

Case Study: Cayman Fund Launch

When launching a fund with Trinity, there are typically a number of steps which need to be undertaken in order to successfully launch the fund. Trinity provides project management and support services in fund launches and acts as a central point of contact for the client and as a conduit for all communication relevant to fund launch wherever possible, including liaison with the Fund's legal counsel to assist in an efficient co-ordination of the project. The example below is for a Cayman Island registered fund.

Weeks 1-2

1. Firstly the structure of the fund is determined, in consultation with legal advisors. Trinity's independence allows us to work with any external legal advisors and can provide introductions to partner law firms in Cayman, Dublin, Switzerland, the UK and the US.
2. Introduction to and selection of key service providers takes place.
3. Formal engagement of the chosen legal counsel takes place, with instruction regarding the incorporation of the fund entities.

Weeks 2-6

4. The legal counsel will prepare the memorandum and articles of association for the fund with the purpose of incorporation, and then submit these documents to the Registrar of Companies in Cayman with the appropriate incorporation fees.
5. Whilst the fund is being incorporated, the bank account opening begins in earnest. The requirements for account opening vary from institution to institution but Trinity can assist in completing the account mandates and fulfilling the due diligence if so engaged.
6. Similarly, the account opening for the fund at the Prime Broker or Custodian will be progressed, and this will be primarily driven by the Investment Manager. The fund must be incorporated and directors appointed before the bank and prime brokerage accounts can be fully set up in the name of the fund.
7. As soon as the incorporation documents are returned from the Registrar of Companies, such documents are submitted to the Broker and Banker for the account set-up, together with the required KYC (know your customer) documents, pertaining to the directors, authorised signatories, principals and ultimate beneficial owners.

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8. Legal counsel, or Trinity in conjunction with legal, will begin drafting the Offering Memorandum. This involves collation of all information such as descriptions of service providers; terms of share offering; investment strategy; fees; etc. Each party is consulted in order to compose the Offering Memorandum.

9. After preparing the Offering Memorandum, legal counsel/Trinity invite all relevant parties to comment thereon. As administrator, we will look at the practicalities (consistency in dealing terms; notice periods for subscriptions and redemptions; the KYC disclosures; the wording as it relates to the performance fee methodology and pricing of instruments). The directors must have ample opportunity to review the Offering Memorandum in detail as they are responsible for the content thereof. The investment manager naturally also wishes to comment as well. This is to ensure that all stakeholders are satisfied.

10. Legal counsel may then wish to review the various material contracts that the entities will enter into (Administration Investment Management; Brokerage; Banking etc). This will involve liaison with the various counterparties to reach agreement on any proposed revisions.

Weeks 6-Launch

11. The brokerage account opening is secured for the entity, as well as the bank account details for all entities for inclusion in the subscription agreement (which will accompany the Offering Memorandum).

12. When all comments are collated, a final draft of the Offering Memorandum and the material contracts are presented to the Directors for approval and execution, together with the appropriate board resolutions and the relevant form for registration with CIMA. The Offering Memorandum sets out the opening and closing dates for the offering of shares in the entities. This can be shortened or lengthened by the directors at their discretion.

13. After the directors sign off the resolutions and contracts, the Offering Memorandum; CIMA registration form and consent letters from the auditors and administrator will be filed with CIMA for registration of the fund and the fund will be officially open to subscriptions.

14. As soon as the subscriptions monies are received and the initial offer period closed, *shares are issued and trading may commence.*

Contact us

For a fee quote or to discuss your tailored solution call us on +353 1279 9660 or e-mail trinity@trinityfundadmin.ie; or for more information on Trinity visit our website at www.trinityadmin.com