



EY's leadership in asset management

Why EY?

EY

Building a better
working world



Ireland is the location of choice for internationally distributed investment funds, a gateway to establish and service investment funds sold to investors across the globe.

More than 915 fund promoters from over 50 countries have chosen Ireland as their international fund hub.



The Investment Funds Industry in Ireland

Ireland is Europe's fastest growing fund servicing centre and hosts the largest hedge fund administration centre in the world, servicing in excess of €2.3 trillion of assets across 12,303 funds.

Did you know...?

- ▶ Ireland is the largest hedge fund administration centre in the world
- ▶ Ireland is a major and growing centre for internationally distributed UCITS
- ▶ Ireland is an internationally recognised, open and tax efficient jurisdiction with the lowest headline corporate tax in the OCED
- ▶ Ireland is a leading domicile for exchange traded funds
- ▶ Ireland is a leading European domicile for money market funds
- ▶ Ireland has the largest number of stock exchange listed investment funds

Leading provider of services to the Irish and global asset management industry

In today's complex business environment, the asset management and financial services industries demand a dynamic approach to managing uncertainties and opportunities. At Ernst & Young (EY), our integrated and flexible Financial Services team, unique in our profession, works without boundaries between people, disciplines and geography.

We are the most globally integrated Big Four organisation and bring a truly borderless approach to the global markets we serve. This unique structure delivers a reliable, efficient and high quality service to our clients. As a result, our clients can benefit from fast response time and customised services, as well as broad, experienced teams with deep industry knowledge and a consistent approach.

Did you know...?

EY is a leading provider of services to global asset managers.

Global money managers

- ▶ EY audits funds at over 35% of the top 25 global money managers
- ▶ EY provides services to 24 of the top 25 global money managers

Ranking list source: Pensions & Investments, AUM as of 31 December 2010)

Global hedge funds

- ▶ EY audits funds at approximately 40% of the top 100 global hedge funds
- ▶ EY provides tax services to approximately 50% of the top 100 global hedge funds

Ranking list source: HF Intelligence's Global Billion Dollar Club, AUM as of 1 January 2011)

Global fund of hedge funds

- ▶ EY audits funds at approximately 40% of the top 50 global fund of hedge funds

Ranking list source: HF Journal's Global 50 for 2010)

Global private equity firms

- ▶ EY audits funds at 40% of the top 25 global private equity firms
- ▶ EY provides services to 89% of the top 25 global private equity firms
- ▶ EY provides transaction advisory services to 84% of the top 25 global private equity firms
- ▶ EY provides tax services to 80% of the top 25 global private equity firms

Ranking list source: Private Equity International Magazine's PEI 300 for 2010, ranked by 5-year capital raising)

Note: 'provides services' means we serve in any capacity whether audit, tax, transactions, advisory, or some combination of these.

Our primary asset management office locations

How we can help



FATCA (Foreign Account Tax Compliance Act)

Collaborating across all of our practices, we are helping asset management clients assess the compliance and operational challenges presented by new FATCA legislation.

Infrastructure, IT and controls

We support our asset management clients as they respond to changing business and regulatory requirements and position themselves for future growth. Teaming across service lines, we support our clients needs related to operating models, SSAE16/ SOC 1, SOC 2, security, and data management.

