



Variable Capital Company

Factsheet

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About AcuFin

AcuFin Corporate Limited ('AcuFin') is a licensed offshore management company by the Financial Services Commission of Mauritius. The company is made up of seasoned qualified professionals experienced in different areas in which we operate. We assist clients based worldwide in advisory, tax optimisation matters, company set up in various jurisdictions, corporate administration, secretarial services, compliance solutions, accounting services, relocation services to Mauritius, legal and banking solutions, fund accounting/ administration and compliance services, among others. We are headquartered in Mauritius, but have representative offices in Dubai, Saudi Arabia, Cape Town and Johannesburg.

AcuFin prides itself on its strength as a modern, client focused company operating in a state of art technological environment. With a proactive, experienced and high calibre personnel, AcuFin ensures to provide tailor made solutions to its clients rapidly but efficiently. We are assisted by professional stakeholders, like banks, audit firms, legal firms, tax specialists and real estate firms, among which we have established relationships.

AcuFin operates as a niche management company and service clients mainly in the financial services industry. We thought of defining our client focus very closely as AcuFin's vision and mission is to work together with the client in helping them achieving their goals, understanding the requirements and being able to bring value added to our clients instead of providing for typical mechanical services. You may wish to visit our website on www.acufin.global



About Mauritius

Nestled in the turquoise waters of the Indian Ocean, Mauritius is a gem of an island nation known not only for its stunning landscapes and vibrant culture but also for its strategic importance as a business hub. With its unique blend of natural beauty, a stable political environment, and a thriving economy, Mauritius has emerged as an ideal destination for business and a serene residential haven.



A Strategic Location

Mauritius is strategically located between Africa and Asia, making it an ideal gateway for businesses looking to expand their reach in both regions. Its proximity to major markets such as India, South Africa, and the Middle East allows for easy access to trade routes, offering businesses a significant advantage in logistics and connectivity.

Business-Friendly Environment

The government of Mauritius has established a robust and transparent legal framework that supports foreign investment. With policies designed to attract and facilitate international businesses, Mauritius boasts a low corporate tax rate, no capital gains tax, and various incentives for specific sectors, such as technology and financial services. The ease of doing business is further enhanced by a well-developed infrastructure, including modern ports, airports, and telecommunications systems.

Furthermore, Mauritius has positioned itself as a hub for financial services, offering a range of services, including banking, insurance, and investment management. The country has also established itself as a favorable jurisdiction for offshore companies, providing a secure and confidential environment for international business operations.

A Diverse and Skilled Workforce

The island is home to a multilingual and highly educated workforce, fluent in English, French, and Creole. This diversity enhances communication and collaboration in international business settings. The local education system, coupled with vocational training programs, ensures a steady supply of skilled professionals across various sectors, from technology to hospitality.



Quality of Life

Aside from its business advantages, Mauritius offers an unparalleled quality of life. The island is renowned for its breathtaking landscapes, including pristine beaches, lush mountains, and vibrant coral reefs. Residents can enjoy a wide range of recreational activities, from water sports to hiking in nature reserves. The rich cultural tapestry of the island, influenced by African, Asian, and European traditions, creates a unique and vibrant community life.

The healthcare system in Mauritius is well-developed, providing residents with access to quality medical services. Additionally, the island boasts a low crime rate, making it a safe place to live and raise a family.

A Melting Pot of Culture and Community

Mauritius is a multicultural society that celebrates diversity. Festivals and traditions from various cultures coexist harmoniously, offering residents a rich tapestry of experiences. This cultural vibrancy fosters a sense of community and belonging, making it an inviting place for expatriates and locals alike.

In summary, Mauritius stands out as an ideal business hub and residential paradise. Its strategic location, business-friendly policies, skilled workforce, and unparalleled quality of life make it an attractive destination for entrepreneurs and families seeking new opportunities. Whether you are looking to establish a business or seeking a tranquil place to call home, Mauritius promises a bright future filled with potential and beauty. Embrace the island lifestyle and explore the endless possibilities that await in this tropical haven!

THE VARIABLE CAPITAL COMPANY (VCC)

The Variable Capital Company (VCC) is a corporate entity structure under which several collective investment schemes (whether open-end or closed end) may be gathered under the umbrella of a single corporate entity and yet remain ring-fenced from each other.

