

Expanding Private Equity Funds with VCC

Client Background:

A private equity firm with over \$2 billion in assets wanted to simplify fund management and attract global investors by leveraging Singapore's VCC structure.

Challenges Faced:

- 1. Investor Onboarding Delays:**
Complex fund structures created bottlenecks in onboarding institutional investors.
- 2. Administrative Inefficiencies:**
High administrative costs were incurred due to fragmented fund management practices.
- 3. Global Tax Compliance:**
Managing cross-border tax obligations created operational complexities and financial risks.

How We Helped:

- 1. Simplified Fund Framework:**
Established a VCC structure consolidating multiple funds into a single entity, reducing onboarding timelines.
- 2. Optimized Administrative Processes:**
Implemented streamlined workflows, cutting redundant processes and reducing costs.
- 3. Cross-Border Tax Strategy:**
Designed a tax-efficient plan that aligned with Singapore's robust tax treaty network.
- 4. Investor-Friendly Reporting:**
Enhanced reporting mechanisms to meet the expectations of international institutional investors.

Results at a Glance:

- **40% Faster Onboarding:** Simplified fund structure reduced onboarding time significantly.
- **20% Administrative Cost Savings:** Streamlined processes eliminated inefficiencies.
- **Tax Savings Across 3 Jurisdictions:** Optimized tax structure reduced liabilities by 15%.
- **Greater Investor Participation:** Attracted 10 new institutional investors in the first year.

Conclusion:

The tailored VCC solution enabled the private equity firm to enhance fund management, attract global investors, and achieve operational efficiency.

