

# INCEPTION

## A Fund Manager Platform For Emerging Managers

### The Premise

Inception Emerging Managers Funds SPC (“Inception”) is a fund platform created by a group of experienced hedge fund Industry Professionals to aid *new and emerging managers* with two commonly faced issues.

1. Facilitating the **creation and launch** of a vehicle with a lower amount of initial seed capital, without the ongoing drag on performance from full T.E.R. (Total Expense Ratio)
2. Allows the client to establish their vehicle as a sub-fund on the existing platform with:
  - i. Legal separation of assets and liabilities from other sub-funds on the platform,
  - ii. Satisfying of regulatory requirements’, and,
  - iii. Timely registration and access to market.

### The Platform

- The Inception Emerging Managers Fund Segregated Portfolio Company (‘SPC’) is a registered Cayman Islands Mutual fund.
- The fund is a **regulated** mutual fund and is registered with the Cayman Islands Monetary Authority (“CIMA”) pursuant to Section 4 (3) of the Mutual Funds Law of the Cayman Islands with a minimum initial investment from an investor of US\$100,000. The funds CIMA registration number is 658335.
- Each sub-fund is structured as a segregated portfolio and each has its own investment objective policies.
- You may terminate the relationship at any time with a 90 days’ notice period, significantly reducing downside risk.
- If you wish, and using the 90-day notice period, you may to migrate the sub-trading fund off the platform to establish your own stand-alone fund. This can be achieved through the use of a designated trading company.

### The Process

1. The prospective Investment Manager client enters into a facility agreement with the Inception platform, which outlines the terms and conditions of use.
2. The Directors of Inception resolve to create a new segregated portfolio on the platform.
3. The Investment Advisory agreement between the platform and the client is drawn up.
4. A standard Master Offering Document, with a standard Supplemental Offering Memorandum for the new segregated portfolio is drafted.
5. A review of key documentation by Cayman legal advisors to the Inception platform is conducted.
6. The Investment Advisor selects (or introductions can be made) to trading counterparties, banks, custodians or prime brokers subject to approval of the Board of Directors.
7. Each segregated portfolio generates a transparent, audited, performance track record.
8. Each client can decide to create their own stand-alone structure when they feel it is appropriate, and further assistance can be provided at that time.

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### The Cost Structure

<b>Setup Fees - Per Segregated Portfolio</b>	<b>US\$</b>
Legal Establishment Fees (an additional \$750 per account charge will apply where engaged to assist with opening bank/broker accounts)	9,500
Inception platform set up fee	5,000
<b>Annual and Ongoing Fees - Per Segregated Portfolio</b>	
Annual Directors' Fees – upon launch and annually thereafter for two directors	8,000 per annum
Administration Fees – upon launch and thereafter. Fees will be dependent upon the operational characteristics such as Monthly or quarterly NAV frequency. Fees for more frequent NAV calculations available on request. Investor transaction fees may also apply depending on anticipated investor activity.	a bp charge based on assets subject to a minimum per annum of 15,000 – 24,000
Annual Audit Fees - including Administrator's Audit Assistance fee (includes one class of participating shares, additional share classes may attract a surcharge). Audit fees dependant on assets.	13,000 assets less than 10 million
Fund Annual Return - required for funds/SP's registered with the Cayman Islands Monetary Authority	1,000 per FAR
FATCA and CRS Support Services at an investor level, including monitoring and preparation of the required annual reports.	monthly fee based on number of investors
PPOC - provide an individual to be the Principal Point of Contact ("PPOC") for the SP with the Cayman Islands TIA in relation to US FATCA, UK CDOT and CRS.	1,500 per annum
Ongoing Inception Platform Fee - year two and annually thereafter	5,000 per annum

### The Service Providers

#### Legal Advisors: **Campbells**

- *Campbells is a leading Cayman Islands full service law firm. Established for over 45 years it has other offices in the British Virgin Islands and Hong Kong providing comprehensive corporate and litigation services on Cayman Islands and British Virgin Islands law. Campbells is recognised for their expertise by leading directories and trade publications, particularly strong in investment funds its clients range from leading onshore attorneys, global emerging managers to established institutional managers, sponsors and investors. Campbells is a member of the international legal network Meritas, [www.meritas.org](http://www.meritas.org)*

#### Administrator, Registrar and Transfer Agent: **Trinity Fund Administration (Cayman) Limited**

- *Trinity is located in Dublin, Ireland and Grand Cayman, with business development offices in Cyprus and New York. The Group was founded in 1993 with the Cayman office commencing operations in 2009. Trinity Cayman is regulated by the Cayman Islands Monetary Authority.*

#### Directors: **KB Associates, Grand Cayman**

- *Part of the KB Associates group, founded in 2003 KBA is headquartered in Dublin, Ireland and has offices in Cayman, London, Luxembourg and New York. KBA is a boutique consulting and advisory firm with regulatory and compliance expertise in onshore European and offshore funds.*

#### Auditors: **Baker Tilly Cayman**

- *One of the world's leading networks of accountancy, audit and business advisory services; Baker Tilly is a global presence, with 24,000 professional staff located in 125 countries.*