

A large, dark, high-contrast image of the Earth as seen from space, showing the curvature of the planet and a bright light source (the sun) on the right side, creating a lens flare effect.

Shipping funds Current opportunities and structures

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Introduction

- Market trends
- New products
- Example structures
- Regulatory and tax considerations

Market trends

- Evolving KG market
- Opportunity funds
- Familiar joint venture structures
- Diversity of new entrants

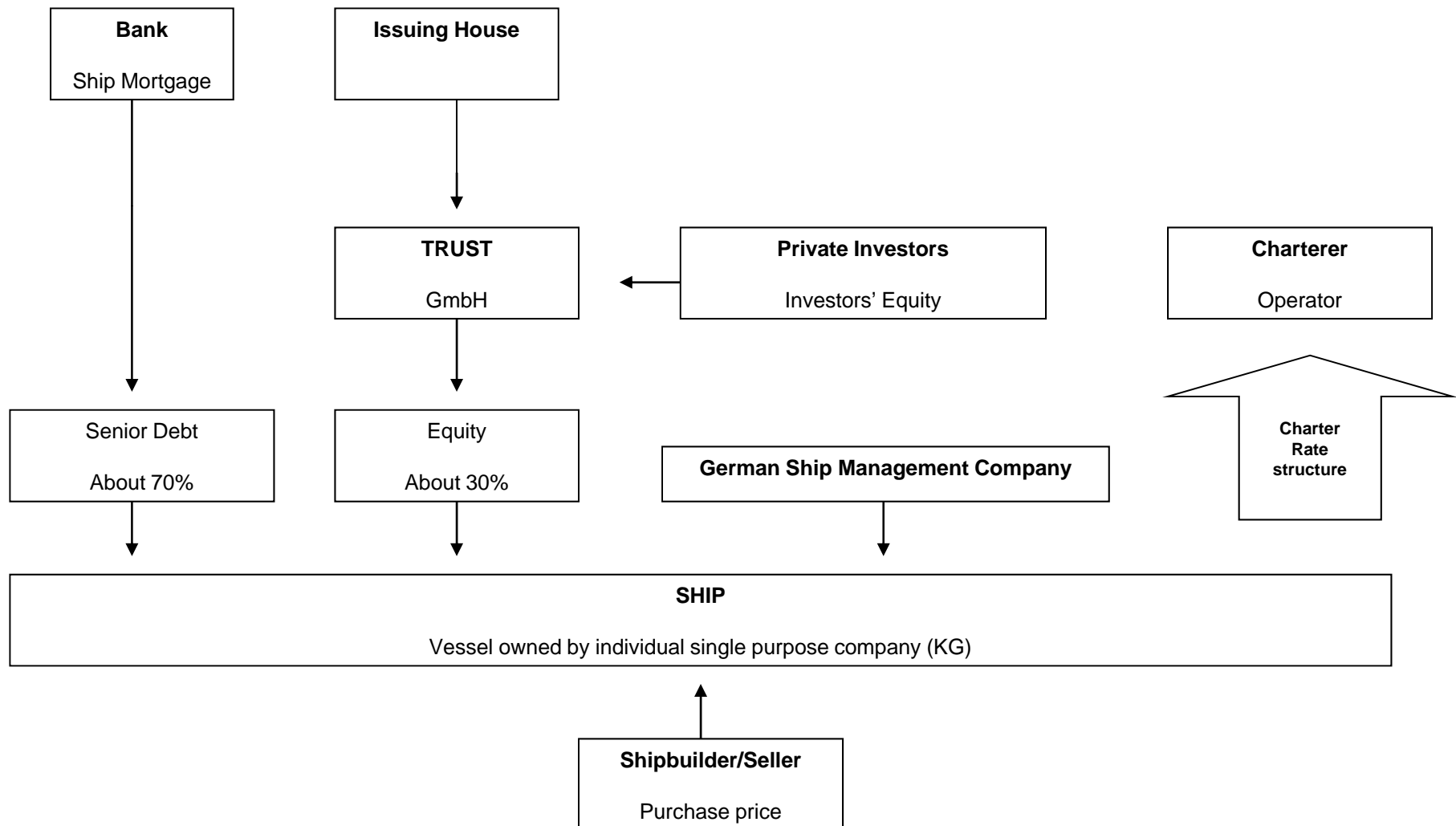
Market trends (2)

