

Cyprus Alternative Investment Fund (AIF)

GENERAL OVERVIEW

Legal Basis: Governed by the Alternative Investment Funds Law of 2018.

Regulatory Oversight: Fully regulated and supervised by the Cyprus Securities and Exchange Commission (CySEC).

Target Investors: Open to professional, well-informed, and retail investors.

Setup Timeframe: The setup timeframe ranges from 6 to 8 months, though it can vary depending on the complexity of the structure.

Key Features

Corporate Flexibility: Can be structured as:

- Common Fund (CF)
- Variable Capital Investment Company (VCIC)
- Fixed Capital Investment Company (FCIC)
- Limited Partnership (LP)

Investment Scope: Can invest in any asset class subject to the fund's rules and CySEC requirements.

Umbrella Structure: Can create multiple sub-funds with segregated liability.

EU Passporting: If managed by an authorized AIFM, can be marketed across the EU.

Taxation

Corporate Tax: Subject to Cyprus' standard 15 % corporate tax rate.

No Withholding Tax on dividend distributions to non-resident investors.

No Subscription Tax on net assets.

Access to Cyprus' Double Tax Treaty Network for tax optimization.

Advantages of Cyprus AIF

1. **Flexible Fund Structure:** Can accommodate a broad range of investment strategies.
2. **Investor Protection:** Fully regulated by CySEC.
3. **EU Passporting:** Allows cross-border marketing if AIFM is appointed.
4. **Attractive Tax Regime:** Competitive corporate tax and extensive double tax treaty benefits.
5. **Scalability:** Suitable for institutional and retail investors depending on structure.

Governance & Service Providers

AIFM Requirement: May be managed by an AIFM or internally.

Depository Requirement: Must appoint a depository.

Central Administration: Must be based in Cyprus.

Auditor: A Cyprus-registered auditor must be appointed.

Use Cases

Private Equity & Venture Capital Funds
Real Estate Investment Vehicles
Hedge Funds & Debt Funds
Infrastructure Investments

For further details or assistance in setting up a Cyprus AIF, please contact **KENDRIS Capital Limited**.

Setup & Support

- Assistance with AIF structuring and CySEC licensing.
- Drafting of regulatory documents (Fund Prospectus, Limited Partnership Agreement, etc.).
- Ongoing fund management, administration, and compliance services.

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