

Deloitte.



Excellence without borders

Cayman Islands Investment
Management practice
Statement of qualifications

Cayman Islands

“To capture growth in the next few years, many Deloitte investment management clients are expanding their businesses and distribution channels across multiple geographies. Investment managers need a sophisticated professional services organization to help develop innovative solutions to address investor needs while balancing the pressures associated with the evolving regulatory, risk, and operational landscape. In my new role, I will align the capabilities of our practice against these industry priorities.”

Cary Stier
Global Investment Management Leader
Deloitte Investment Management Services Group

Managing an investment fund has never been more complex. Investment managers are learning to navigate downward pressure on fees, the challenges of retaining capital and a constantly evolving regulatory landscape. These factors, combined with an uncertain global economic outlook, are presenting new challenges for the industry.

Every manager has different needs and faces different challenges, with even the smallest fund often needing a wide range of services. Regardless of where your fund is in its life cycle – startup, ongoing operation or liquidation – Deloitte can provide the services to help you succeed.

Our team is composed of industry professionals, many of whom have obtained the Chartered Financial Analyst designation. All have a wealth of hands-on investment fund experience.

In addition to providing a suite of accounting and consulting services, we can provide independent advice and recommendations on a range of other professional services available in the Cayman Islands, including law firms, fund administrators and fund directors.

These factors, plus our unwavering attention to client service and the relationship we have with Deloitte offices around the world, are how we combine our local roots with our global reach to help clients create maximum value.

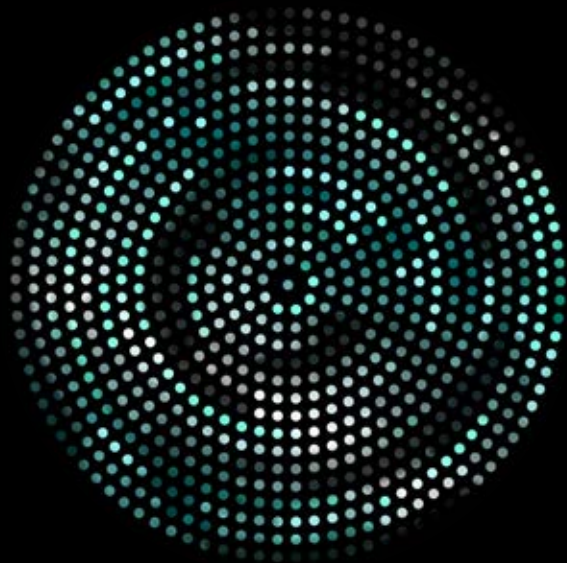
Globally, Deloitte provides services to the top 30 investment managers. We presently have more than 7,500 specialists supporting global asset management.

Deloitte is the professional service provider of choice for the investment fund industry.

We offer extensive expertise covering the entire spectrum of investment fund activities, and bring a wide range of combined capabilities to bear on every engagement.

“Deloitte did an exceptional job managing their team’s transition to our funds. They ensured our people and business were not disrupted by the changing of audit firms. During the transition, they provided an appropriate number of resources to ensure that the audits were completed within the required deadlines. They continue to provide high quality client services and are both well-coordinated across their different offices and staffed with highly competent, industry knowledgeable professionals.”

John Fosina
Chief Financial Officer
York Capital Management



Audit & Assurance

Audit and assurance services are the backbone of our Cayman Islands practice. We have more than 100 professional staff serving some of the largest and most complex investment funds in the world. Our client base continues to expand as we are recognized in the industry for our experience, energy and commitment to superior service. Our focus on the recruitment, training and retention of our people and our involvement with Deloitte’s global investment fund professionals enables us to provide world class audit service to every engagement.

Our experienced, partner-led audit and assurance teams are committed to ensuring a seamless audit that delivers results in a timely manner.

Clear and concise audit plans, tailored to the specific needs of the engagement, are developed with a risk-based approach in mind and executed in the most efficient manner possible. We focus on early identification and resolution of issues and stress two-way communication throughout the audit process to ensure we meet engagement deadlines.

Our commitment to our clients differentiates us from our competition. Whether that means being responsive and anticipating our clients’ needs and questions, or deploying additional resources should an unexpected challenge arise, we are driven to exceed our clients’ expectations.

Services

- Financial statement audits and other attest services
- Consultation on regulatory issues (including CIMA, CFTC, SEC and AIFMD)
- Insight on organizational structuring, fee structuring and compensation arrangements
- Consultation on new guidelines and issues relating to audit, accounting and financial reporting

“Deloitte has consistently provided exceptional service over the course of our relationship. In a quickly changing and increasingly complex tax environment, being able to rely upon Deloitte’s expertise, advice, and timely, high quality deliverables has been extremely valuable.”