A VCC Fund is comparable to a Protected Cell Company or an umbrella fund; however, a VCC Fund can accommodate both collective investment schemes (CIS) and/or closed-end funds (CEF) under one structure. For example:

- A sub-fund may be structured as a CEF, which has a fixed committed capital/corpus. Investors generally do not have the right to call for their shares to be redeemed. The sub-fund may have a limited life. Assets are distributed to investors on the winding up of the sub-fund.
- A sub-fund may also be structured as a CIS (also referred as an open-end fund), which has variable capital. Investors are generally allowed to redeem their shares at their option or predetermined times in accordance with the sub-fund's constitutive documents. The net asset value (NAV) is usually calculated daily, weekly, monthly or fortnightly.
- In addition, a VCC can accommodate several SPVs operating as vehicles ancillary to a sub-fund or the VCC Fund provided that the SPVs do not operate as a fund.

Each sub-fund and/or SPV may opt to have a separate legal personality from that of the VCC.

A single Global Business Licence will be required by the VCC, irrespective of whether its sub-funds or SPVs have separate legal personality, if criteria are met (principally owned by non-Mauritian citizens and carrying out activities principally outside of Mauritius).

Where the sub-fund and/or SPV has a legal personality, the directors of the VCC shall be the directors of each sub-fund and/or SPV, unless the constitution of the VCC provides otherwise.

A VCC can appoint a single CIS manager, custodian or other service provider for all its sub-funds. However, nothing prevents a sub-fund from appointing a separate CIS manager, custodian or other service provider from the VCC or other sub-funds.

Fund Manager

The fund manager can be structured as a Mauritius CIS manager or as a fund manager licensed in an equivalent jurisdiction.

If structured as a Mauritius CIS manager, the CIS manager licence specifies that the fund manager shall be engaged solely in the business of the management of collective investment schemes, unless otherwise authorised. The fund manager also has to demonstrate that it has suitably qualified staff with the appropriate expertise and experience to carry out the functions of a CIS manager. The minimum unimpaired capital is one million Mauritius rupees (approximately US \$23,000).

Taxation and Financial Reporting

The VCC may, at any time, by giving irrevocable notice in writing simultaneously to the Registrar of Companies and to the Director General of the Mauritius Revenue Authority (MRA), elect to present separate financial statements in respect of each of its sub-funds and SPVs in accordance with International Financial Reporting Standards (IFRS).

Where a VCC elects to present separate financial statements for each of its sub-funds or SPVs under the VCC Act,

- each sub-fund or SPV shall be deemed to be an entity separate from the VCC and shall be liable for income tax in respect of its own income
- the Mauritius Revenue Authority shall not recover income tax due by a sub-fund or SPV from the assets of:
- another sub-fund or SPV; or
- From the assets of the VCC where such assets are directly attributable to another sub-fund or SPV of the company

Where the VCC opts to present consolidated financial statements, the VCC fund will be required to file a single tax return to the MRA and will be liable for income tax on the aggregated income of its sub-funds and SPVs.

Taxation for companies applies.

Reporting

Funds are required to file non-audited quarterly management accounts and yearly audited financial statements with the FSC. These reports must include at least the following:

- A statement of assets and liabilities, including the NAV
- The number of shares outstanding
- The NAV per share
- Details of the investment portfolio and the movements in the period, disclosed by types of securities and type of market

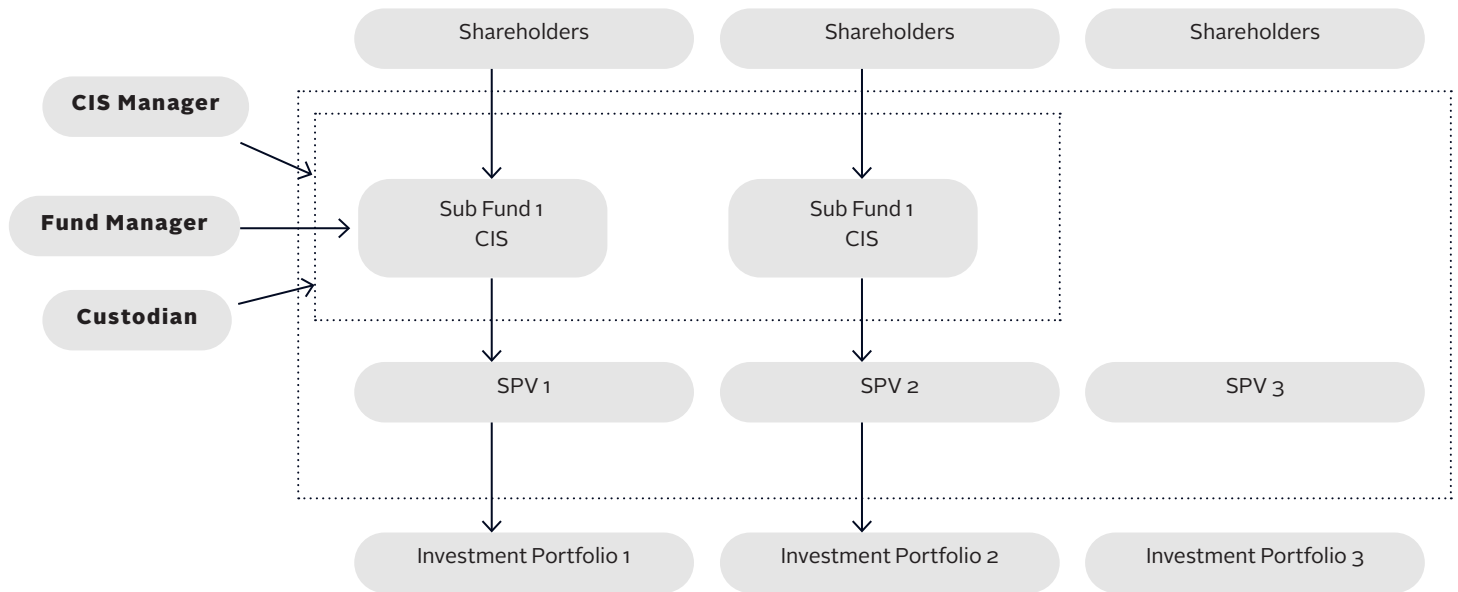
The financial statements must be audited in accordance with IFRS and/or International Accounting Standards.

