



The Winterbotham  
Trust Company Limited

WINTERBOTHAM FUND SERVICES

# WINTERBOTHAM GROUP

Since our founding in 1990 The Winterbotham Group has focused on the provision of high quality financial services to a global clientele, utilizing the most modern technology, delivered personally. At Winterbotham we seek to add value and our suite of services and the location of their delivery has expanded as the needs of our clients have grown. Today Winterbotham operates in six international financial centers from which we offer services which are individually customized and delivered with an attention to detail now often lost as the transfer of service 'online' encourages financial decisions to be self-directed.

During over three decades of growth Winterbotham's ownership remains vested in the hands of its founder and his family and this continuity is mirrored in our vision which has not changed:

## YOUR OBJECTIVES = OUR OBJECTIVES ENABLING YOUR BUSINESS TO THRIVE

**The Winterbotham Trust Company Limited** is a Bank and Trust Company, Broker/Dealer and Investment Fund Administrator, with Head Offices in Nassau, The Bahamas, regulated by The Central Bank and Securities Commission. Winterbotham operates a subsidiary Bank, WTC International Bank Corporation, in San Juan, Puerto Rico and non-banking regional offices/subsidiaries in the Cayman Islands, Chennai, Montevideo and Hong Kong.

The group has developed a niche offering in the provision of back office, structuring, administration, corporate governance, IT and accounting services for entrepreneurs and their companies, wealthy individuals and families, their family offices, and for financial institutions.

Winterbotham provides tailor-made solutions to its clients with a view to forming long-term and multi-generational relationships. The company implements and administers structures including companies, trusts, private trust companies, foundations and funds across major International Financial Centers and typically assumes fiduciary responsibility in the implementation of transactions around the globe. Much of the business flow comes from Asia, Europe and Latin America.

## REGULATED SUBSIDIARIES INCLUDE

Regulated by the Central Bank of Uruguay: **Winterbotham Fiduciaria S.A.** a Fund Administrator and Trust company.

Regulated in Hong Kong by the Companies Registry under the Trustee Ordinance and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance: **The Winterbotham Trust Company (Hong Kong) Limited.** a licensed Trust Company and Company Service Business.

Regulated by the Cayman Islands Monetary Authority: **Winterbotham Corporate and Fund Services (Cayman) Limited.** a registered Mutual Fund Administrator and a Companies Management Licensee.

Regulated in Puerto Rico by the Office of the Commissioner of Financial Institutions: **WTC International Bank Corporation.** an International Financial Entity licensed to accept deposits, make loans and carry out general banking transactions as defined in the Article 12 of Act 273-2012, the International Financial Entities Act.

Today Winterbotham contributes to the profitability and goals of entrepreneurs in banking and financial services, insurance, manufacturing, aviation, real estate, shipping and trading sectors and accepts fiduciary responsibility as agent, trustee or administrator for more than USD 10 Billion in client assets.

# WINTERBOTHAM FUND SERVICES

Winterbotham Fund Services (“WFS”), a division of The Winterbotham Trust Company Limited, is an unrestricted fund administrator regulated by the Securities Commission of The Bahamas.

WFS offers tailor-made services to design and structure investment funds in different jurisdictions with customized features to meet the specific needs of each client. WFS works closely with clients on structures that range from holding companies to complex multi-jurisdictional regulated investment funds.

WFS provides fund administration services to a full range of fund vehicles but with a specific focus on private client funds, multi-asset private equity and infrastructure funds. Winterbotham is able to advise on both open and closed ended structures whether for private use or those seeking a public listing.

WFS in accordance with its client’s objectives, establishes the necessary infrastructure and incorporates the desired technology to ensure the efficient operation of bank and custody accounts of the fund. Winterbotham can also provide, through its other divisions, brokerage, custodial and banking services.

Our experienced team offers a broad range of solutions drawing on our in-depth expertise in fund accounting, investor reporting, and portfolio/investment analysis practices. We back this specialized knowledge with a scalable, best-in-class technology infrastructure and proven process controls. As an independent provider, WFS coordinates across fund manager, promoter and investment advisor relationships, and other third party providers to act as a centralized point of control and reporting.

In 2017 Winterbotham was awarded the official ISO 9001:2015 certification in respect of the NAV and RTA process for Investment Funds. Registration No. CS 473

# EXPERIENCE

WFS has advised on the establishment of various types of fund structures, including but not limited to the following:

- ***Open-ended umbrella funds trading in equities, bonds, derivatives and currencies***
- ***Master-feeder structures.***
- ***Various hedge fund structures***
- ***Private Equity funds***
- ***Specialist real estate investment funds***
- ***Venture capital funds***
- ***Private Client funds***

While we also cater to retail funds, we focus on servicing non-traditional funds such as single, institutional or small group investor funds, set up as funds of funds, alternate investment-type hedge funds, including long and short- term equity, equity option arbitrage, high yield bonds, emerging markets, distressed debt, currencies, futures and other derivatives.