- New investor base
- Structuring of returns
- Governance
- Shariah compliance

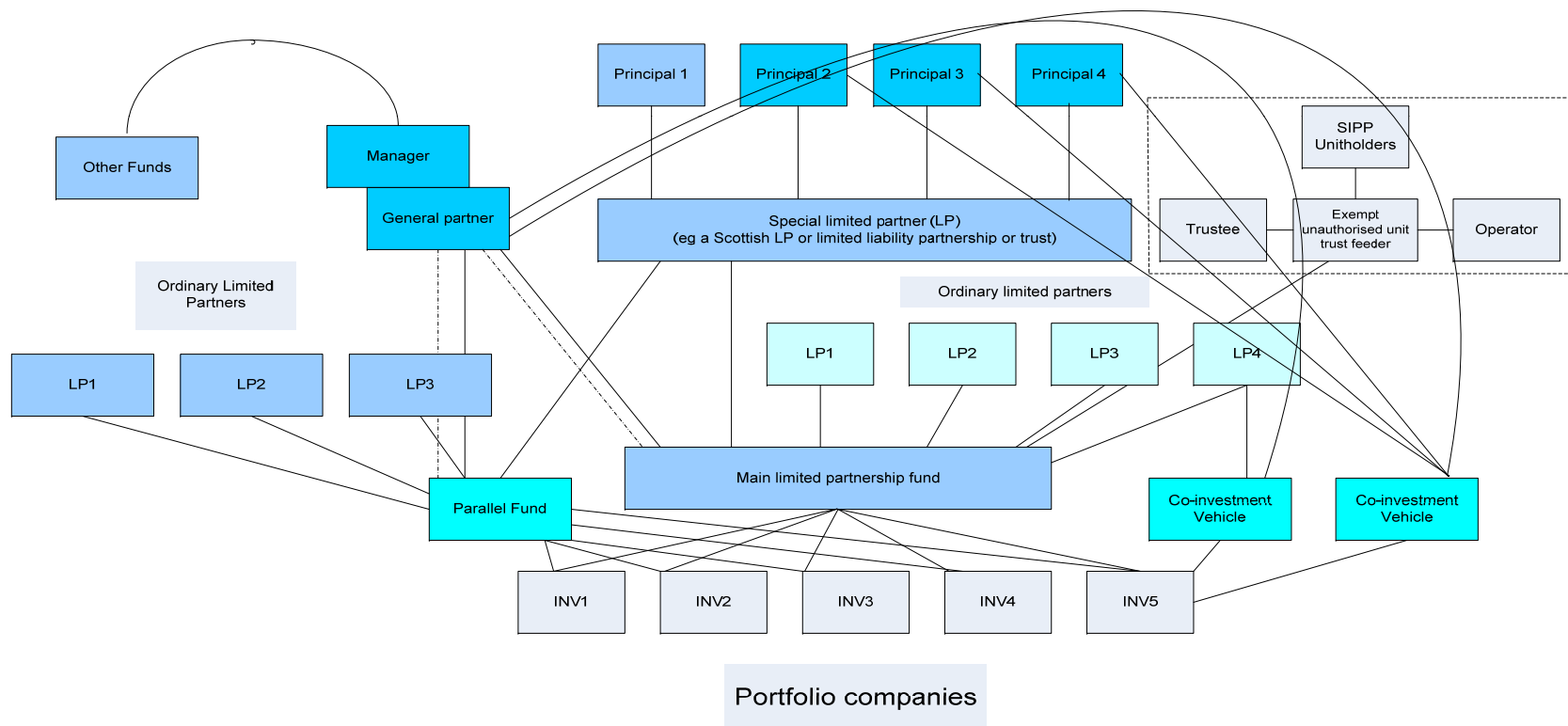
New products

- Mezzanine
- Distressed debt
- ETFs
- Directional
- Arbitrage

Example structures - KG

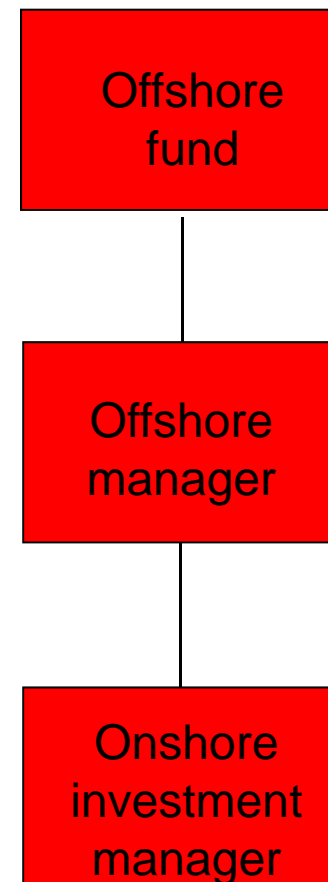


Example structures – private equity / debt