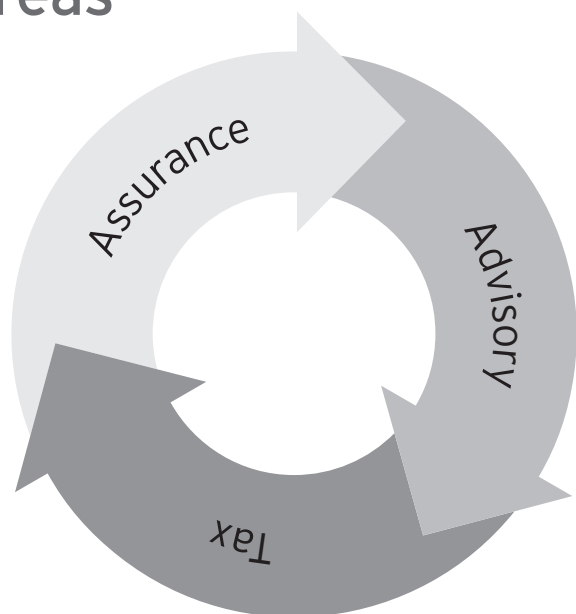
New product development

Working as global client teams, we support our clients as they consider distribution, emerging and growth products, the impact of AIFMD, UCITS IV services, ETFs, and others.

Risk and regulatory

Teaming with our risk and regulatory practices, we can deliver a structured framework for risk and governance services such as compliance readiness assessments and Solvency II.

We provide global services in three main areas



Assurance

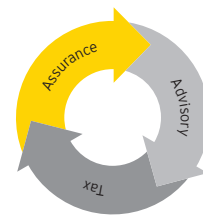
- ▶ Accounting and financial reporting
- ▶ External audit
- ▶ Financial accounting advisory
- ▶ Fraud, investigation and disputes
- ▶ GIPS and investment performance reporting
- ▶ Service organisation control reporting

Advisory

- ▶ Performance improvement
- ▶ Regulatory compliance
- ▶ Risk management
- ▶ Quantitative
- ▶ Information technology
- ▶ Internal audit
- ▶ Global treasury
- ▶ FATCA advisory

Tax

- ▶ International tax planning, including transfer pricing and global tax analysis
- ▶ Jurisdictional tax services (withholding, capital gains, income and transfer taxes)
- ▶ Tax compliance services for funds
- ▶ Transaction taxes, e.g. FTT
- ▶ Human capital, including performance and reward
- ▶ Tax accounting and risk advisory
- ▶ Business tax compliance
- ▶ Individual tax planning and compliance
- ▶ State-of-the-art tax reporting, compliance reporting and investor tax minimisation approaches
- ▶ Hedge fund structuring for tax efficiency
- ▶ Uncertain tax position (FIN 48) analysis
- ▶ FATCA compliance



Assurance

Our global audit methodology focuses on how your business works and on understanding the risks related to financial statements and internal controls over financial reporting. We provide a flexible audit framework with a systematic approach to planning. On this foundation, we collaborate with clients to codevelop expectations, reduce risk and provide an audit tailored to their needs.

Our long-standing experience in the industry provides us with uncommon insights into the spectrum of potential risks and the necessary internal controls. Valuation has increasingly become one of the most challenging areas that funds and their boards of directors face. In uncertain market conditions, coupled with the proliferation of ever more complex and innovative financial instruments and product designs, fund managers demand an experienced and broad team of professionals to serve them. Our audit teams leverage the knowledge and skills of our entire asset management practice, including those of internal valuation professionals in the areas of derivatives, structured products and private company valuations.

In addition, we offer services customised to meet your internal control reporting needs. Whether SAS 70 examinations or agreed-upon procedures for rating agency agreements, valuation and compliance programs, we will work with you to find the appropriate recommendation to meet your needs as well as the needs of your user community.

Our IFRS and financial accounting advisory service capabilities

As the global economy begins to emerge from recent economic upheaval, several key changes are taking place across the business landscape. Regulators are increasingly focusing on changing and updating financial and accounting standards to reflect a new business imperative, with the ultimate goal of eventually achieving a consistent global framework.

- ▶ EY has a proven track record in supporting IFRS conversion and accounting change/implementation projects.
- ▶ We understand the opportunities and challenges arising from implementing principle based global standards across a wide range of local markets.
- ▶ We can provide access to a well-established global US GAAP and IFRS knowledge network which can support your local requirements and your clients reporting demands.
- ▶ We can use accelerators we have developed to assist you in reducing implementation or convergence cost, retaining clients and supporting business growth through first class service delivery.