Michael McCaffrey
Tax Director
BlueMountain Capital Management



Tax Services

Tax regulations surrounding the investment fund industry can be daunting. Whether it is US, UK or European tax legislation, the implications for investment funds are substantial and companies need to ensure they have tax advisors that understand the issues and can adjust to these ever changing regulations. Our locally based team of tax professionals works closely with our global team of investment management professionals to deliver the services and industry insight our clients expect from their tax advisors. Our involvement with Deloitte’s global investment fund tax committees ensures we are up to date and can support our clients on issues affecting their structures.

Our tax team is experienced in the full spectrum of investment fund tax issues and we utilize our in-depth knowledge of the tax laws to address ongoing tax issues and calculations. We also work closely with our other service lines in order to provide our clients with synergies from our ability to service their entities from the same location.

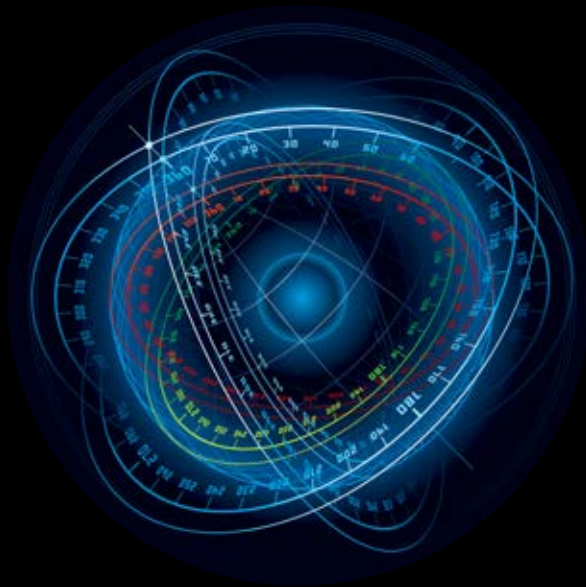
We strive to build and continually maintain the respect of our clients, as we look to have long lasting relationships and become integral to our clients’ business. This level of commitment has proven to set us apart from our competition.

Services

- Assistance with US federal, state and local, and international tax implications for investment funds
- Fund structuring and assistance with manager compensation arrangements
- Preparation of US partnership and corporate income tax returns
- Preparation of PFIC statements for offshore investment funds
- Advising and assisting with the compliance for FATCA and CRS
 - Gap assessments of current processes, procedures and systems against Automatic Exchange of Information requirements
 - Performing investor/account holder review on behalf of the entities
 - Providing training/workshops to your organization on FATCA and CRS
 - Annual assistance with required information reporting to the Cayman Tax Information Authority

“The appointment of Deloitte as liquidator over the \$500+ million fund of hedge funds proved to be the board’s best decision of the year. Despite the complexity of unwinding a portfolio allocated to over 130 managers, within 24 months Deloitte’s experienced and responsive team realized and paid out cash to stakeholders in excess of 100% of the original portfolio.”

John Prout
Chief Executive Officer
Probar LLC



Financial Advisory

Our Financial Advisory team specializes in providing liquidation, restructuring, investigation, dispute resolution and portfolio valuation services to the investment fund industry, acting for stakeholders including investment fund managers, independent directors, general partners and investors.

Whether you need due diligence services, are considering voluntary liquidation, or are experiencing difficulties recovering an investment, our dedicated team of CPAs, chartered financial analysts, certified fraud examiners, computer forensic specialists, qualified insolvency practitioners and former industry professionals can help.

Together with our Risk Advisory experts, our team also offers a suite of Blockchain advisory services to

help clients address risks introduced by blockchains and enable organizations to harness blockchain technology for risk and finance use cases.

Over the years, we have completed several hundred investment fund advisory engagements and built a team with deep industry experience. We are particularly knowledgeable about the challenges of realizing illiquid asset positions. We have a proven track record of managing successful wind downs and distressed situations across a variety of fund jurisdictions, structures, and investment strategies. As a result, we have developed cost effective realization processes to monetize illiquid assets and extinguish liabilities, while maximizing value and balancing realization objectives.

