

# **C/A/K GROUP**

## **GROUP PROFILE**

- Corporate & Trust Services: Multinational Client, Private Client & Family Consulting, Fund Structure Services and Structured Finance Client Services
- Corporate Finance, Structured Finance and Investments
- Wealth Management & Asset Management, Protection & Enhancement
- Project identification, structuring and development meeting agreed criteria, utilizing project equity and loans arranged by C/A/K.

## Introduction

The C/A/K Group (C/A/K) is an independent financial services provider consisting of trust, fund & specialized financial services companies, which has served the growing needs of its clients for over thirty years.

C/A/K provides a full range of corporate & trust services, including the formation, management and administration of companies, trusts and foundations. It further provides accounting, fiscal, banking and advisory services from Continental and Anglo-Saxon jurisdictions.

C/A/K provides (private) wealth management – estate planning, asset management, protection & enhancement services, investment management and corporate- and structured finance solutions and assists its clients with project identification, structuring and development meeting agreed criteria, utilizing project equity and loans arranged by C/A/K.

C/A/K always puts its client first. All Group companies are dedicated to deliver the highest professional quality and focus on creativity and “thinking out of the box”. While recognizing that the old way may still be the best way, C/A/K strives constantly to find better, tailor made solutions to its client’s needs. This accounts for its corporate, fiduciary, administrative and legal structuring services as well as wealth & investment management, asset management, protection & enhancement services and corporate- and structured finance solutions.

C/A/K provides these services to their broad range of corporate and individual clients that consist of publicly and privately held global operating companies, leading accountancy, law and tax advisory firms, bank and financial institutions, investment management firms, start up companies, partnerships, and high net worth individuals. The client’s interests are firmly protected through diversification of risk, conservative financial management, and by providing an environment of integrity, honesty, privacy and confidentiality that are essential in forging long term client and personal relationships.

C/A/K group companies and their professional staff, committed to excellence, have integrity and honesty at the heart of their business, and are committed to providing an environment of privacy and confidentiality within the required statutory frameworks.

C/A/K appreciates the importance of independence. Therefore, it is not committed to any accountancy or tax practice, law firm, bank, financial institution or service provider. It is privately owned and fully integrated providing central direction and short lines of communication with all of its offices. Avoiding the risk of conflict of interest and securing its position as truly independent.

C/A/K works closely together with professional intermediaries such as lawyers, accountants and bankers, who usually play a significant role in the consulting of their client's business, by creating an environment non competition, trust and integrity.

C/A/K professional staff is committed to follow its clients in those jurisdictions that are politically and legally stable, means that C/A/K is everywhere where the client needs it to be in terms of reputation and corporate and trust services.

C/A/K offices & alliances are located in:

- Anguilla
- Australia - Vanuatu
- China - Hong Kong
- India - New Delhi
- Luxemburg
- Panama – Panama City
- The Netherlands - Amsterdam
- The Netherlands Antilles – Aruba & Curacao
- United Kingdom – London
- U.S.A. - New York
- Venezuela - Caracas

### **C/A/K Group Services**

C/A/K offers a high quality level and comprehensive range of services through their global network of offices and by their first class personnel. All embedded in a strong corporate culture and deeply rooted ethical standards and values. With the experience and expertise at our client's disposal we help our clients to improve their performance and allow them to pay all attention to the core of their business activities.

### **Corporate & Trust Services**

The client's tax advisor evaluates its client needs in an ongoing process in close communication with its client. C/A/K will help the client to build a customized structure, based on the proper assessment of the client's specific needs and with a focus on ensuring that the client's exposure to taxation and other fiscal duties on dividends, intra-group interest, royalties and trading profits, is minimized by making use of both onshore and offshore jurisdictions. As an outcome of this, for each structure there is a range of services that can be provided on an ongoing basis. These can include the provision of dedicated employees, and local infrastructure like the lease of office space, furniture and utilities, and telephone and facsimile lines, P.O. Box addresses, and e-mail and website facilities.

C/A/K Group offices have dedicated personnel and professionals that facilitate corporate secretarial as well as legal, bookkeeping, administrative, invoicing and payroll services. From within the C/A/K Group, highly qualified Directors and proxy holders and who can assume sole or joint responsibility and can be provided internally or externally, acting as individual managers and supervisory Directors of the companies that have been incorporated in the various jurisdictions. The C/A/K internal and external network and dedicated professionals assure the client that the entities established by C/A/K are in compliance with tax laws, tax filing requirements, government regulations, and in good standing under the laws of the country in which they have been incorporated.

C/A/K guarantees that the client will be provided with the most appropriate tailored solution to its needs. The best tailored solutions for C/A/K's clients can be used alone or in combination with the services and structures described hereunder.

