

Technology-powered services

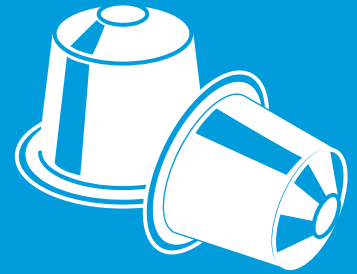
- 🔒 Digital labour (Robotic process automation) services
- 🔒 Accounting and advisory services
- 🔒 AIFMD reporting
- 🔒 Institutional investor reporting
- 🔒 Risk management and reporting
- 🔒 FATCA and CRS entity classification
- 🔒 Withholding tax health-check
- 🔒 Registration and maintenance (distribution support) services
- 🔒 Private Equity / Real Estate systems implementation services
- 🔒 Mandatory Disclosure Rules (MDR) health-check

Browse our menu of technology-powered services to see how we can support your alternative investment fund with our expertise.





Digital labour (Robotic process automation) services



A technology-powered service catering to all types of alternative investments

Automate human activities, partially or fully.



Privacy and compliance: Limit human exposure to sensitive corporate data

- 🔒 Reduce human error in compliance tasks.



Quality and accuracy

- 🔒 Reduce quality issues associated with manual data entry.
- 🔒 Deploy new “no-labour” data integrity routines.
- 🔒 Increase security and governance tasks without adding new human labour.



Process improvement and efficiency

- 🔒 Leverage digitalised data to improve efficiency.
- 🔒 Allow workers to focus on higher value-added activities.



Speed

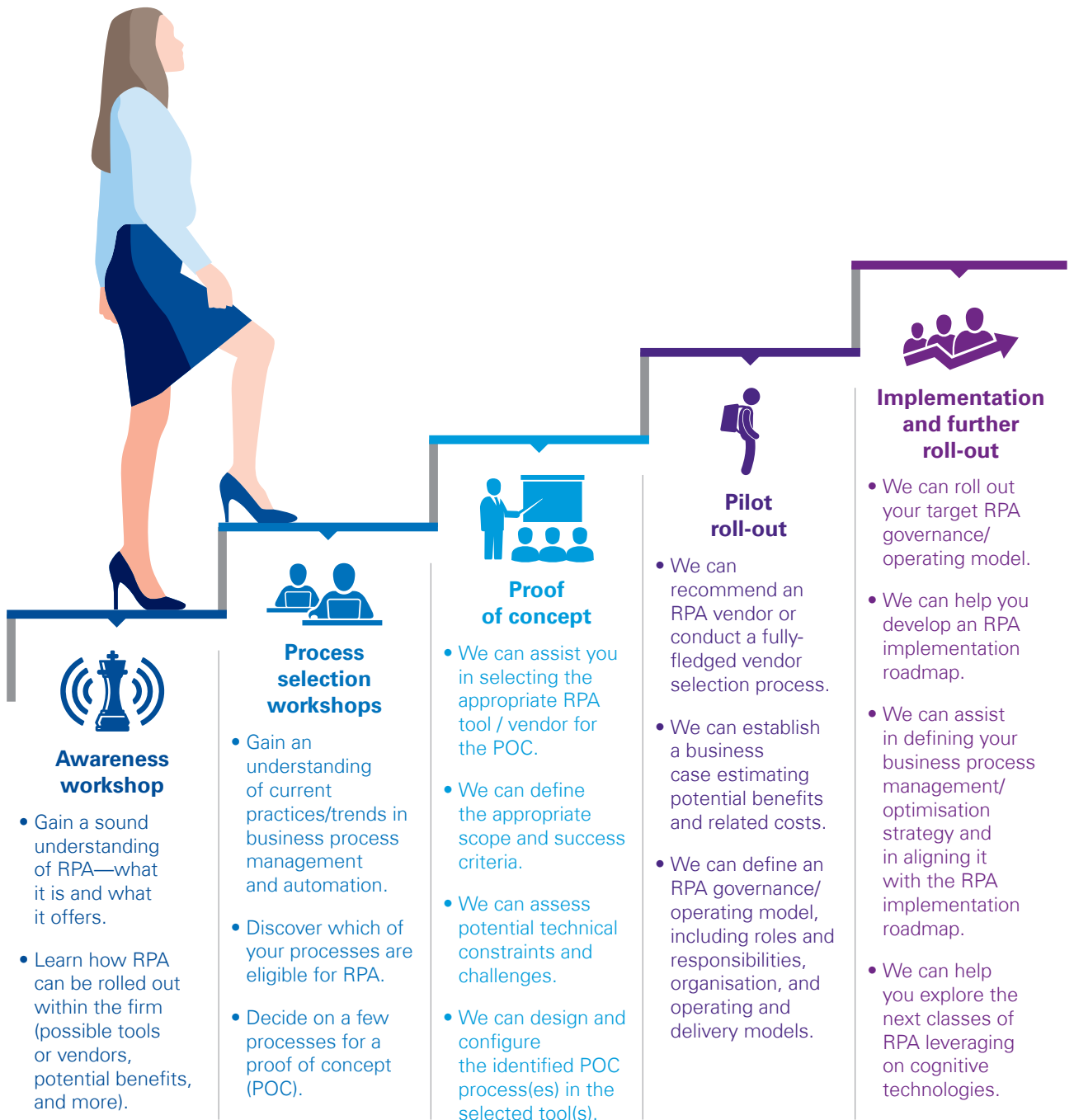
- 🔒 Benefit from work done 365 days a year at 24/7 availability.
- 🔒 Accelerate completion rates of certain tasks, compared to human labour speeds.