Services

- Restructuring
- Voluntary and official liquidation
- Assistance with soft wind downs
- Due diligence reviews and reports
- Portfolio valuation
- Dispute resolution
- Investigations and forensic accounting
- Blockchain advisory
- Asset tracing and recovery
- Digital forensics
- Litigation support and expert witness
- Business intelligence
- Regulatory Consulting – AIFMD, AML, FATCA and CRS

“DMS Governance have been using the services of the cyber-security team at Deloitte over multiple years with great satisfaction. We are confident that the PEN tests and subsequent reports we obtain are exactly to our requirements due to the high level of care and attention provided. In addition, they have shown great flexibility on bespoke requests such as alternating the style or consultants on each test to keep them fresh. I would have no hesitation in recommending the Deloitte Cyber Security team.”

Don Seymour
Founder
DMS Governance



Risk Advisory

Investment funds present technological, operational, and security risks that cannot be ignored. As the industry has grown, so have the choices of technology used to manage and administer funds. Choosing the right technology and then managing the associated risk of implementation, operation and security is critically important. In addition, documenting business processes, risk and controls, from setup to daily operation, from front to back office operations, will assist in reducing risk exposure and improve the ability to make calculated strategic decisions.

We can help investment managers and administrators sort through the maze of technology options to identify and implement efficient custom solutions.

We have strong experience in assisting investment fund administrators in managing strategic, regulatory, financial, operational, and cyber risks and internal control. We perform assessments and assist in the design and implementation of business process and technology controls, which also include areas related to information security, data privacy and confidentiality as well as areas of residual risk such as business continuity management, and disaster recovery solutions.

We are also experienced in conducting SSAE 16 / ISAE 3402 reviews, an internationally recognized auditing standard designed to help organizations identify and manage risk.

Services

- Risk management strategy development including addressing strategic, regulatory, financial, operational and cyber risks
- Internal controls assessment, design and testing
- Co-sourced and outsourced internal audit services
- Internal audit risk assessments
- SSAE 16 / ISAE 3402 service auditor reports
- Data privacy assessments
- Cyber risk assessments and strategy
- Cyber security monitoring
- Cyber incident response
- Crisis management
- Managed information technology and managed security services
- Technology strategy and architecture design and implementation
- Integration of management information and accounting systems
- System selection and implementation
- ISO 27001-certified secure facility, to protect people, systems and data
- Purpose built server rooms
- Regulatory compliance – AML, FATCA and CRS

“The Deloitte Cayman team is well versed in the investment fund industry and has been a valuable partner to our asset management business.”

Dave Matter
Co-Head
BlackRock Alternative Advisors



A story that matters

Deloitte and its people

“Deloitte” is the brand under which tens of thousands of dedicated professionals in independent firms throughout the world collaborate to provide audit, consulting, financial advisory, risk advisory, tax and related services to select clients.

With over 150 years of hard work and commitment to making a real difference, our organization has grown in scale and diversity—more than 330,000 people in 150 countries and territories, providing audit, tax, legal, financial advisory, risk advisory, and consulting services—yet our shared culture remains the same.

For us, good isn’t good enough. We aim to be the best at all that we do—to help clients realize their ambitions; to make a positive difference in society; and to maximize the success of our people. This drive fuels the commitment and humanity that run deep through our every action.

That’s what makes us truly different at Deloitte. Not how big we are, where we are, nor what services we offer. What really defines us is our drive to make an impact that matters in the world.

Cayman Investment Management market presence

- GAIM Ops Cayman Conference – Co-founder and Principal Sponsor
- Hedge Funds Care – Cayman Committee Chair and member
- 100 Women in Finance – Co-founding member of Cayman and Global Leadership Council member
- Board representation on AIMA (Cayman), Cayman Finance, and Cayman Islands Institute of Professional Accountants (CIIPA)

“At Deloitte in the Cayman Islands, our team of dedicated practitioners leverage local and global expertise to provide world class Audit, Tax, and Advisory services to our investment fund clients. As leaders in professional services for the investment management industry, we understand our clients’ specific needs and develop focused, multidisciplinary approaches to help them excel in their business.”

Stuart Sybersma
Managing Partner
Deloitte in the Cayman Islands

About the Cayman Islands practice

A British Overseas Territory located in the western Caribbean, Cayman is one of the world’s leading financial services centres. Cayman’s strong partnership between the government and private sector has led to innovative, progressive legislation, backed by a sturdy regulatory structure. The Cayman Islands Monetary Authority has the authority to issue and withdraw licenses and operates independently of the government. The territory’s tax neutrality adds to the appeal to business.

In addition, we work closely with local regulators, including the Cayman Islands Monetary Authority and the Cayman Islands Institute of Professional Accountants. We are a recognized leader in providing professional services to the investment fund industry. Internationally, we work with other Deloitte investment fund practitioners and together our depth of resources, be it in the Cayman Islands or across the globe, allows us to assemble a team that is perfectly suited to your needs.