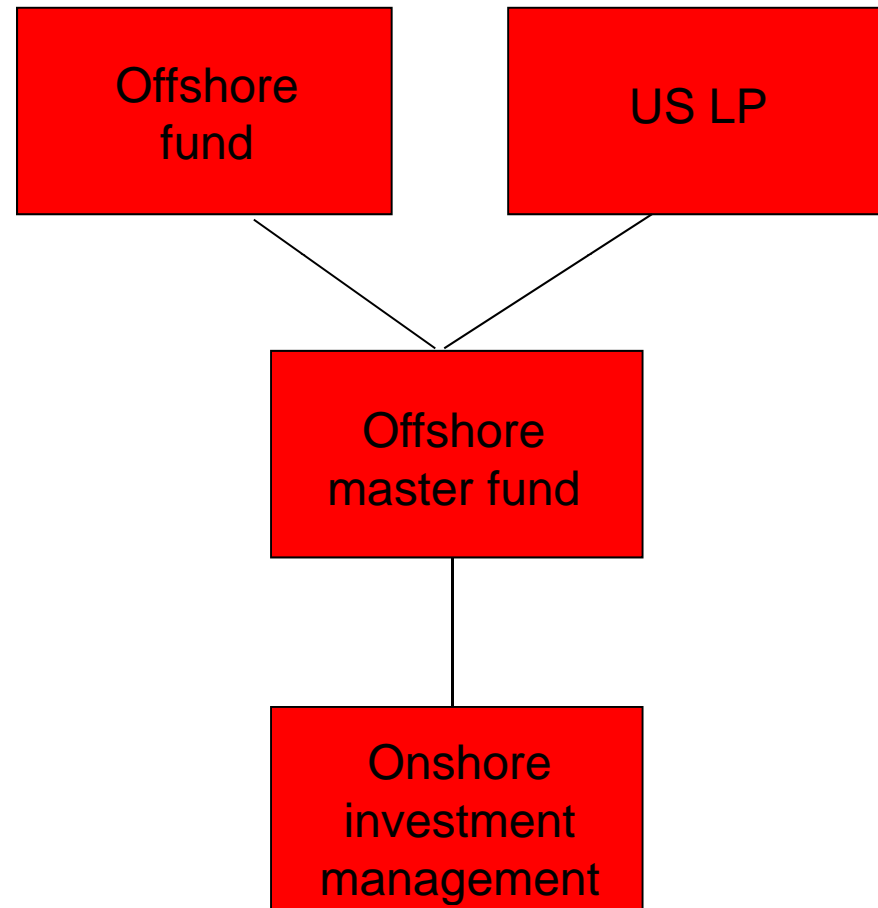
Example structures - trading

- Classic structure where principal investment manager is non-UK or where there are, or may be, two investment managers
- Non-US investors
- US tax-exempts (UBTI)
- PFIC for US taxable investors
- Not for offshore roll-up of fees



Example structures – Trading (2)