Cost reduction

- 🔒 Manage labour costs more effectively.
- 🔒 Decouple correlation between labour and revenue growth.

Detailed overview - How we can help you on your RPA journey



We would be happy to discuss a feasibility study with you.

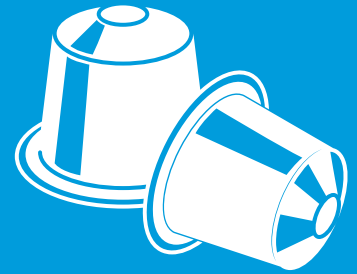
Feel free to contact us!

For contact details please go to: www.kpmg.lu/alternativeinvestments





Accounting and advisory services



A technology-powered service catering to all types of alternative investments

Our solutions are tailor-made and tech-inspired.

"Glocal" experience and expertise

We have a strong local and global presence and our multilingual team will support you with their expertise.

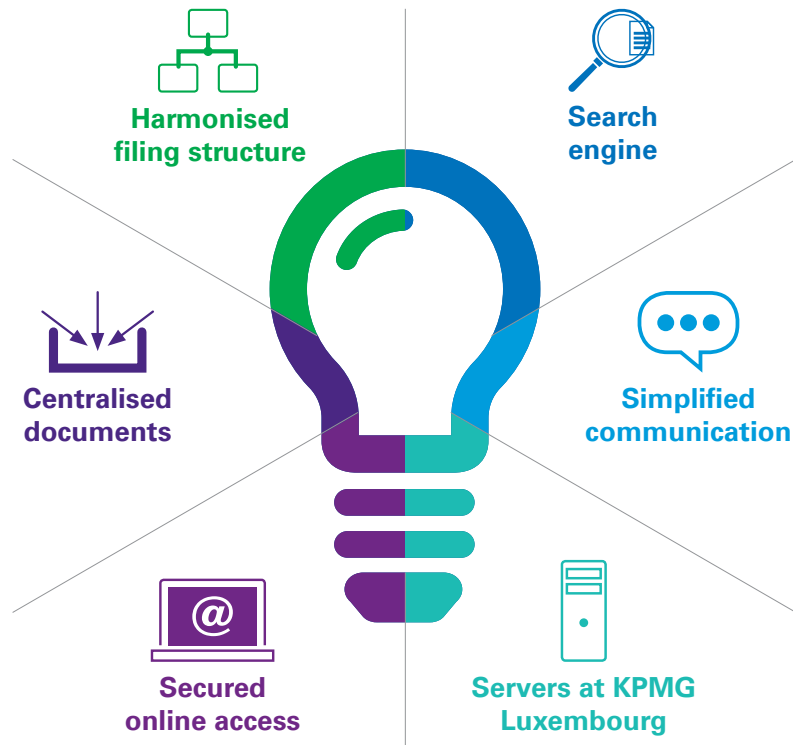
Technology

Our services and softwares are technology-powered.

We support leading edge tech start-ups and are a partner in a blockchain solution under development in Luxembourg.








Property companies with (foreign) real estate

We provide efficient solutions for all of your real estate structures (e.g. optimisation of property management accounting).



Our solutions are tailor-made and tech-inspired.

Our products and services include:

-  **Accountix:** multi-currency, multi-ledger software developed in-house that can produce financial statements, CIT returns, and VAT returns with the touch of a button
-  **eAccounting:** a secure online platform where your portfolio companies' financial reports can be downloaded at any time, additionally with journal entry capabilities compliant with Luxembourg's verification and posting procedures
-  **Document Management System:** a secure online portal, available worldwide, offering you 24-hour access to your corporate documentation and financial reports
-  **MONA consolidation:** accounting software that can consolidate structures consisting of many companies within a group
-  **General ledger upload software:** software that can read general ledgers and automatically upload individual journals to portfolio company platforms, ensuring that information is retained; particularly useful for Luxembourg companies with real estate abroad or for investment companies appointing third-party brokers
-  **Central Bank and CSSF reporting feeds:** regulatory reporting services for the investment funds industry, continually updated following changes in local compliance and filing legislation—KPMG is one of the largest AIFM filing and FATCA/CRS reporting agents in Luxembourg
-  **eFront:** services from our eFront-certified trainers for fund administration companies, assisting with implementation and training, and with selection support

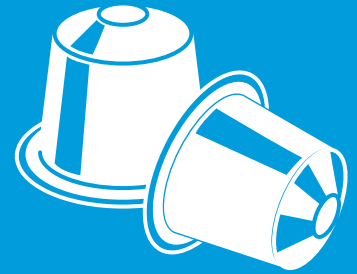
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AIFMD reporting



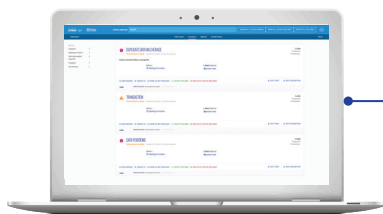
A technology-powered service catering to all types of alternative investments

We can turn your raw data into AIFMD reports fit for regulators.