Our philosophy is to grow with our clients. We service funds of all sizes and our client base includes funds with net assets ranging from US\$1 Million to \$1 Billion+. We offer the same high quality service to fledgling investment managers as we do to established institutions.

# SERVICES

- We have the experience and expertise to provide Promoters with sophisticated counsel before and after the formation of an Investment Fund. We offer a number of unique structures for specific investment objectives and/or transactions;
- Once the structure is agreed and due diligence of the parties involved completed, we constitute The Fund, usually by means of a Bahamas Company. As an unrestricted fund administrator, Winterbotham can issue the fund license for SMART and Professional funds on behalf of the Securities Commission of The Bahamas ("SCB").
- We calculate the Net Asset Value ("NAV") of the fund as often as required (e.g. daily, monthly or quarterly). Reports are created on our modern multi-currency fund accounting software platform, providing a transparent audit trail;
- We provide Registered Office and serve as Registered Agent, including the provision of office facilities and IT support;
- We maintain superior investor relations by ensuring full disclosure and providing timely delivery of periodic statements of holdings, reports and trade confirmations, in addition to keeping the investors abreast of material changes to the offering documents and other relevant documentation
- We are able to provide full FATCA and CRS reporting services.
- Winterbotham is a Sponsor Member of the Bahamas Stock Exchange ('BISX') authorized to introduce applicant funds for listing.

# PROFESSIONAL SERVICES

WFS provides resources for and has expertise in all aspects of fund administration, from inception through launch and post-licensing operations.

## **Our professional services include:**

- *Drafting prospectuses and other offering documents, including Term Sheets for SMART Funds, Memorandum and Articles of Association, trust deeds for unit trusts and partnership agreements;*
- *Drafting material agreements such as management, custodian, administration, accounting services, fiduciary, investment advisory and consultancy agreements;*
- *Full and comprehensive fund accounting services;*
- *Co-ordination of the listing of investment funds on stock exchanges and other public media, including NAV publication on Bloomberg, S&P, Reuters, Telekurs etc.;*
- *Advising on compliance in both government regulatory matters and those affecting the fund's investment policy and objectives;*
- *Preparing and delivering customized financial and portfolio performance reports;*
- *Producing customized prospectuses and other corporate documentation for circulation to investors;*
- *Maintaining the register of members and performing investor due diligence to satisfy anti-money laundering regulations;*
- *Processing investor transactions for subscriptions, redemptions, capital calls and distributions;*
- *NAV monitoring and analysis;*

# FUNDS

## SMART FUNDS

SMART (Specific Mandate Alternative Regulatory Test) Funds are a group of investment vehicles that allow for swift structuring as investment funds, without the regulatory and financial bureaucracy typically associated with retail funds.

This category of funds has been designed to cater to sophisticated investors, offering adequate tailored regulatory oversight without sacrificing the flexibility needed to facilitate the transactions of today's promoters.

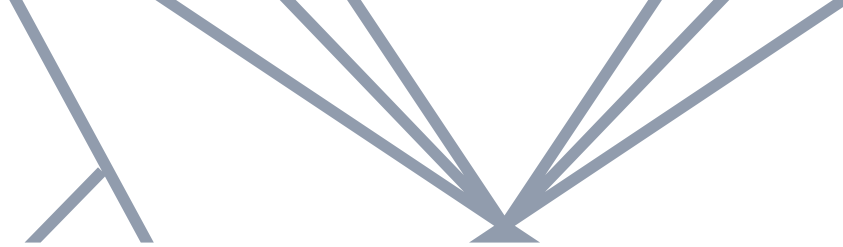
As a licensed regulated entity a SMART Fund offers significant advantages over a simple offshore company or unregulated fund structure in today's highly regulated investment environment.

SMART Funds encourage innovative structuring options that are looked upon favorably by the Securities Commission of The Bahamas whose risk-based regulatory approach is particularly supportive to the objectives of sophisticated investors.

## SMART FUNDS ALLOW

- the **OPPORTUNITY** to design a specific type of investment fund template which can be modified to the clients' specialized needs;
- **CREDIBILITY** and **ACCEPTANCE** in the eyes of institutional counterparties;
- private investment funds to **OPERATE IN A SUPERVISORY ENVIRONMENT** appropriate to the fund
- a **FAST-TRACK APPLICATION PROCESS** through Winterbotham as an Unrestricted Fund Administrator with the authority to license both SMART and Professional Funds on behalf of the Securities Commission of The Bahamas, allowing for a timely launch of the fund.;





- the **OPTION TO UPGRADE** its license to a Professional or Standard Fund as and when the promoters wish;

- significantly **REDUCED COSTS**.


## CATEGORIES OF SMART FUNDS

Various categories of SMART Fund licenses have been approved since their creation in December, 2003. The three models that may be most useful to private fund sponsors and managers are the “Super Qualified Investor Fund”, The “Incubator Fund” and the “Private Client Fund” which can be summarized as follows:

### SUPER QUALIFIED INVESTOR FUND (SFM007)

An investment vehicle designed mainly for professional asset managers, institutional investors and ultra high net worth individuals.