Fraud investigation and dispute services

The financial services landscape continues to be redefined, as internal controls, risk management and regulatory compliance have risen to unprecedented levels. In addition to the demand for greater accountability, our clients must manage heightened scrutiny from the media and public. When conflicts arise, firms must respond with speed and efficiency to investigate the underlying facts and then remedy the issue. Our professionals investigate unusual financial activity, perform electronic evidence discovery and review financial reports – all with the sensitivity and urgency you require. Our knowledge comes from our experience dealing with matters of accounting malpractice, anti-corruption and regulatory compliance.

GIPS and investment performance reporting

EY's Investment Performance Services (IPS) practice has assisted traditional and alternative investment managers worldwide with the implementation of the Global Investment Performance Standards. Our IPS practice is supported by proprietary communication and infrastructure technology, which allows our clients to receive up-to-date information in this rapidly changing marketplace, while providing a platform for easy communication and the proper management of global engagements.

Service organisation control reporting

The increasing trend towards the globalisation of Asset Management organisations and the outsourcing of business processes, coupled with greater demands from stakeholders for transparency and the importance of managing and reducing risks, have made ISAE 3402 or SSAE 16 examinations (formerly SAS 70) a strategic priority for Asset Management firms. In a world of changing auditing standards and regulatory requirements, Asset Managers must be able to convey trust and confidence in their controls if they are to retain and win new customers. A SSAE 16 or ISAE 3402 report is not just a tool for meeting a client's requirements. Rather, it is a highly useful description of an Asset Manager's controls, processes and procedures – and can be used to communicate details of those controls and processes to its client.



Advisory

Our dedicated asset management practice helps clients create a scalable operating model, prepare for growth, manage risk, enhance operational effectiveness and efficiency, maintain adequate controls, navigate regulatory compliance and leverage technology.

Performance improvement advisory services

Financial services firms must continuously improve their performance and sustain that improvement in a rapidly changing business environment. Our business advisory professionals bring their experience of working with alternative asset managers to help our clients achieve sustainable improvement in performance and profitability. We assemble the right multidisciplinary teams, use consistent and proven global methodologies and tools and draw on the full breadth of EY's global reach, capabilities and experience. We leverage our broad sector experience, deep subject matter knowledge and the latest insights from our work worldwide in helping our clients institute change.

Regulatory compliance advisory services

New and complex regulations combined with increasing regulator scrutiny and enforcement continue to expand the role of compliance. Our team has a depth of knowledge of both the regulatory bodies and the industry environment. Our approach is to go beyond the identification of regulatory risks to include practical risk mitigation programs tailored to the special needs of your company.

Risk management advisory services

In this environment of heightened stakeholder expectations, firms are formalising their risk functions to establish and put into operation early warning systems. We have proven methodologies, tools and experience to assist asset management firms in identifying, monitoring and managing risk effectively and efficiently.

Quantitative advisory services

Firms must effectively measure, evaluate and monitor risk. EY's quantitative advisory services team has hands-on industry experience, strong technical skills and a thorough understanding of supervisory, shareholder and business stakeholder expectations. Our quantitative skills are applied in building proprietary models as well as reviewing and validating services for a broad range of third-party and client-specific models, including market risk, credit risk, operational risk, pricing and valuation, economic capital and capital reserves.

Information technology advisory services

Today's asset management firms face a barrage of challenges: industry regulation, globalisation, competition, complexity of products and securities, resource constraints and changing technology standards and protocols. Remaining competitive and responding effectively to these challenges require an ongoing assessment and strategic investment in the firm's technology infrastructure, data architecture, business applications and front-to-back operating model. Our information technology advisory services practice focuses on connecting business with technology to help our clients manage their technology assets in an intelligent and efficient manner.