Unless otherwise provided under the VCC Act or applicable law, the assets of a sub-fund or SPV of a VCC shall not be used to discharge any liability of the VCC or any other sub-fund or SPV, including during the winding up, administration or receivership of the sub-fund, SPV or VCC.

Every asset attributable to a sub-fund or SPV shall only be available to the creditors of the company who are creditors in respect of that sub-fund or SPV.

The VCC must keep separate records for each of its sub-funds and SPVs.

Key Feature



- A company incorporated in Mauritius may be converted into a VCC.
- A company incorporated in other jurisdictions may be redomiciled in Mauritius as a VCC.
- A VCC enables a Fund Promoter to carry out business through one or more sub-funds and SPVs within one structure providing for economies of scale; each sub fund or SPV may opt to have a legal personality distinct from the VCC.
- A sub-fund or SPV shall have the same Promoter as the VCC Fund.
- A sub-fund of a VCC Fund can also act as a feeder fund or a master fund. It is noteworthy that there is no restriction on the number of sub-entities that can be created under the VCC structure.
- The sub-funds can be set-up as a stand-alone (single) fund, or an umbrella structure with multiple sub-funds that can be incorporated as CIS and CEF all within one structure.
- Each sub fund or SPV shall incur liability on its own and shall be segregated ensuring ring-fencing of the assets and liabilities of each sub fund in case of insolvency.
- A VCC may issue shares of varying amounts.
- The variable capital basis allows for issuance, redemption or repurchase of shares at NAV except for shares issued during initial offers and shares of closed-end funds listed on a securities exchange.
- Investors shall be entitled to refund in accordance with the number of shares they own in the sub-funds or SPVs, where shares are redeemed or brought back.
- Cross sub-fund investments and cross SPV investments are permitted within the same VCC. The board of the VCC shall determine solvency prior to distribution of dividend.
- Investors may apply to the Registrar of Companies to reduce the share capital of the sub-fund or special purpose vehicle in which they hold shares subject to the requisite corporate resolution.
- A VCC Fund which meets the criteria provided under Section 71 of the Financial Services Act 2007, will be required to hold a Global Business License (GBL). A GBL company is tax resident in Mauritius and is eligible to benefit from the network of Double Taxation Agreements that Mauritius has entered into with other countries.
- A single GBL will be required by the VCC Fund irrespective of whether its sub-funds or SPVs have separate legal personality.
- The FSC expects a VCC Fund to appoint the same Company Secretary (Management Company in case it holds a GBL) for all of its incorporated sub-funds/SPVs.
- Economies of scale exist for umbrella structures with multiple sub-funds, including:
 - Common service providers
 - Sharing a board of directors
 - A single Money Laundering Reporting Officer or Compliance Officer for all sub funds

AcuFin's focus is to provide the best quality service to its clients by maintaining a close relationship with its clients, by ensuring provision of high-quality service and by ensuring compliance with all relevant rules and regulations.

During the tenure of the client, AcuFin also understands the business of its clients and tries to assist the client in growing the business and benefit from cost reductions such as favorable bank charges, fx rates, among others.

Our website can be consulted on www.acufin.global

If you are interested for our team to assist you in a seamless manner, we shall be glad to hear from you, please contact us on the following details:



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