#### **Key features:**

- Maximum 50 ordinary investors
  - Minimum initial subscription of US\$ 500,000
  - No prospectus required – merely a term sheet
  - Low set-up costs
  - Option for waiver of Audit by investors
  - May be licensed by an Unrestricted Fund Administrator such as Winterbotham
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## THE INCUBATOR SMART (SMART002)

An investment fund established to generate a performance history prior to the upgrading of the license to a Professional Fund or Standard Fund in anticipation of a public offering.

### **Key features:**

- Maximum 10 sophisticated investors
- No prospectus required – only a term sheet
- Low set-up costs
- Option for waiver of Audit by investors.
- Maybe licensed by an Unrestricted Fund Administrator, such as Winterbotham

## THE PRIVATE CLIENT SMART (SMART004):

A licensed holding vehicle designed for a small group of related persons, perhaps under a Family Office structure or partnership.

### **Key features:**

- Maximum 5 ordinary investors
- No prospectus required simply a term sheet
- Low set-up costs
- Option for waiver of Audit by investors.
- May be licensed by an Unrestricted Fund Administrator such as Winterbotham
- Administrator is not required where directors opt to carry out administrative duties; however, if directors opt to carry out such administrative duties, only the SCB will be able to license the fund.




## THE PROFESSIONAL FUND

Professional funds are designed specifically for sophisticated investors. This type of investment fund typically engages in uniquely complex investment strategies. In order to protect the investors' interests, investors in Professional Funds are required to be knowledgeable about investing in financial markets. To this end, all investors in professional funds are required to meet the criteria of an Eligible investor.

## THE NON-BAHAMAS FUND

An investment fund licensed and in good standing in a prescribed jurisdiction, that is only associated with The Bahamas by nexus of a service provider, is classified as a Non-Bahamas Fund. This type of fund must be registered with the Securities Commission of The Bahamas; however, it is not required to meet the requirements of any of the other categories of funds.



## THE STANDARD FUND

Standard Funds and Professional Funds have common requirements with the exception that Standard Funds allow for any type of investor to subscribe. Both types of funds require:

- Annual audit
- Administrator (except for self-administered funds)
- Independent custodian (if safe-keeping of assets is necessary)
- Offering Document (certified by the administrator or a Bahamian attorney)
- Ongoing filing obligations with the Securities Commission

In general, Standard Funds are the “default fund”, in that, any fund that does not meet the criteria of a Professional, SMART or Non Bahamas Fund automatically falls into in this category. Since all types of investors, including inexperienced ones, invest in these funds, they are the most highly regulated type of investment fund and may only be licensed by the Securities Commission of The Bahamas, unlike Professional and SMART funds which can be licensed by an Unrestricted Fund Administrator.



## ICON FUND

The Investment Condominium Fund of The Bahamas

In 2014, the Bahamian Parliament approved the Investment Condominium Act, that created a new legal form for establishing an investment fund, which is unlike any found elsewhere. Thus, in addition to the traditional options of setting up an investment fund as a company, a partnership or a unit trust, in The Bahamas the option now exists to constitute as an Investment Condominium (“ICON Fund”).

The unique feature of this new legal form for funds is that it allows the creation of a regulated and licensed investment fund based on a legal concept developed in Civil Law jurisdictions, which is the “condominium.” As such, the ICON Fund is not a legal entity but involves a contractual relationship among the “participants” (the investors) and the administrator in which assets are pooled for the purpose of investing collectively.

It is important to note that this legal form does not avoid any of the regulations applicable to investment funds in The Bahamas. Every ICON Fund – as with any other fund created as a company, partnership or unit trust needs to be licensed as either a SMART Fund a Professional Fund or a Standard Fund.

# WINTERBOTHAM GROUP

Winterbotham believes that in order to add value to the fund product, we must provide fund administration solutions that go beyond administrative tasks. We provide our clients with a wide range of additional services, which will enhance the value of the fund. Some of our value-added services include, listed by division:

Winterbotham Merchant Bank (“WMB”), offers multi-currency Winterbotham Call Accounts (WCA), which allow for same-day money transfers and online access to account balances. WCA serves as your fund’s bank account, settlement account or as the fund’s Escrow Account to facilitate receipts and payments of subscriptions and redemptions. Our competitive FX platform also adds value to the efficiency of the account;

Winterbotham International Securities (“WIS”), provides non- discretionary, execution only, brokerage services by trading fixed income and equities. Operating from Nassau, together with global clearing firms, WIS can provide competitive pricing for any internationally quoted security;

Winterbotham Custody Services (“WCS”), provides custody for publicly traded securities through prime global bank custodians and prime international brokerage houses. Member of Euroclear.

Winterbotham Corporate Services offers solutions involving the incorporation of strategically located international companies for structuring transactions and operations together with providing professional accounting, tax reporting, compliance, IT support and general administrative services and assuming fiduciary responsibilities.

Winterbotham Trust & Fiduciary Services offers comprehensive trust administration and fiduciary services. Winterbotham currently administers many trusts and provides fiduciary services to meet the objectives of corporations and individuals.



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