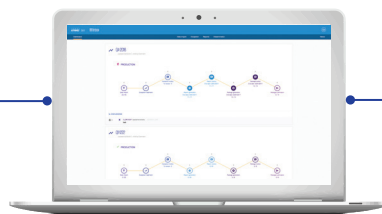
With our AIFMD reporting solution...

-  ...AIFMD reports are generated by combining, linking, and enriching your raw data.
-  ...you can focus on managing data exceptions.
-  ...data exceptions are assigned to data owners and followed up on centrally.
-  ...we monitor local regulatory requirements across EU jurisdictions and keep our solution updated.
-  ...all of the computations required by the directive are covered.
-  ...we will file your reports with the EU local authorities, complying with specific technical requirements.

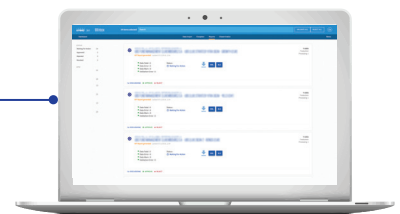
Data control and exception management



Visualisation of ongoing actions, their criticality, and KPIs












Validation screen to validate AIFMD reports



Detailed features

Our service includes:

-  importing and uploading data (accounting, transaction, etc.)
-  performing consistency controls based on data formats
-  identifying and documenting the required business rules to treat raw data
-  performance, in accordance with the required business rules, of ESMA classifications (such as SubAssetType or Geographical Focus), as well as calculations in accordance with article 24 AIFMD requirements
-  supporting the exception management process
-  generating final XML reports (as well as Excel versions) including validation controls based on the XSD schema
-  ensuring smooth workflow management, and monitoring functionalities via a web interface
-  dissemination of XML reports to the national authorities (NCAs)
-  performing risk measurement at the portfolio level (DV01, CS01, etc.) and the position level (AuM, leverage)



AIFMD reports validation



Library with past production materials



Exception management



Dashboard to monitor production process



Regulatory watch



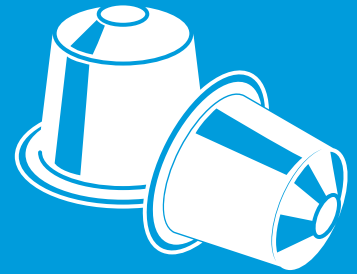
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Institutional investor reporting

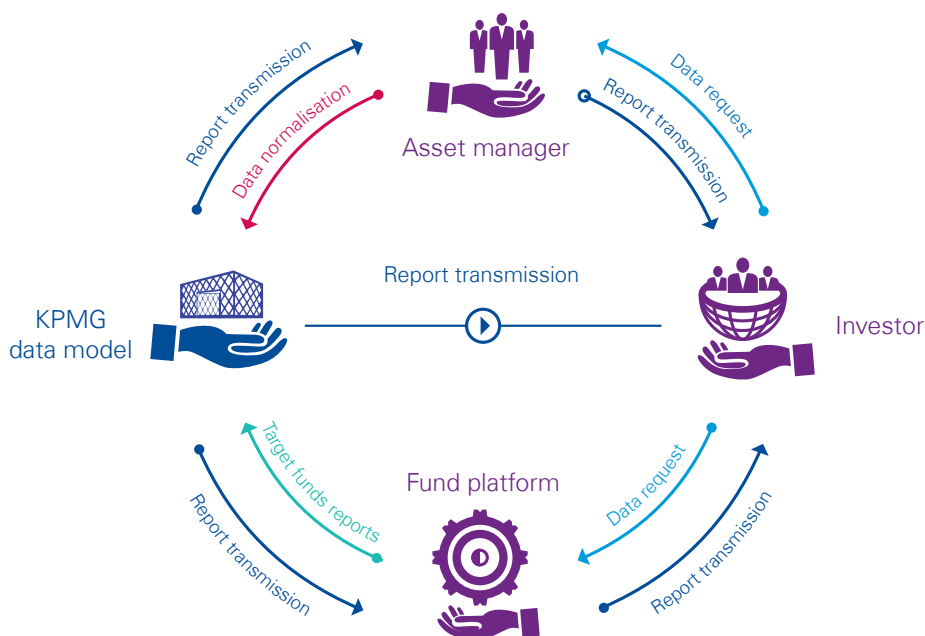


A technology-powered service catering to all types of alternative investments

Our customisable, scalable solution generates Solvency II, VAG, CRD/CRR, GroMiKV, and Covip reports from raw portfolio data.