Internal audit advisory services

Today's organisations need a comprehensive approach to risk management and controls that not only identifies and mitigates risk but also improves overall business performance. Maintaining a strong internal control structure has never been more important to leadership. Board members, audit committees and senior executives are being challenged to develop and maintain an internal control environment that satisfies stakeholders' governance expectations and provides a foundation for complying with future regulatory requirements. Our internal audit professionals are prepared to meet these needs, thanks to their extensive experience gained in providing internal audit services to both public and private, traditional and alternative asset managers all over the world.

Global treasury advisory services

Changing market conditions, regulatory requirements and investor expectations are creating new treasury challenges for asset management organisations. As firms evaluate how to effectively structure and utilise treasury resources to support their organisations' evolving business models, they are increasingly looking for outside assistance and knowledge of best practices. Our global treasury advisory services practice is part of an integrated global network of treasury professionals who share resources, methodologies, industry trends and practices to recommend successful approaches to our asset management clients' treasury and cash management challenges.

FATCA advisory services

FATCA is a new area of US legislation enacted in March 2010 that will come into effect from 1 July 2014. FATCA withholding and information reporting rules create significant compliance and operations challenges for asset management organisations. Timely FATCA assessment at an early stage will help firms prepare and will ultimately minimise costs and potential business issues. Our FATCA engagement experience has taught us that FATCA starts out as a tax project but rapidly moves into IT, operations, and ultimately to impact most areas of an asset management firm. To meet the FATCA implementation deadline, we offer customised tools, a focused approach on 'shrinking the problem' and a commitment to developing a close working relationship between tax, advisory and the organisation.



Tax

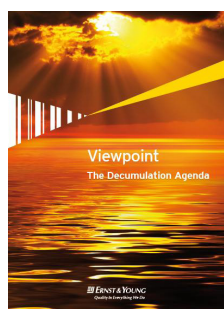
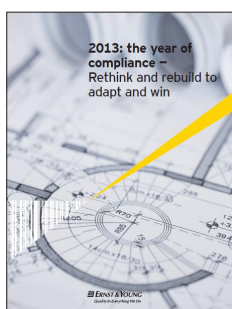
EY's global asset management practice brings together the broad industry and tax knowledge of thousands of professionals. With offices worldwide, we are the leading service provider to hedge funds and other nontraditional investment managers, both onshore and offshore. Our clients benefit not only from our experience with numerous asset managers and funds but also from the dynamic blend of cross-border tax services we provide sellers, buyers and financial intermediaries.

We assist funds in addressing the complexity and challenges inherent in their domestic and global structures. The breadth of our tax services ranges from planning and tax audit assistance through tax accounting, controls and compliance. Our tax services include:

- ▶ International tax planning, including transfer pricing and global tax analysis
- ▶ Jurisdictional tax services (withholding, capital gains, income and transfer taxes)
- ▶ Tax compliance services for funds
- ▶ Transaction taxes, e.g. FTT
- ▶ Human capital, including performance and reward
- ▶ Tax accounting and risk advisory
- ▶ Business tax compliance
- ▶ Individual tax planning and compliance
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- ▶ FATCA compliance

Thought leadership

We work proactively to provide our clients with the latest information on trends and issues affecting the asset management industry and value the opportunities to share our considerable insight with clients thought through leadership and client briefings.



Irish Asset Management Centre contacts

Our partners are actively involved in the investment management community within Ireland. We are represented on a variety of professional industry bodies including the Alternative Investment Management Association (AIMA) and a founding member of the Irish Fund Industry Association (IFIA). We are committed to ensuring that the needs of our clients are considered at all relevant industry forums. Our technical team is in constant contact with the IFIA, the Department of Finance, the Central Bank of Ireland and the Institute of Chartered Accountants in Ireland among others. Our tax team is also actively engaged with tax regulators and revenue commissioners both in Ireland and in jurisdictions which impact on our clients to discuss proposed changes to tax regimes along with their potential impact.