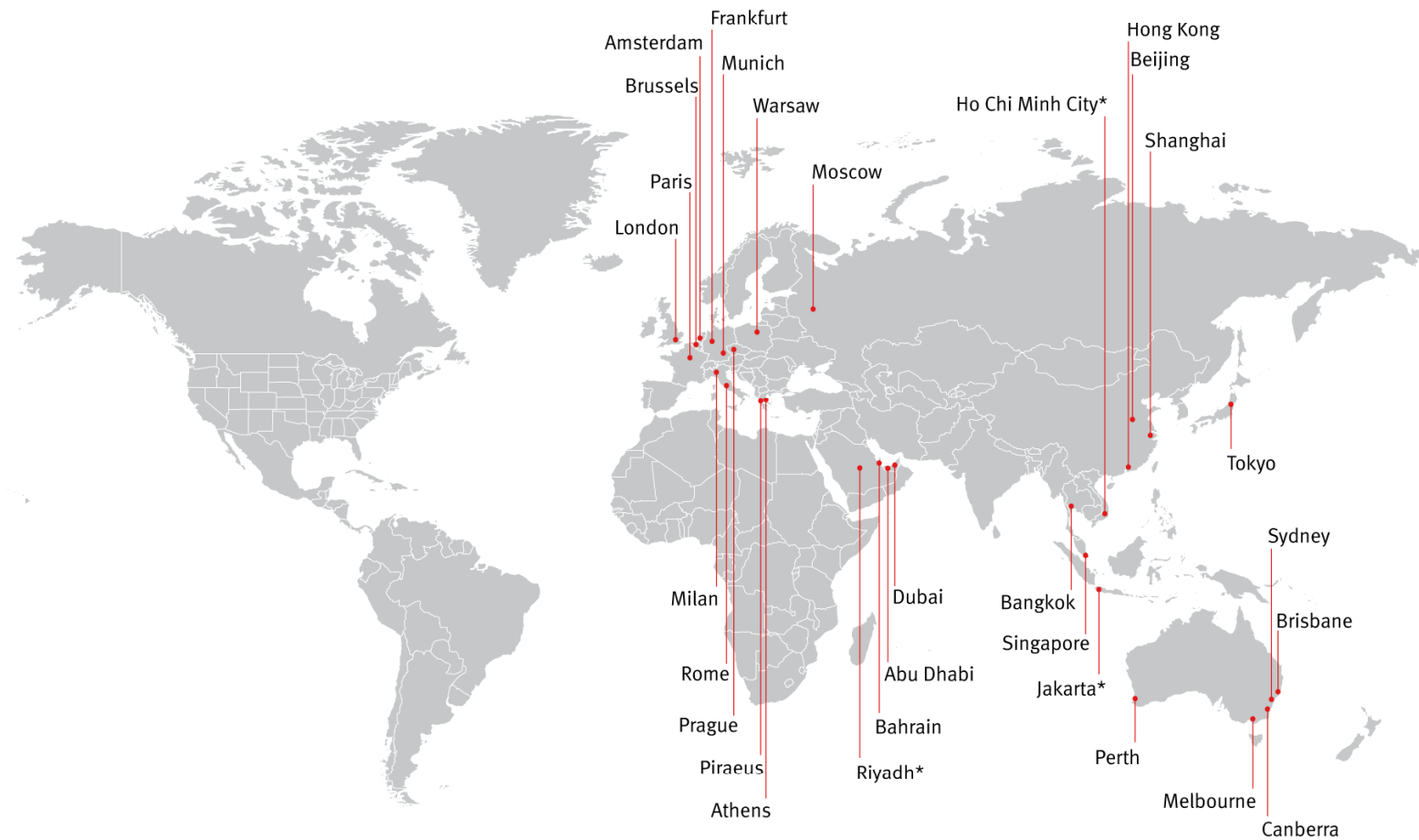
- Classic master-feeder
- Corporate master fund
- US LP “checks the box”
- No portfolio rebalancing
- US Persons integration
- Currency hedging (inc. transaction costs)



Regulatory and tax considerations

- Regulatory
 - Investor / marketing issues
 - Manager issues
- Tax
 - Residency / Management & control
 - Safe harbours

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