Our solution:

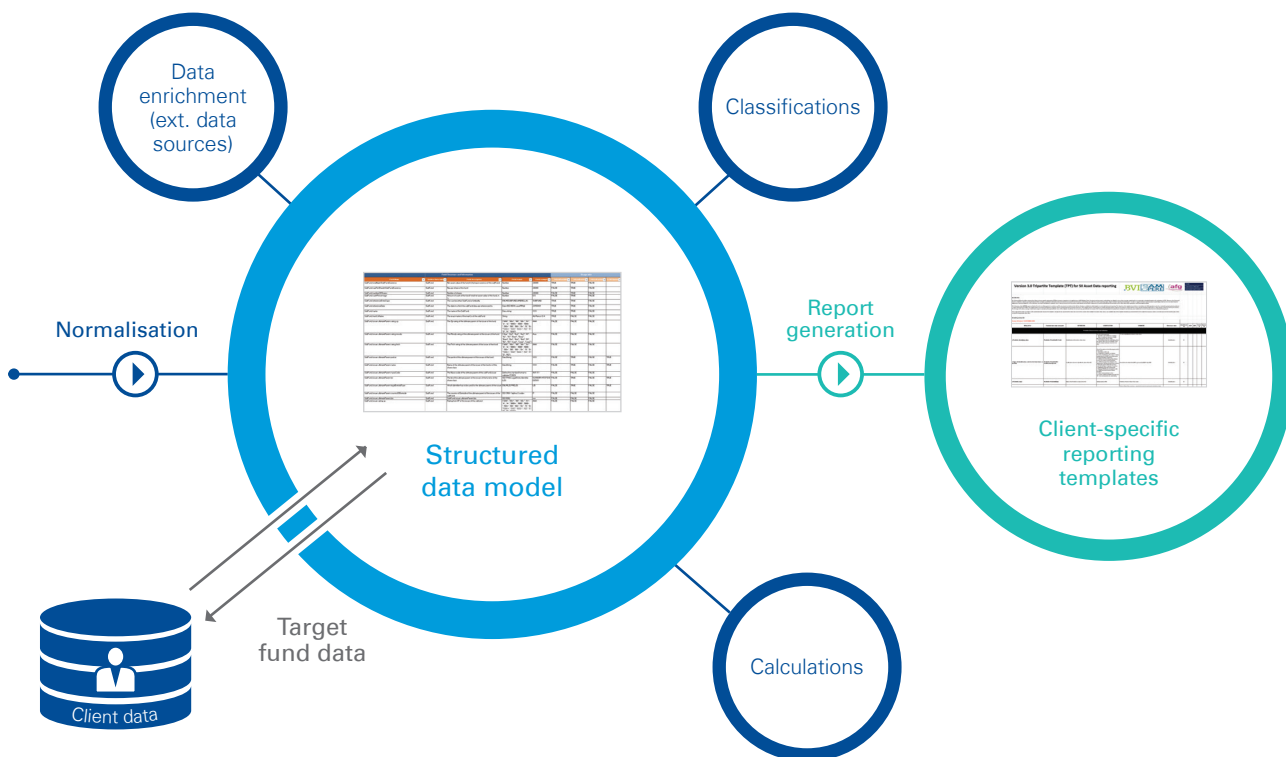
- 🔒 is developed in-house
- 🔒 features enrichments, classifications, calculations and risk figures
- 🔒 is flexible, scalable and cost-effective
- 🔒 covers a wide range of investment vehicles and asset types
- 🔒 produces different report layouts and formats as requested
- 🔒 includes transmission of reports to external (fund) data hubs
- 🔒 is tailor-made for your needs
- 🔒 leverages on KPMG's expertise and manpower



Detailed features

Our services include:

- 🔒 analysing and defining portfolio and instrument data (client data)
- 🔒 implementation and documentation
- 🔒 performing classifications and calculations according to reporting requirements
- 🔒 performing and controlling the exception management process
- 🔒 reviewing data quality and controls (input data, business rules, computed figures)
- 🔒 generation of reports in the layouts (BVI templates, TPT or custom) and formats required
- 🔒 delivery of the final reports (e.g. via web platform, SFTP or email)
- 🔒 optional: look-through data/reports for target funds
- 🔒 optional: monitoring workflow via a web platform
- 🔒 optional: dissemination of the reports to third parties (e.g. fund data platforms or investors)

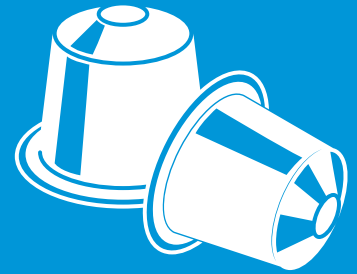


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Risk management and reporting