Deloitte’s Cayman practice started in 1973. Since then, we have grown to be one of the largest professional services firms in the Cayman Islands, offering a full range of investment management industry expertise. We currently serve some of the world’s largest investment funds and have strong relationships with all key industry service providers globally, including fund administrators, law firms and independent directors.

Today, the Cayman Islands is the leading offshore jurisdiction for investment funds with over 10,000 “open-end” funds registered with CIMA and approximately another 10,000 “closed end” funds that do not require registration but are domiciled in the jurisdiction. These funds utilize a range of different structures and investment strategies.

Contact us

We stand ready to help you throughout the life of your investment fund. For more information on our expertise and capabilities, please contact our leaders:

Stuart Sybersma

Managing Partner
Financial Advisory
+1 (345) 814 3337
ssybersma@deloitte.com

Norm McGregor

Partner - Audit Leader
Audit & Assurance
+1 (345) 814 2246
nmcgregor@deloitte.com

Dale Babiuk

Partner
Audit & Assurance
+1 (345) 814 2267
dbabiuk@deloitte.com

Anthony Fantasia

Partner
Tax
+1 (345) 743 6244
anfantasia@deloitte.com

Jon Treadway

Partner
Tax
+1 (345) 743 6253
jttreadway@deloitte.com

Tim Derksen

Partner
Financial Advisory
+1 (345) 743 6318
tderksen@deloitte.com

Serge Berube

Partner
Audit & Assurance
+1 (345) 743 6300
sberube@deloitte.com

Carrie Brown

Partner
Audit & Assurance
+1 (345) 814 2267
cbrown@deloitte.com

Cindy Hislop

Partner
Audit & Assurance
+1 (345) 814 2316
chislop@deloitte.com

Nick Kedney

Partner
Financial Advisory
+1 (345) 743 6287
nkedney@deloitte.com

Mike Penner

Partner
Financial Advisory
+1 (345) 814 3317
mpenner@deloitte.com

Mike Green

Director
Financial Advisory
+1 (345) 743 6279
michaelgreen@deloitte.com

Francois Lamontagne

Partner
Audit & Assurance
+1 (345) 743 6232
flamontagne@deloitte.com

Laurie Mernett

Partner
Audit & Assurance
+1 (345) 743 6261
lamernett@deloitte.com

Odette Samson

Partner
Audit & Assurance
+1 (345) 814 2211
osamson@deloitte.com

Grant Hiley

Director
Financial Advisory
+1 (345) 743 6265
granthiley@deloitte.com

Yvonne Plamondon

Director
Financial Advisory
+1 (345) 743 6327
yplamondon@deloitte.com

John White

Director
Financial Advisory
+1 (345) 743 6249
jjwhite@deloitte.com

Justin Balkisson

Director
Audit & Assurance
+1 (345) 743 6241
jbalkisson@deloitte.com

Dana Boardsen

Director
Audit & Assurance
+1 (345) 743 6223
dboardsen@deloitte.com

Rod Campbell

Director
Audit & Assurance
+1 (345) 743 6306
rodcampbell@deloitte.com

Lise Corbin

Partner
Risk Advisory
+1 (345) 743 6222
licorbin@deloitte.com

Taron Jackman

Partner
Risk Advisory
+1 (345) 814 2212
tjackman@deloitte.com

Wayne Green

Director
Risk Advisory
+1 (345) 743 6256
wagreen@deloitte.com

Daniel Florek

Director
Audit & Assurance
+1 (345) 743 6226
dflorek@deloitte.com

John Jabs

Director
Audit & Assurance
+1 (345) 743 6369
jojabs@deloitte.com

John Marrs

Director
Audit & Assurance
+1 (345) 743 6251
jomarrs@deloitte.com

Alexandra Simonova

Director
Risk Advisory
+1 (345) 743 6333
asimonova@deloitte.com

Lawrence Usher

Director
Audit & Assurance
+1 (345) 743 6352
lusher@deloitte.com

Michael Yacyshyn

Director
Audit & Assurance
+1 (345) 743 6211
myacyshyn@deloitte.com

For further information about our Cayman Islands practice and team, please visit www.deloitte.com/ky

Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more. Deloitte & Touche LLP is an affiliate of DCB Holding Ltd., a member firm of Deloitte Touche Tohmatsu Limited.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the "Deloitte organization") serves four out of five Fortune Global 500[®] companies. Learn how Deloitte's approximately 330,000 people make an impact that matters at www.deloitte.com

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms or their related entities (collectively, the "Deloitte organization") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.