

KEY FACTS FUND SERVICES

MALTA IS A LEADING EUROPEAN FINANCIAL CENTRE THAT COMBINES HIGH REGULATORY STANDARDS AND RIGOROUS ENFORCEMENT WITH A COMMERCIAL, BUSINESS SAVVY ATTITUDE.

BENEFITS AND ATTRACTIONS OF MALTA AS A FUND DOMICILE

In recent years Malta has become an increasingly popular domicile for the establishment of funds, as well as a preferred jurisdiction for the establishment of fund managers.

The advantages Malta provides as a funds domicile can be summarised as follows:

Low Establishment and Administration Costs

An EU jurisdiction providing lower establishment (legal and regulatory fees) and fund administration costs compared to other fund jurisdictions, combined with highly skilled English-speaking professionals servicing the funds industry.

Passporting Rights

As a full EU member, Malta's funds regime provides passporting rights for UCITS (Undertakings for Collective Investment in Transferable Securities) funds and their managers in terms of the UCITS regime. Furthermore, alternative investment funds and fund managers established in Malta are, under the terms of the Alternative Investment Fund Managers Directive (AIFMD), able to benefit from EU passporting rights.

For both UCITS and alternative investment funds, these passporting rights provide considerable benefits to a fund promoter in terms of greater investor access and the reduction of regulatory and operating costs resulting from being regulated in a single jurisdiction.

Efficient Regulator

Quick response time for review of fund application documents by the Malta Financial Services Authority (MFSA), which is Malta's sole regulator. The MFSA is a risk-based regulator, which grants licences and regulates all financial activities.

Fiscally Efficient Framework

A tax regime that provides beneficial tax treatment at the fund and investor levels. Furthermore, distributions to non-resident investors are not subject to withholding taxes and no capital gains apply on the redemption of fund holdings by non-resident investors, provided that no more than 85% of the underlying assets are in Malta. No stamp duty applies on the transfer of fund holdings by investors and on investments acquired/sold by a Malta regulated fund. Unlike other fund jurisdictions, there is no subscription or net asset value tax.

Fund managers established in Malta can achieve an effective tax rate of only 5%, which is the lowest effective tax rate within the EU and a competitive rate on a worldwide basis.

Robust But Flexible Funds Regime

Malta's legislation is in line with EU law and is built on best practices from other financial centres. The legislation is designed to efficiently meet the needs of both the industry and the consumer and is updated regularly to reflect the latest market demands.

The Maltese legislation provides for the setting-up of UCITS targeting retail investors.

For qualifying investors, Malta has retained its popular professional investor fund (PIF), while creating a regime for alternative investment funds (AIF) in line with the AIFMD. Malta has also launched the notified AIF (NAIF) and more recently the notified PIF (NPIF), which are non-regulated fund products giving quicker access to the market.

TRIDENT FUND SERVICES (MALTA) LIMITED IS REGULATED BY THE MALTA FINANCIAL SERVICES AUTHORITY TO PROVIDE FUND ADMINISTRATION SERVICES IN TERMS OF THE INVESTMENT SERVICES ACT, 1994.

TYPES OF LEGAL FORMS

Maltese funds can be set up as an investment company, incorporated cell companies, unit trust, or by contract. In terms of fund structure, a fund can be set up as a master/feeder, umbrella structure or fund of funds.

A fund can be set-up as an open-ended fund (SICAV) or as a closed-ended fund (INVCO).

THIRD-PARTY SERVICE PROVIDERS

There is flexibility on the requirement to appoint third party custodians, investment advisors and managers, and the extent to which service providers need to be established in Malta.

RE-DOMICILIATION OF FUNDS

Malta has legislation in place allowing the redomiciliation of funds. A fund established as an investment company in another jurisdiction may continue to exist in Malta under certain conditions and does not need to wind up in its country of incorporation. The process is seamless because the Maltese regime allows funds to have administrators and custodians based in other jurisdictions that are recognised by the MFSA. Unlike some other jurisdictions, Malta also provides a clear exit route and allows funds to domicile out of Malta should the promoters wish to do so.

HOW WE CAN ASSIST

Trident Fund Services (Malta) Ltd is a recognised Fund administrator regulated by the MFSA pursuant to the Investment Services Act, 1994. We have broad experience in handling the administration of a variety of fund structures and can provide the following services:

- > Assistance with the licensing of a fund in Malta including liaison with the MFSA, legal advisors and other parties
- > Incorporation of the fund and the fund manager
- > Provision of registered office and local directors
- > Preparation of net asset value calculations
- > Preparation of interim and annual financial statements
- > Transfer agency services
- > Company secretarial services
- > Administration services and coordination of the year-end audit

FUND ADMINISTRATION FEES

Please complete our Fund Establishment Worksheet which provides a summary of the administration services that we offer. On the basis of a completed worksheet and proposed offering memorandum we will provide you with a fee estimate for the establishment and annual administration costs of the proposed fund.

Do not hesitate to contact us should you have any questions regarding our fund administration services or in connection with the completion of the worksheet.

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

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

- ▶ FUNDS
- ▶ PRIVATE CLIENTS
- ▶ CORPORATE CLIENTS
- ▶ MARITIME

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