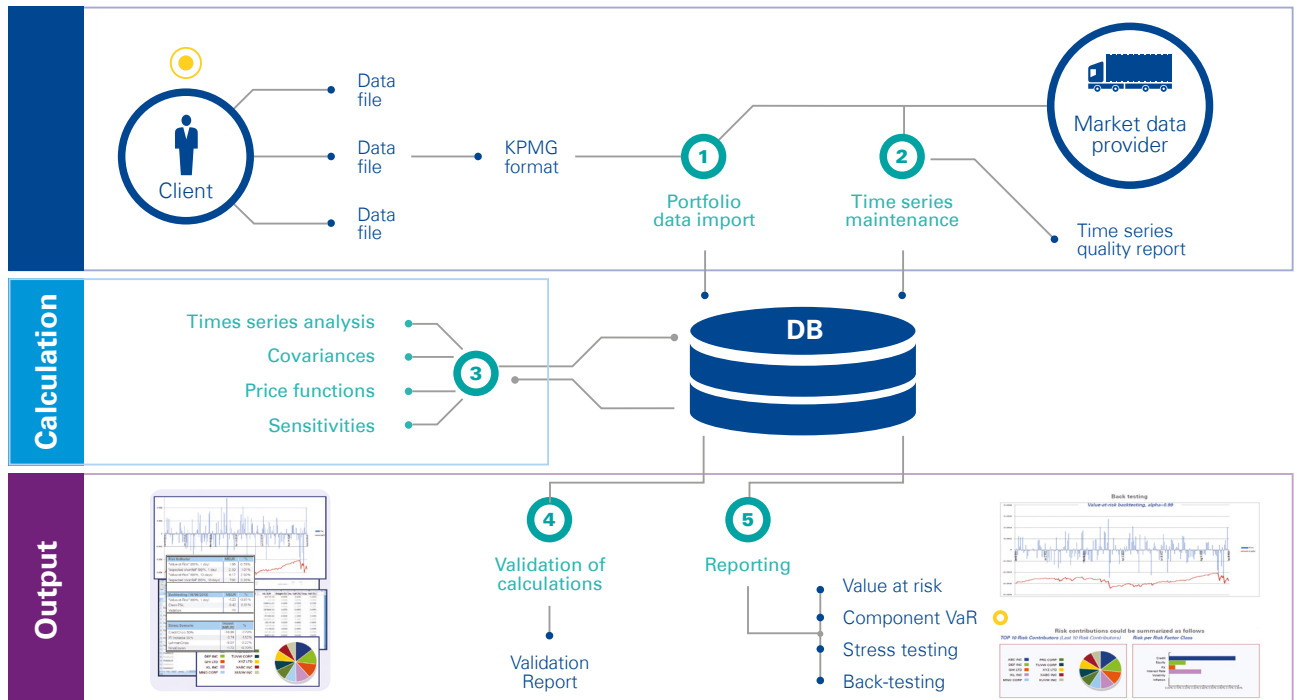


A technology-powered service catering to all types of alternative investments

Our tailored service for your day-to-day risk management framework in an increasingly complex regulatory environment










Our service...

- ...navigates you through regulatory changes.
- ...is provided by a team with regulatory and technical expertise.
- ...features a flexible set-up of tailored calculation modules.
- ...offers pragmatic and multidimensional advice to fund conduct officers.
- ...is tailored to accelerate your business.
- ...comprise of a fully-managed outsourcing service.
- ...reduces your workload while increasing your process efficiency.
- ...provides and safeguards added value in your risk management framework.



Detailed features

Our services include:

-  quantitative risk assessment for all alternative asset classes (private equity, real estate, private debt, microfinance funds, etc.)
-  outsourcing of regulatory risk management and measurement processes for AIFMs
-  coherent and AIFMD compliant risk management approaches
-  identification and calculation of the exposure to all relevant risk classes (market risk, liquidity risk, concentration risk, counterparty risk, leverage risk, etc.)
-  risk scoring methodology for major risk categories (market risk, liquidity risk, other risks) that maps risk indicators of risk classes to a normalised scale based on industry market data
-  calculation of stress scenarios, predefined scenarios as well as portfolio-specific scenarios
-  enriching client data with data from different market data providers
-  aggregation of risk measures in a tailored report and delivery of these reports via web platform, SFTP or email
-  calculation of complementary state-of-the-art risk management measures such as VaR, CFaR as well as in-house developed software solutions

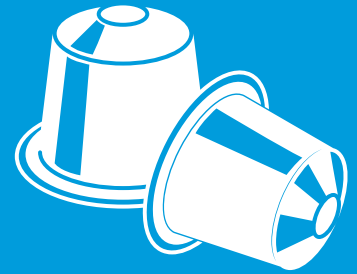


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FATCA and CRS entity classification



A technology-powered service catering to all types of alternative investments

Get help ensuring that your entity is compliant with FATCA and CRS.

 Given the complexity of the FATCA and CRS rules, each case will vary—and the clock is already ticking for classification since Luxembourg is an early adopter of the CRS regulation, which entered into force on 1 January 2016. FATCA has been in force since 1 July 2014.

Requirements



Entities must first obtain certainty on their FATCA and CRS statuses.

They then must confirm their status to other financial institutions with whom they are in business (e.g. the bank holding their account[s]) via self-certification (e.g. W-8BEN-EformforFATCA).

Entities qualifying as Reporting Financial Institutions (RFIs) must comply with specific due diligence, withholding, and reporting requirements.

For FATCA purposes, RFIs will additionally have to register on the portal of the US tax authorities (the “IRS portal”) and submit a yearly report.

Detailed features

Our service includes:

- 🔒 providing a single point of contact for all your questions related to FATCA and CRS
- 🔒 confirming the FATCA and CRS statuses applicable to your entity and, should different statuses be available, advice on the pros and cons of each
- 🔒 helping you complete and validate self-certifications (e.g. form W-8BEN-E for FATCA purposes)
- 🔒 for FATCA purposes, registering the qualifying entity on the portal of the US tax authorities (the IRS)
- 🔒 for entities qualifying as Reporting Financial Institutions, preparing and filing FATCA reports as well as nil-returns

