



capital market credentials

**SMP** Partners

trusted to deliver

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## About SMP Partners

SMP Partners is a group of professional service companies based on the Isle of Man. Where appropriate, the group companies hold relevant licenses issued by the Isle of Man Financial Supervision Commission. With over one hundred and forty employees, SMP Partners is one of the largest providers of such services on the Isle of Man.

Although headquartered on the Isle of Man, SMP Partners is truly international. Whilst its major geographical areas of focus are the UK, Eastern Europe, Asia, Italy and Switzerland, it has a client base spread across over eighty countries. With a well resourced professional team, managing and administering the affairs of over 3,000 trusts and corporate entities settled and/or incorporated in over sixty international jurisdictions, the solutions developed and managed by SMP Partners are also international. Associated with that international profile is a large network of contacts established over the last thirty years; high quality professionals – lawyers, accountants, bankers – operating in all the major jurisdictions supporting SMP Partners and its clients with specialist and country specific tax advice.

With a highly experienced, multi-disciplined team encompassing company secretarial and trust experts, tax and legal specialists, SMP Partners can meet the varied requirements of dynamic entrepreneurs and start ups to large international, multi dimensional groups. Independently owned by its Executive Directors, SMP Partners was formed following the management buy out of the trust and corporate services operation of Fortis Intertrust (IOM) Ltd from the Fortis Intertrust Group in June 2007. SMP clients benefit from a unique combination of scale and resource, agility and flexibility.

SMP is a well established business with a strong pedigree:

Bankers: Barclays Bank plc

Auditors: KPMG

Insurers: AON underwritten by syndicates within Lloyds of London

SMP Partners is a highly experienced provider of trust, company formation and management services whether for holding, investment or trading purposes. SMP Partners provides an integrated approach which blends the commercial ambitions of the entrepreneur and his business with the private aspirations for wealth and asset protection.

## Breadth of Services

SMP Partners Group has specific expertise in the following areas:

### Corporate Services for listed companies:

- Pre-listing support and advice on corporate structuring
- Company incorporation and registration
- Liaison with company's professional advisers, banks, PR and communication experts
- Provision of registered office
- Provision of qualified and experienced directors
- Holding of and preparation for Directors meetings
- Company Secretarial and Isle of Man statutory compliance
- Share Registrar and liaison with CREST service provider
- Arranging and holding AGM's and EGM's and the issuing of notices, annual reports etc.
- Provision of accounting services, VAT and Tax Compliance

### Trust Services

A bespoke, fully integrated service for the private, corporate or institutional client

- Corporate and Institutional Clients:
  - Complex capital market transactions – IPO planning and ownership vehicles
  - Securitisation transactions
  - Project and Structured Finance
- Private arrangements for High Net Worth international clients
  - Wealth protection and management strategies
  - Asset protection and anonymity
  - Tax optimisation and succession planning

## Accounting & Tax

The following services are delivered through SMP Accounting & Tax Limited, a member of the ICAEW Practice Assurance Scheme:

- Qualified tax advisers with broad cross border expertise
- Bespoke tax strategies that address:
  - Corporation and international withholding taxes
  - Capital and Property Taxes
  - Income and Inheritance Tax
- Accounting services delivered by qualified professionals:
  - Bookkeeping and accounts preparation
  - Audit (through a preferred provider)
  - Tax compliance
  - VAT and Payroll

Our highly experienced tax consultants work closely with the relevant client advisers to ensure a smooth, compliant and tax efficient international structure.

## Fund Administration

SMP Fund Services Limited is regulated by the Isle of Man Financial Supervision Commission to conduct Investment Business, our services include but are not limited to:

- Advice on fund structure; tax and legal implications
- Provision of corporate structures; experienced directors and officers
- Maintenance of statutory records; share register etc
- NAV calculations and preparation of financial statements
- Broad range of Fund Types including:
  - Exempt International Schemes
  - Overseas Schemes
  - Specialist Investment Funds
  - Qualified Investor Funds
  - Closed-ended Investment Funds
  - Listed Funds

## The Isle of Man

The Isle of Man is rapidly taking centre stage as the preferred jurisdiction for international companies to incorporate and launch initial public offerings on either AIM or the London Stock Exchange. The Island is the leading jurisdiction for non-UK AIM listed companies and has the highest market capitalisation of Non-UK AIM listed Companies by country of registration. This unprecedented rise in the Island's international profile is due to its increasing international acceptance as a financial centre and its progressive fiscal and legislative policies. For a comparison of the leading non-UK AIM jurisdictions see Appendix 1.