## **Company Incorporation, Domiciliation and Management Services**

The C/A/K Group is specialized in incorporating and managing all types of corporate entities and provides share registration and added value services that enhance the interaction between shareholders and companies that are structured through our global office network. Every company needs a registered office where official documents can be served in addition to one or more managing directors who handle day to day operations. C/A.K's premises are available as a registered address for clients. C/A/K provides further supporting services that deal with company management and administration like: the appointment of company secretaries, the production and maintenance of corporate records, bookkeeping and accounting services and financial transactions, including the administration and management of bank accounts.

## **Director and Nominee Shareholder Services**

Management and Director services are a logical part of C/A/K's services that flow from the incorporation of corporate entities where local management is added to enhance the substance of the corporate entities. C/A/K can provide the services where clients have the need for corporate Directors or nominee Shareholder Services relating to the holding of their entities. In connection with the incorporation and management of a new company, C/A/K provides Director and nominee services in most of its operational jurisdictions.

## **Bookkeeping & Reporting Services**

Tough accounting standards and extensive and complex reporting requirements have increased the pressure on CFO's. At the same time, compliance and risk management have become increasingly important. C/A/K provides secretarial, administrative, bookkeeping, invoicing and payroll services, as well as personnel to manage both logistics and technical issues. C/A/K's clients use the following propriety services:

- Statutory bookkeeping services including the maintenance of client's books and records in accordance with local rules, directions and laws, and the preparation and filing of all required reports and specifications.
- International Management reporting services
- Consolidated reporting services

- Preparation of periodic financial reporting
- Budgeting
- Preparation of annual accounts
- Salary and VAT administration

### **Fund Administration Services**

C/A/K offers a complete range of accounting, administration, shareholder, corporate, legal, and management services to international investment funds. C/A/K Fund Services structures its offerings to complement the business objectives of its clients and is a truly independent third party fund administrator, providing a customized service with flexibility and close attention to detail. C/A/K will facilitate the complete set-up of a fund, incorporation of a legal entity in the adequate jurisdiction, obtaining permits, licenses or regulatory approval as required by each jurisdiction, the drafting of the prospectus and related agreements.

C/A/K has the ability to establish various fund types like: umbrella funds, private investment funds and multi-manager funds. By providing fully independent services, C/A/K acts as a reliable fiduciary to safeguard the interest of the investors.

### **Private Client Services**

C/A/K's private client services are designed as to provide the client with a comprehensive range of planning strategies and solutions. To ensure the best possible solutions, C/A/K provides professional trustee and company management services for personal holding companies, trusts, foundations and other estate planning vehicles. When needed, C/A/K provides family office services for high net worth individuals in a variety of common law and civil law jurisdictions that best suits the client's estate planning needs.

C/A/K's professionals are available to help in the day to day management of its client's affairs and by providing legal and accounting support services. These services are independent from any banking and asset management relations the client may have.

C/A/K regularly establishes and administrates estate planning and asset protection structures (protect client assets against excessive financial claims that may be imposed upon high net worth individuals) in coordination with tax, inheritance, and

estate law experts, so the client will enjoy the benefits of a properly managed estate during their lifetime, as well as providing the peace of mind that after they die, their wishes will be carried out as they have directed. Estate planning is also used to eliminate conflicts of interest between heirs as well as the negative consequences of any forced heir ship rules.

### **Trust and Foundation Structures**

For a private or corporate investment holding, trusts and foundations are often used for the top entity structure in common as well as civil law jurisdictions.

Usually, both structures provide favorable tax advantages like a reduced income tax rate, tax deferrals or a separation from the personal assets of the Settler and Beneficiaries.

For both trusts and foundations, C/A/K provides the establishment, Trustee, Director(s) and management and administration services as part of their services.

### **International Licensing and Royalty Management Services**

The international flow of royalties can be directly or indirectly maximized, by efficiently structuring these flows by tailor made and effective solutions through special purpose corporate entities (SPV's). The company holding i.e. having the ownership of the intellectual property enters into an agreement by granting a license to the SPV to use the property (i.e. entertainment assets such as copyrights for movies, images and industrial property rights to patents and trade marks.). The SPV then sub-licenses these rights to other (related or unrelated) companies worldwide. The tax benefit of the structure includes that royalties paid by the SPV can be deducted from royalties received. This can enable nearly all royalties (paid from pre-tax income) earned to be sent to the top "owning" entity, without any income or withholding taxation.

### **Double Tax Agreement and Zero Tax Holding Structures**

Double taxation agreements between different countries provides the opportunity to optimize tax results.

