provides a complete package of regulated activities to enable our clients to proceed with the launch and operation of their regulated collective investment schemes. This includes support in respect of marketing, technical issues, depositary functions, administrative functions and acting as the ACD. The precise configuration of our responsibilities depends on the needs of the client. Our clients find this particularly helpful as they can control precisely the extent of our involvement, and so avoid unnecessary duplication of resources. It also means that our clients can focus fully on the businesses in which their fund is to invest.

### The work we carry out:

- shortens the time it takes to launch a vehicle;
- ensures that technical structural problems are identified as early as possible;
- enables our clients to reduce overheads and to minimise the diversion of management time on administration.

We assist clients on a confidential basis and there is no pressure to promote particular services or sources of finance. Therefore, clients are free to work with whichever adviser or financial institution they consider best suited for the project. Our services will accommodate a variety of investment vehicles, including Open Ended Investment Companies ("OEICs"), Property Alternative Investment Funds ("PAIFs") and Fund of Alternative Investment Funds ("FAIFs").

### The Alternative Investment Fund Managers Directive ("AIFMD")

The AIFMD was implemented on 22 July 2013 to establish an EU-wide harmonised framework for monitoring and supervising risks posed by alternative investment fund managers ("AIFMs") and the funds they manage; and it strengthened the internal market in alternative funds. The AIFMD requires the authorisation of AIFMs. There are provisions relating to how AIFMs conduct their business, transparency and marketing. The Directive covers the investment managers of hedge funds, private equity funds, retail investment funds, investment companies, and real estate funds among others and is therefore relevant to many different types of asset manager.

Gallium will be making an application to become an authorised AIFM under the AIFMD. This will include acting as a Depositary.

### Areas where Gallium can assist

The Gallium team is experienced in the development of solutions for the structure of funds, identification of investors, management of the launch process and management of the regulatory aspects once the fund is launched.

### Establishment Services

Gallium can assist clients with the establishment of regulated funds as follows:

- Assisting and advising on the fund structure.
- Compliance with regulatory requirements.
- Acting as the project manager for the launch of the fund.

- Assistance with the launch process, including liaison with professional advisers (lawyers, tax advisers, etc.).
- Assistance with the preparation of the Prospectus and generally with the level and type of information to be included in all presentation material.
- Checking and verifying these documents before they are circulated.
- Approving these documents as being clear, fair and not misleading.
- Assisting with corporate governance issues and the management structure of proposed funds (for example the relationships and responsibilities between the investors, ACD, depositary, asset managers, investment advisers, etc.).
- Ensuring that appropriate disclosures are made in respect of the treatment of investors.
- Assisting with financial structure issues, including the definition of the optimal level and terms for any bank leverage.
- Financial modelling (in order to highlight the issues considered most important by investors), and to provide an independent check of financial models.
- Managing the application process with the FCA.
- Obtaining HMRC clearance for the fund, if applicable.
- Setting up fund bank accounts.
- Processing investor applications, carrying out anti-money laundering and investor due diligence checks.

### Operating Services

Gallium can assist clients with the operation and on-going administration of regulated funds and act as the ACD as follows:

- Management and administration of the investment vehicle.
- Maintenance of the accounts, books and records of the fund.
- Preparation of the annual accounts, including approving the appointment of the auditor if required, and any necessary tax returns.
- Circulation of the notice, agenda and minutes relating to meetings of investors in the fund.
- Preparation and distribution of periodic statement to investors.
- Preparation and distribution of tax information to investors, to be included in their tax returns.
- Monitoring fund performance.
- Monitoring investor cash flows throughout the fund structure.
- Ensuring the procedures for investment into the underlying asset class is correctly followed.
- Safeguarding investors' cash and assets.





- Approving and making the payment of distributions to investors and the withholding or payment of any taxes necessary on these distributions.
- Opening, operating and reconciling bank accounts in the name of the fund.
- Accepting responsibility for investment advice and the arrangement of the underlying investments.
- Liaison with and reporting to regulatory authorities.
- Liaison with and reporting to investors.
- Ensuring that all communications with investors are clear, fair and not misleading and that any required public notices are made.
- Ensuring that all statutory filings in respect to the fund are made.
- Processing the subscriptions of new investors, including approving the new investors and carrying out the necessary anti-money laundering and investor due diligence checks.
- Processing the transfer for existing investors, including approving the transferee and carrying out the necessary anti-money laundering and investor due diligence checks.
- Approving the appointment of an asset manager to the fund.
- Monitoring the performance of the service providers and managers of the fund and entities to which the ACD has delegated certain of its services.
- Arranging for the orderly sale of the asset(s) of the fund.
- Dissolution of the fund and associated fund entities.
- Calculation of final returns to investors.
- Calculation and monitoring of liquidating costs.
- Checking the calculation of any performance fees to the management team.
- Ensuring that all statutory filings in respect to the winding-up of the fund are made.
- Preparation of the final statutory accounts and any necessary tax returns.
- Arranging for the distribution of net proceeds to investors.

#### Why Gallium?

- ✓ The executive team of Gallium has more than 30 years of experience in the creation and operation of collective investment schemes.
- ✓ The Gallium team has assisted many of the leading institutional and professional investment managers.
- ✓ Gallium is independent.
- ✓ Gallium can accommodate any asset class.
- ✓ Gallium works with both institutional and private investors.
- ✓ Gallium is vastly experienced and cost effective.

#### Termination of the Regulated Fund

The winding-up of a regulated fund is also a regulated activity and the ACD will usually carry out the services as Liquidating Trustee of the fund.

Gallium can assist clients with the winding-up of regulated funds as follows:

---

**Gallium has the expertise and the in-depth knowledge to identify and implement a suitable structure and mechanism for launching and operating alternative investment opportunities**

---

#### Next Step

If you are interested in the Regulated Funds Services then please contact us to obtain further information and to arrange a meeting to discuss your requirements in more detail.