### Why the Isle of Man?

The Isle of Man is recognised as being a sophisticated and well regulated financial centre with many attributes which make it attractive to international businesses, fund companies and their advisers:

- Accredited by Moody's and Standard & Poor as a "AAA" rated financial jurisdiction
- Politically stable; self regulating
- The Island's company law is derived from English law, providing familiarity and comfort to lawyers, investment banks, institutional and private investors
- An Isle of Man company will not pay any Isle of Man tax
- There is no income tax for non-residents, no capital gains or inheritance tax and no stamp duty
- There is no requirement for prior regulatory approval for the listing of an Isle of Man company
- Prospectus exemptions are available to most Isle of Man companies thereby facilitating the preparation of the offering or admission document
- Share trading on CREST has been prescribed in legislation
- The Island has a highly regarded professional community

A combination of regulatory robustness, a well resourced professional community and its close proximity to the UK, has made the Isle of Man an attractive, highly credible jurisdiction for both the private and corporate client.

It is within this framework that SMP has built a reputation for the provision of pre-IPO planning and corporate structuring, on going corporate management and fund administration.

1. According to research undertaken by Hemscott.

## Capital Market Credentials

### International Corporates

SMP Partners have significant experience of working with international groups to assist them in creating robust and transparent ownership structures to facilitate a listing on one of the -international stock exchanges and particularly AIM and LSE.

Whilst the structures that SMP Partners recommend to their clients are determined by the clients' specific requirements, existing ownership structure and operating locations, the Isle of Man Holding Company is commonly used as the listing vehicle for capital raising via AIM/LSE for non-UK Groups.

The reasons for using an Isle of Man company are as follows:

- The use of a domestic/overseas company as the listing vehicle is unlikely to be as acceptable or attractive to institutional investors as an Anglo Saxon entity.
- A United Kingdom resident holding company and listing vehicle is an alternative. However, whilst acceptable and attractive to the institutions, is unlikely to be tax efficient.
- The Isle of Man holding company has become the "accepted" listing vehicle by the authorities and institutions and both the NOMADS and London lawyers are familiar and comfortable with it.
- The Isle of Man holding company is subject to a 0% taxation rate.

### Recent Experience:

SMP Partners has for a number of years been satisfying the capital market ambitions of the international corporate group. SMP Partners has built:

- Strong and growing emerging market credentials with multiple mandates originated in Russia, CIS and Asia
- Multi-sector experience with concentration in Metals, Oil and Gas, Telecoms, Retail and Property Development
- Significant multi-billion dollar asset responsibility

- Specifically SMP Partners continues to work on the following transactions:
- Corporate structure for LSE Listing of Kazakhstan oil and gas business - \$100M GDRs – the first limited partnership to be listed on LSE and one of the only CIS originating LSE listings in 2008.
- Corporate structure for AIM Listing of Gibraltar based corporate services business £8M
- Trust structure for Luxembourg listed bond issue - \$270M
- Multiple Trust and Corporate structure for LSE listing of \$2BN + CIS based real estate programme
- Corporate structuring for US\$200M CIS privatisation

## Funds

The Isle of Man's low tax status, political and economic stability and proximity to the key markets of Europe make it a compelling and cost effective location for the domicile and/or administration of a broad range of fund types. The Island prides itself on a "can do" business environment and the close co-operation between public and private sectors has resulted in a flexible, well-regulated funds sector that meets the expectations of promoters and the concerns of key investors.

SMP Fund Services Limited, is licensed by the Isle of Man Financial Supervision Commission, and a member of the Isle of Man Fund Managers Association. It has been created to provide a more service orientated, client focused and less process driven fund administration service than that offered by the bank owned providers.

We can provide administration services to a wide range of funds:

- Exempt International Schemes
- Listed Funds
- Specialist Investor Funds
- Closed Ended Investment Funds
- Qualified Investor Funds
- Overseas Schemes

From the most straight forward investment fund to a complex multi-currency, multi-class fund we can provide a broad range of services:

- Assisting with the establishment of the fund and associated corporate vehicles
- Structuring and tax advice/liaison with lawyers/auditors
- Provision of corporate officers and company secretarial services
- Maintain statutory records, share register, including notices, meetings, distribution of accounts etc
- NAV calculation and publication
- Preparation of financial statements

Applying the complementary services of our company secretarial, tax consultancy, accounting and legal teams, our Fund Administration team delivers a cost effective, high quality solution. With contacts across the Fund industry – custodians, managers, trustees – both on and off Island, we can offer a comprehensive, bespoke service.