C/A/K is well experienced in incorporating companies in a wide range of jurisdictions that entail the features of double taxation agreements for the optimization of tax results.

Reduced withholding taxes on dividends, royalty streams, transfer pricing harmonization, interest, hybrid financing and the avoidance of double taxation concerns are realized by incorporating specific legal entities in dedicated jurisdictions. The C/A/K network of international tax experts, attorneys and accountants develop these structures in close co-operation. Both tax deferrals as well as a lower effective tax rates are achieved by combining high and low tax jurisdictions.

By establishing companies (often used for single transactions or personal holding companies) in zero tax jurisdictions that apply to several countries, the tax system in these specific countries allows for sheltering or deferring certain types of income. Often, a zero-tax company is established so that the company can operate as an intermediary for purchasing or distributing goods and/or services from the zero-tax jurisdictions. All profits are then without taxation. The zero-tax company is also frequently used as an investment vehicle, reducing income taxes by financing the local activity through an offshore loan instead of through an equity investment. The offshore entity receives interest income tax-exempt in the zero tax jurisdiction. Zero-tax structures are regularly used to benefit from differences in legislation between various countries, where complicated securities laws or currency restrictions exist.

As a holding company, they can efficiently net profits and losses before up-streaming dividends to a higher tax jurisdiction.

### **Real Estate Holding Structures**

Usually, real estate holdings operate through a double entity (parent-subsidary) structure, as real estate investment can carry both tax and liability risks.

For example, for existing real estate structures, local transfer taxes may be applicable when how the real property is held changes. C/A/K has developed structures that may prevent the levy of this tax when a client changes the way in which they hold their property.

Corporate entities located in different jurisdictions are used to maximize tax efficiency depending upon the location of the real estate. For some income earning property, opportunities are available which provide a complete exemption from income taxation. In all cases, when the property is sold, a stepped sale process is employed. The result of this stepped process is a complete tax exemption from all capital gains earned from the appreciation in the value of the property.

### **Trading, Service and Agency Structures**

One might make use of a structure involving a high or low tax trading company for activities related to trading or the provision of services. Where a trade company in a high-tax jurisdiction is used, it may enter into a service or representation agreement with a low tax company (usually the Principal). The terms of the agreement specify that the trading company agrees to perform certain activities at the risk and on account of the low tax company. This structure can minimize taxation in high tax jurisdictions and maximize profit realization in the low tax jurisdictions. Trade and service companies do not need to be in the same jurisdictions.

The same applies for an agency structure where the agent performs certain activities at the risk and for the account of the low-tax company. The agent may purchase and sell goods and pay the profits of the trade to the low-tax company after the deduction of a taxable agency fee. The agent may also provide certain services (in exchange for a fee) or engage another party to obtain/perform (for a fee) the same type of services. Resulting profit can be paid to the low-tax company following the payment of a taxable consultancy fee. All agency services can be realized by establishing and managing companies either directly or through a third party intermediary.

### **Corporate Finance**

C/A/K Group Corporate Finance advises its clients seeking to acquire capital for companies or projects. Specifically, we provide corporate finance advisory and transaction support (financial investigation and reporting) services for:

- acquisitions and disposals
- management buy-outs and buy-ins
- debt and equity-based fund raising
- commercial business valuations
- strategic financial and/or structuring advice
- IPO preparation

C/A/K has a network of senior 'hands-on' professionals with proven track records and established market reputations. C/A/K has top-level contacts with funding institutions, including private equity funds, banks and asset finance providers. C/A/K offers total commitment to a small number of clients. Above all we want to achieve the best result for our clients and we enjoy doing deals!

### **Project Services.**

C/A/K and its affiliates have the ability to team with its client to help you identify, structure and develop, projects meeting agreed criteria, utilizing project equity and loans arranged by C/A/K.

### **Airplane Structures**

C/A/K offers a complete airplane structure managed by C/A/K and which includes the incorporation, management and administration of the corporate entity holding the airplane.

Companies or individuals that have the intention to purchase an airplane, the airplane structure provides an very attractive VAT rate of 0%, and this rate also applies to all leasing activities involving airplanes. VAT rates can go up as high as 25%, and one can generate substantial savings on the purchase of an airplane. One can pay 0% VAT on the transaction amount when the airplane can be purchased and registered through the corporate entity.

Than the airplane can be subsequently leased/rented to an airplane operator located anywhere in the world. A VAT rate of 0% applies to all airplane lease contracts. The VAT is considered paid (at a 0% rate) and this prevents any other VAT authority from charging additional VAT charges on the airplane, even though the airplane may be based in their own jurisdiction.

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