Eoin MacManus

Eoin is Markets Leader for Financial Services in Ireland, and has over 20 years' experience of providing audit services to the Asset Management Industry. He is an assurance partner to some of the largest hedge funds in Europe, in addition to many prominent banks and institutions that offer both regulated and unregulated products in the domestic and European asset management market.

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Aidan Tiernan

Aidan has more than 20 years experience in the provision of audit and other assurance services to the asset management and banking industries. His fund audit experience includes the audits of a variety of Irish regulated and offshore funds including distressed debt, loan, structured product funds, private equity funds, funds of funds, money market funds and a wide variety of alternative investment funds. Aidan leads our Irish regulated funds audit practice and represents Ireland on our EMEIA Regulated Funds Group.

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Vincent Bergin

Vincent is responsible for the provision of audit and structuring services to hedge funds, securitisation vehicles and non-retail banks. He has worked exclusively in financial services for 25 years. He has worked with some of Europe's largest hedge funds, Ireland's largest institutions and the Irish operations of UK and European banks.

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Lisa Kealy

Lisa is a partner in the EY Financial Services Group and has more than 18 years' experience in the provision of audit and advisory services to the financial services industry. Lisa specialises in asset management and her client base includes Irish and offshore investment funds, asset management companies, administrators and treasury operations. Lisa leads the firm's EMEIA ETF Group

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Gareth Harman

Gareth is responsible for the provision of audit and other services to funds industry. He has more than 13 years experience in the provision of audit and advisory services to the financial services industry, including 5 years with EY, Bermuda. He has extensive experience of clients reporting under Irish and UK GAAP, US GAAP and International Financial Reporting Standards (IFRS). He is presently the Chairman of the Technical Committee of the Irish Funds Industry Association and a member of the EFAMA IFRS Working Group.

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Cormac Murphy

Cormac is the partner responsible for leading our Financial Services Risk Advisory practice in Ireland. He provides SAS70 assurance to a range of asset administration and treasury services organisations. He provides ongoing support for the Central Bank of Ireland in performing industry wide AML thematic reviews and also advises on organisational structures, management information systems, control reviews and business planning advice for a variety of financial institutions.

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Fergus McNally

Fergus has extensive experience of providing audit and advisory services to asset management clients. He sits on the Irish Fund Industry Association's Alternative Investment Committee where he chairs the Valuation and Operations sub-committee. Fergus specialises in alternative investment funds, offshore investment funds and asset management companies.

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Julie Fenton

Julie leads EY's Irish Fraud, Investigation and Dispute team. Julie has more than 20 years experience in the delivery of professional services to clients with 10 of those working in forensic accounting. Julie's experience in forensic accounting and dispute resolution has led her to develop an array of skills which can be utilised in all phases of a dispute process.

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Donal O'Sullivan

Donal is a recognised expert on taxation and regulatory issues in the asset management industry. He currently participates in the Irish Funds Industry Association's Tax Working Group and is EY's EMEIA Solution leader for UCITS IV and Pension and asset pooling.

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Patricia Stack

Patricia is a director in our risk advisory services team focusing on programme assurance and change management. She specialises in change management and communications. She has developed business strategies and operational models and has been responsible for developing and implementing a number of change strategies within the financial services sector.

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Billy McMahon

Billy has over 15 years experience in the financial services taxation field and serves a wide variety of clients. He has extensive experience in international tax structuring. His main areas of expertise include cross-border structuring, asset management and securitisation. He advises clients on all tax matters relating to international funds including direct taxes, withholding taxes, VAT, UCITS III/IV, the EU Savings Directive, and asset pooling structures.

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Brian Binchy

Brian is a director in our risk advisory services team with 10 years experience working in financial services. He advises a broad range of financial institutions on their regulatory requirements and the implications of new legislation. He has undertaken impact assessment and gap analysis for firms against specific requirements including Solvency II, AML and MiFID.

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About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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