



**Alternative Investment
Fund Depository**

Safeguarding Assets

Cash Monitoring

Oversight of Fund Operations

An experienced partner

When looking for a depositary service, choosing the right professional team is one of the most important decisions you can make. The consequences of this decision will impact on the entire life of the investment and directly impact on the management of the fund and investors' perceptions of the service they receive from you. Furthermore, choosing and correctly structuring the right team will help avoid the potential for 'service duplication' where aspects of the fund's management could unnecessarily be repeated by the depositary.

In this highly specialised field, Thompson Taraz is a leading adviser and an effective manager of alternative investments. It's a business we know a great deal about and one in which we have built up a wealth of knowledge and experience which we can help convert into value.

Our expertise has already helped some of the UK's leading alternative investment fund promoters to bring their projects to fruition, confident in the knowledge that financial, taxation, legislative and relationship communication with investors is being handled by a specialist. Our Chartered Accountancy practice together with our bespoke IT platform underpin our depositary offering and allows us to securely deliver an efficient, flexible, scalable and cost effective service to the industry.

Depository Services

Thompson Taraz offers a private equity depository service and is a leader in the provision of fund administration and support services.

Our depository service - or private equity alternative investment fund depository service, to give it its full name - is focused on safeguarding the assets of a fund, monitoring its cash and overseeing its operations, all independently of the fund's manager. We believe that our experience of operating funds over the last ten years and our Chartered Accountancy background has positioned us well to bring a high degree of independence to the role of depository.

We bring to the role a depth of understanding of professional standard systems, quality controls and compliance processes. We draw on a wealth of

accounting, audit, and business advisory experience to deliver a depository service which is of value to a range of UK-based funds and their fund managers.

Our depository service is provided through a Thompson Taraz entity which is regulated by the Financial Conduct Authority. It also draws on our multi-disciplinary team and partners who are also regulated by the Institute of Chartered Accountants of England and Wales. The service is therefore subject to the highest professional and ethical standards.

Our depository service complies with the Alternative Investment Fund Managers Directive.



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Safeguarding of Assets

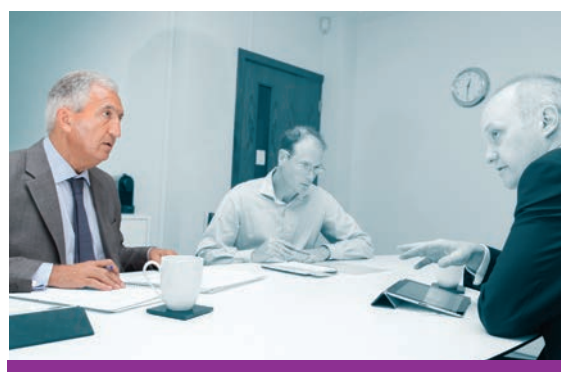
Our role will include verification of the ownership of your fund's assets, recording of all evidence of ownership, and accurate and up-to-date recording of these assets. To achieve this, we will liaise with the lawyers acting for your fund and undertake extensive due diligence of systems and controls.

Our experience and expertise in the structuring of complex investments and the acquisition and disposal of assets is a key part of our taking care to minimise risk to investors without impacting efficient fund management operations.

We will employ our Chartered Accountancy expertise to ensure that assets and valuations are in accordance with relevant legislation, fund documents and the Alternative Investment Fund Managers Directive. Similarly, we will ensure that fund

assets are safeguarded effectively, and are held in accordance with applicable laws and regulations and within the fund's formation documents.

As depositary, we will be an integral part of the investment process. We will always act independently, honestly, fairly and professionally and in the interest of the fund and its investors.



Cash Monitoring

A central part of the depositary's role is to understand the fund's structure and the location of its bank accounts, to understand who has the power to set up and close the fund's accounts, to know who has the power to alter signatories, and to monitor the payments made to or by a fund's investors.

To support this, Thompson Taraz will be responsible for establishing procedures to ensure that assets cannot be transferred and bank accounts cannot be opened or closed without its knowledge. We will work with fund managers to ensure that investors' funds are being used as outlined in fund

documents and that all cash leaving the fund is appropriately documented and applied in accordance with the fund's objectives.

However, cash checks are not intended to hinder the business of the fund and, in situations where time is of the essence, checks may be made on an 'ex-post' basis. As a point of principle, Thompson Taraz will always work to ensure that it introduces as much flexibility as regulations allow while protecting the interests of the investors, so that its depositary services truly add value rather than merely add to the operational cost burden of the fund.

Overseeing Fund Operations

Once a fund is up and running, the rigorous oversight of fund operations is crucial for compliance, not to mention its overall success at the point of market exit and dissolution.

As part of its depositary service, Thompson Taraz will undertake systematic oversight of each fund in its remit, in close collaboration with the fund's management team. For this collaboration to be effective, accurate identification and rigorous adherence to agreed procedures is vital, and in this respect, we utilise the consultative skills and expertise we have developed over the last ten years as a trusted and valued fund operator and manager to ensure that both of these requirements are satisfied.

Overseeing the fund's operations requires a detailed knowledge of the practical aspects of managing a fund, together with an understanding of what's going on in the wider commercial context. Against a complex and ever changing commercial, regulatory and legislative backdrop, fund managers need to partner with a depositary that can help them optimise operations in the context of the newly evolving fund

management environment. With its in-house regulatory, compliance and tax specialists, Thompson Taraz brings this knowledge to the table.

Areas of operational oversight and potential for services include:

- Establishing the fund: setting it up, liaising with its professional team, managing pre-launch activities, and take-on procedures
- Tailoring administration services: "customer due diligence" and anti money laundering (checks), issuing units, documentation and overnight procedures
- Investor interaction: transfers, queries, matters affecting investors,
- Interaction on property and financial issues
- Tailoring accounting and tax services for the fund: investor reporting, including periodic statements, status reports, tax certificates, and audited accounts
- Winding up or dissolving the fund: exit planning, communications, execution, distributions and winding up.

“The rigorous oversight of fund operations is crucial for compliance to the successful running of a fund.”

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Thompson Taraz is an affiliate member of the Association of Real Estate Funds.

Thompson Taraz Depositary Limited is an affiliate member of DATA.

Thompson Taraz Depositary Limited and Thompson Taraz Managers Limited are authorised and regulated by the Financial Conduct Authority.

Thompson Taraz LLP is registered to carry out audit work in the UK by the Institute of Chartered Accountants in England and Wales.

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