TRIDENT TRUST

U.S. TAX BLOCKER STRUCTURES

SUPPORTING PRIVATE EQUITY AND ALTERNATIVE INVESTMENT STRATEGIES

U.S. TAX BLOCKER STRUCTURES ARE WIDELY USED BY PRIVATE EQUITY AND ALTERNATIVE INVESTMENT FUNDS TO MANAGE U.S. TAX EXPOSURE FOR NON-U.S. AND TAX-EXEMPT INVESTORS.

OVERVIEW

By using a corporate entity between investors and underlying investments, a blocker can reduce exposure to U.S. effectively connected income (ECI), unrelated business taxable income (UBTI), and related filing obligations.

Trident Trust assists sponsors and investors with the establishment and ongoing administration of U.S. tax blocker structures, typically through Delaware corporations, although other U.S. jurisdictions can be used where appropriate.

WHY USE A U.S. TAX BLOCKER?

U.S. tax blockers are typically used to:

> Help shield non-U.S. investors from direct U.S. tax filing and reporting obligations
> Manage exposure to ECI and UBTI arising from U.S. investments
> Provide a familiar and well-understood corporate vehicle for co-investment and structuring
> Support efficient fund structuring across multiple investor types

OUR SERVICES

Trident Trust assists with U.S. tax blocker structures, including the following services:

> Incorporation & registered office support
> Core bookkeeping & ledger maintenance
> Cash flow tracking & reconciliation
> Investment & income tracking
> Entity-level transaction tracking & reconciliation
> Financial & investor reporting

Our approach is practical, responsive and tailored to the needs of sponsors and institutional investors.

TYPICAL APPLICATIONS

U.S. tax blocker structures are commonly used in connection with:

> Private equity & real assets funds
> Venture capital & growth strategies
> Credit & distressed debt investments
> Co-investment & feeder arrangements
> Investments involving U.S. operating businesses or partnerships

JURISDICTIONAL FLEXIBILITY

Delaware is the most commonly used jurisdiction for U.S. tax blockers due to its well-established corporate framework. However, blockers can be formed in **any U.S. state,** depending on legal, tax and commercial requirements. Trident Trust works with clients and advisers to select the jurisdiction best suited to the investment structure.

CONTACT

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- PEOPLE LED
- TECH ENABLED
- GLOBAL COVERAGE
- TAILORED SERVICE

- 1,100 STAFF
- 25 JURISDICTIONS
- 47,000 ENTITIES
- $177BN AUA

- FUNDS
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