#### Recent Experience:

- Fund structure and administration for a Canadian Agriculture Fund - \$120M (Overseas Scheme)
- Fund structure and administration for US Real Estate Fund - \$100M (Specialist Investor Fund)
- Fund structure and administration for Leveraged Fund - \$85M
- Fund administration for AIM Listed Property Fund - \$1.4BN

Our Fund Administration Team also have significant experience of providing services to listed funds:

- Property Funds – AIM Listed - > £1BN
- LSE split capital Fund- £54M
- AIM Listed Fund - £50M
- AIM Listed Climate Fund - £67M
- Reconstruction Fund – AIM Listed - £50M

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### **The SMP Partners Group of Companies are:**

SMP Partners Limited, SMP Trustees Limited and SMP Fund Services Limited are licensed by the Isle of Man Financial Supervision Commission.

SMP Accounting & Tax Limited is a member of the ICAEW Practice Assurance Scheme. SMP Capital Markets Limited. SMP Yacht and Aircraft Limited.

## Appendix 1.

Jurisdictional Comparison	European Offshore			International Offshore
	Isle of Man Companies Act 2006	Jersey	Guernsey	British Virgin Islands
<b>Strategic Considerations:</b>				
Business Flight Connections	Yes - Daily to UK & Ireland	Yes - Daily to UK & Europe	Yes - Daily to UK & Europe	No - selected Caribbean Countries
Outside Natural Catastrophe Zone	Yes	Yes	Yes	No
Within EU VAT Zone	Yes	No	No	No
*AAA* Standard & Poor's Sovereign Rating	Yes	No	No	No
Non-UK AIM 100 Companies by Country of Registration*	13th (ranked 1st)	4 (ranked 7th)	5 (ranked 5th)	6 (ranked 3rd)
Market Capitalisation of Non-UK AIM 100 Companies by Country of Registration (£m)*	5276.16 (ranked 1st)	1343.81 (ranked 6th)	1294.91 (ranked 7th)	3328.89 (ranked 2nd)
No of Non-UK AIM Companies by Country of Registration*	59 (ranked 2nd)	52 (ranked 3rd)	60 (ranked 1st)	37 (ranked 8th)
Market Capitalisation of Non-UK AIM Companies by Country of Registration (£m)*	7276.16 (ranked 1st)	3719.97 (ranked 6th)	5419.29 (ranked 3rd)	5201.94 (ranked 4th)
Income Tax Rate	0% (except for banks and companies investing in the Isle of Man real estate)	liable to Jersey income tax (currently 20%) unless "exempt or "international business company"	Basic rate of 0% income tax applicable to most companies	0%
Governmental Consents Required for Incorporation	No	Yes - requires identity of beneficial owners and proposed activity of company to be disclosed on a confidential basis	No	No
Distinction Between Public and Private Companies	No distinction	Yes	No distinction	No distinction
Statutory Prospectus Requirements	No prescriptive requirements	Yes - prescriptive requirements	No prescriptive requirements	No prescriptive requirements
Regulatory Consents Required for a Public Offer of Securities	No	Regulatory consent to circulation of prospectus is required	Regulatory consent to circulation of prospectus is required	No
Ability to Trade Shares via CREST	Yes	Yes	Yes	No
City Code on Takeovers and Mergers Applies	Yes - If the Panel on Takeovers and Mergers considers the company to have its place of central management and control in the UK, Isle or Channel Islands	Yes - If the Panel on Takeovers and Mergers considers the company to have its place of central management and control in the UK, Isle of Man or Channel Islands	Yes - If the Panel on Takeovers and Mergers considers the company to have its place of central management and control in the UK, Isle of Man or Channel Islands	No
Reduction of Share Capital Permitted Without Court Sanction	Yes - subject to solvency test	Yes - subject to solvency test	No - requires sanction of the courts	Yes - subject to solvency test
Any Financial Assistance Prohibition?	No	No	No - subject to solvency test	No
Local Agent Required	Yes	Yes	Yes	Yes
Requirement for a Company Secretary	No	Yes	No	No
<p>Each of the above jurisdictions complies with IMF/OECD/FATF            For each distributions can be made out of Share Capital and there is no requirement for a Local Director            *According to independent report published by Henscott Group Limited dated 14 May 2008</p> <p>Disclaimer: Due to the ever changing nature of legislation in offshore centres the details in this matrix are up to date as of August 1st 2008, however we cannot guarantee comprehensive and total accuracy and content is errors and omissions exempt.</p>				
				 <p><b>Isle of Man Funds</b> Giving you Freedom to Flourish</p>