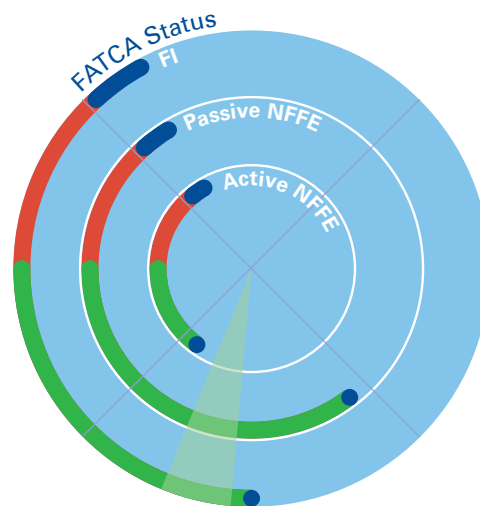
Process

1. Prepare your file and provide us with the following:

- ✓ the passport or the ID card of the ultimate beneficial owner(s)
- ✓ the group chart
- ✓ the last accounts of the entity available
- ✓ the articles of association of the entity
- ✓ a short description of the entity's activity

2. A first meeting or phone call will be set up so we can understand your needs.

3. Ten days (on average) after receiving the required information and confirmation by our risk management team that KPMG is allowed to work for you, we will provide you with our FATCA and CRS analysis and relevant appendices.

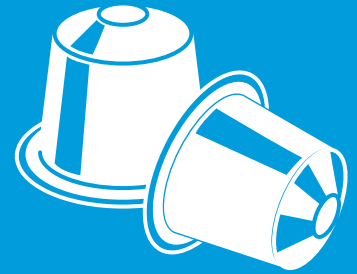


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Withholding tax health-check

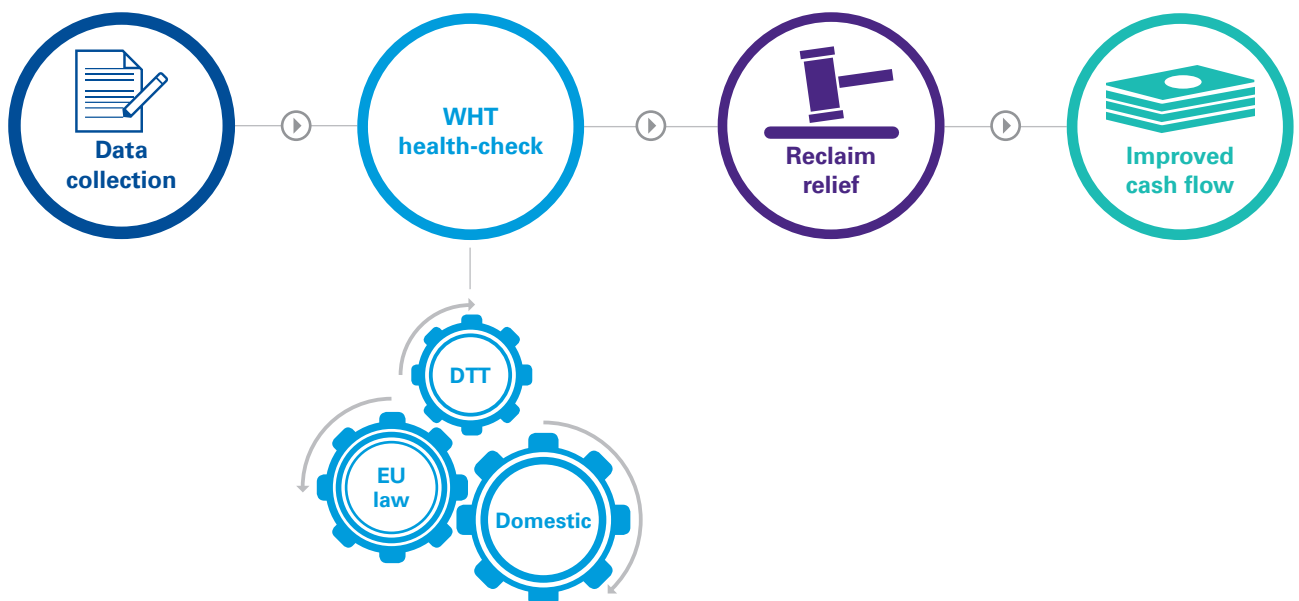


A technology-powered service catering to all types of alternative investments

A dedicated tool to boost your fund's performance.






With our withholding tax (WHT) health-check, you...

- ...gain access to a tool that far exceeds the usual tax matrix. That is our difference.
- ...will avoid tax leakage, which will increase your cash flow.
- ...can protect your management from liabilities towards investors and foreign tax authorities.
- ...effectively outsource the entire tax recovery process (tax reclaims and relief at source).
- ...benefit from our expert team's monitoring of worldwide tax developments, which keeps our solution always up-to-date.
- ...can count on our 126 investment countries' coverage.



Detailed features

Our services include

-  our Tax Watch, which feeds information to us from our Global KPMG Investment Management network
-  a connection of the information to the KPMG managed service platform
-  a complete mapping of the fund's WHT situation going back five years
-  an action plan detailing our assessments of your possibilities for WHT relief at source and WHT reclaims, as well as an assurance (certification) report
-  a commitment to work on our findings through every step of the way, from filing reclaims, to obtaining relief at source, to certifying the process

WHT RECLAIM															
Umbrella	Umbrella Name		Regulation	Legal form	Covered Period	General Rate	Applied Rate	Most favorable Rate	Gross Amount (EUR)	Check	Action	Gap	Reclaim difficulty		
	Country of investment	Income											Domestic	DTT	EU (Aberdeen)
Fund Name	KOREA	Government Bond#Interest	AIF*	SICAV	2013.12.10 - 2015.12.10	15.4%	15.4%	10%	68924.55	Not OK	Yes	5.4%	-	5.4%	-
Fund Name	PORTUGAL	Corporate Bond#Interest	AIF*	SICAV	2015.09.28	25%	35%	0%	2625.00	Not OK	Yes	35%	35%	-	-
Fund Name	RUSSIAN FEDERATION	Share#Dividend	AIF*	SICAV	2014.05.27 - 2014.11.20	30%	30%	15%	128410.07	Not OK	Yes	15%	15%	-	-
Fund Name	ITALY	Corporate Bond#Interest	AIF*	SICAV	2014.07.31 - 2015.11.09	26%	26%	0%	127625.00	Not OK	Yes	26%	26%	-	-
Fund Name	ITALY	Share#Dividend	AIF*	SICAV	2014.09.25 - 2015.11.25	26%	26%	-	152511.56	OK	Yes	0%	-	-	26%

* Further to a case by case analysis



RELIEF AT SOURCE														
Umbrella	Umbrella Name		Regulation	Legal form	Covered Period	General Rate	Applied Rate	Most favorable Rate	Gross Amount (EUR)	Check	Action	Gap	Reclaim at source	
	Country of investment	Income											Domestic	DTT
Fund Name	FINLAND	Share#Dividend	AIF*	SICAV	2015.04.28 -	20%	15%	15%	41254.20	OK	Yes	0%	-	-
Fund Name	FINLAND	Share#Dividend	AIF*	SICAV	2011.04.27 - 2011.05.20	28%	28%	15%	24598.30	Not OK	Yes	13%	-	Easy
Fund Name	KOREA	Government Bond#Interest	AIF*	SICAV	2013.12.10 - 2015.12.10	15.4%	15.4%	10%	68924.55	Not OK	Yes	5.4%	-	Difficult
Fund Name	PORTUGAL	Corporate Bond#Interest	AIF*	SICAV	2015.09.28	25%	35%	0%	2625.00	Not OK	Yes	35%	-	Easy
Fund Name	RUSSIAN FEDERATION	Share#Dividend	AIF*	SICAV	2014.05.27 - 2014.11.20	30%	30%	15%	128410.07	Not OK	Yes	15%	Difficult	-
Fund Name	ITALY	Corporate Bond#Interest	AIF*	SICAV	2014.07.31 - 2015.11.09	26%	26%	0%	127625.00	Not OK	Yes	26%	Easy	-

* Further to a case by case analysis

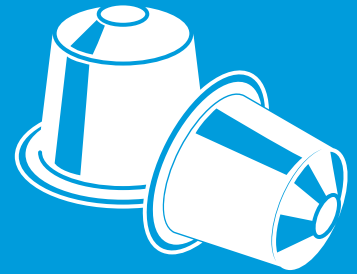
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Registration and maintenance (distribution support) services






A technology-powered service catering to all types of alternative investments

Cross-border distribution of UCITS and AIF funds on a global level.

Our team of experienced and multilingual people can...

-  ...assist you in creating, executing, and maintaining global cross-border distribution by helping you remain or become compliant in more than 45 jurisdictions.
-  ...help you reduce your time-to-market by outsourcing the authorisation process.
-  ...benefit your business by bringing established relationships with financial authorities.






KPMG provides fund distribution services for...

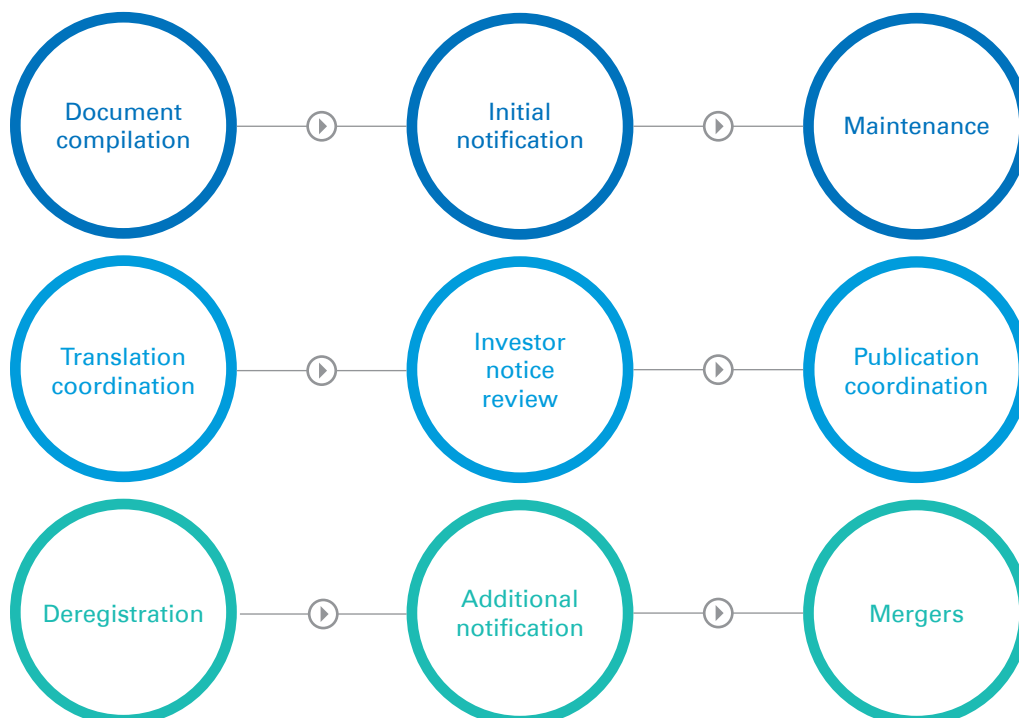
-  ...over 120 different fund ranges, for SICAVs and FCPs, both UCITS and non-UCITS.
-  ...funds domiciled in Luxembourg, France, Ireland, and the United Kingdom.
-  ...funds registered in various jurisdictions across Europe, Asia, and America.

We furthermore conduct ongoing research on funds in many other areas worldwide (EEA, other European countries, the Americas, the Middle East, South Africa, Asia).



Detailed features

-  **Analysis of the requirements in various jurisdictions:** following this, we provide advice and assistance in order to notify/register the fund in Europe and abroad.
-  **Document collection and preparation**
-  **Compiling of notification files:** we compile and then send them to host authorities.
-  **Maintenance services:** following notification/registration we help take care of:
 - transmission of updated documents to host authorities
 - coordination of translations and review of investor notices
 - deregistration of sub-funds and share classes
 - notification of additional sub-funds and share classes
 - information regarding mergers of sub-funds and share classes
-  **Synergies with related outsourceable investment services:** at KPMG, Fund Distribution Services is integrated with our other solutions for funds such as our UCITS KIID Factory, Reporting Services, and Tax Services.

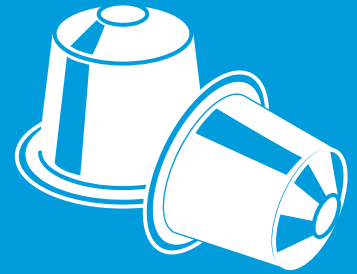


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Private Equity / Real Estate systems implementation services



A technology-powered service catering to all types of alternative investments

We can take your company through the PE/RE journey.

Our private equity and real estate services offer you:

-  best practices and market understanding
-  a team of business experts to enhance your daily experience

Our approach

Market knowledge and software expertise

- certified team of experts in alternative investment applications (efront)
- close relationships with major market software editors (Neoxam Global Portfolio 3, Simcorp Dimension, etc.)
- multiple fund structuring overview (FCPR, FPCI, SCS, SICAR, SIF, and others)

Methods

- KPMG's structured approach, informed by large transformation projects
- set of flexible tools dedicated to alternative investments projects
- structured workflow, reduced operational risk exposition



Close to business

- PE/RE business process expertise from fund raising (commitment, call, etc.) to waterfall mechanism including preferred return definition and hurdle rate calculation
- experience with GPs, LPs, AIFMs/ ManCos and asset servicers

Global network

- cross-border delivery capacities
- local expertise in regulatory, audit, tax, and advisory

Detailed features



Our deliverables



Business requirements



Roadmap



Business specifications



Process analysis

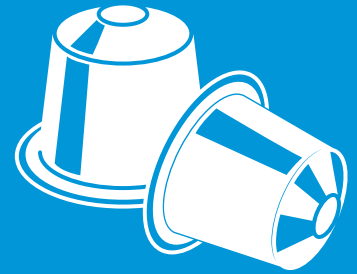
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Mandatory Disclosure Rules (MDR) health-check



A technology-powered service catering to all types of alternative investments

Our tailored solution helps you in anticipating and organising compliance with the Mandatory Disclosure Rules

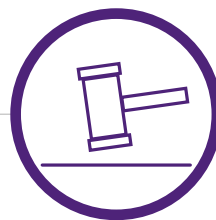
- ...EU Directive on Mandatory Disclosure Rules (MDR) is applicable to all the EU member states for transactions implemented since June 2018.
- ...mandatory reporting of certain cross-border transactions in August 2020, if they bear any of the 'hallmarks' defined in the Directive.
- ...taxpayers must start assessing their situation and prepare for the reporting.



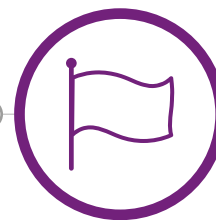
Who is subject to the reporting?



Which transactions are reportable?



When will the rules apply?



Which countries are concerned?



What are the right tools and processes to enable compliance with the rules?

Benefits we bring:

- ...assistance in understanding the new reporting obligations derived from the MDR via tailor-made trainings and workshops.
- ...preliminary assessment of your situation and identification of possible reportable transactions.
- ...review of your internal processes and tools to ensure compliance with the new reporting obligations.
- ...strong and proven methodology to adapt business processes to your organisation and meet your specific needs.

Whether you are an Alternative Investment Fund Manager (AIFM) or General Partner (GP), we can help you assess your operational needs and prepare you for the reporting process



For contact details please go to: www.kpmg.lu/alternativeinvestments



Contact



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” We have developed leading-edge technology-powered solutions in the alternative investment environment, and are committed to providing long-term support to our clients. “