



Alter Domus

THE NETHERLANDS

\*YOUR PARTNER FOR GROWTH

alterDomus\*



# Alter Domus

## THE NETHERLANDS

**Alter Domus is a fully integrated Fund and Corporate services provider, dedicated to international private equity & infrastructure houses, real estate firms, multinationals, private clients and private debt managers. Our vertically integrated approach offers tailor-made administration solutions across the entire value chain of investment structures, from fund level down to local Special Purpose Vehicles.**

Founded in Luxembourg in 2003, Alter Domus has continually expanded its global service offering and today counts more than 40 offices across 20 countries. This international network enables clients to benefit globally from the expertise of more than 2,400 experienced professionals active in fund administration, corporate secretarial, accounting, consolidation, tax and legal compliance, depositary services and debt administration services.

We are proud to serve 17 of the 20 largest private equity houses, 19 of the 20 largest real estate firms and 16 of the 20 largest private debt managers in the world.





**16 of the 20**  
LARGEST  
PRIVATE DEBT  
MANAGERS  
IN THE WORLD



**17 of the 20**  
LARGEST  
PRIVATE EQUITY  
HOUSES  
IN THE WORLD



**19 of the 20**  
LARGEST  
REAL ESTATE  
FIRMS  
IN THE WORLD

## WHY THE NETHERLANDS ?

The Netherlands is one of the best places to conduct business. Its main benefits include:

- Macroeconomic stability with successful economic performance
- Excellent infrastructure :
  - Favorable geographical location
  - Highly educated international oriented human resources
  - High quality professional services
  - Reliable telecommunication systems and global transportation connectivity
- A stable political environment
- High standard financing system
- EU member (possibilities to apply EU Directives)
- Beneficial tax possibilities for multinational companies
  - The participation exemption grants an (100%) exemption of Dutch corporate income tax for dividends and capital gains derived from subsidiary companies
  - Around 92 double tax treaties to avoid double taxation
  - No Dutch withholding tax on interest and royalties
  - Possibilities to enter into Advanced Tax Rulings (ATR's) and Advance Pricing Agreements (APA's) with the tax authorities

## DUTCH TAX SYSTEM

- Corporate income tax rate of maximum 25 %
- Participation exemption: income (dividends and capital gains) derived from a qualifying participation is exempt from taxation in the Netherlands. The participation exemption is generally applicable to participations of at least 5% of the nominal paid-up capital and if at least one of the following three tests is met :
  - Motive Test; the participation is not held as a passive investment (the investment is considered passive if it is held with the objective to obtain a return that may be expected from normal active asset management)
  - Subject-to-tax Test; the subsidiary is subject to an effective tax rate of at least 10%, determined according to Dutch standards
  - Asset Test; less than 50% of the direct and indirect assets of the subsidiary consist of passive investments
- The Netherlands imposes a dividend withholding tax of 15% on outbound dividends. This rate may be reduced pursuant a double tax treaty or EU Directives
- Distributions by a Dutch Cooperative are, in principal, exempt from Dutch dividend withholding tax, unless the structure is considered abusive (i.e. if the structure is setup with (one of) the main reason(s) to avoid Dutch

dividend withholding tax, or foreign tax of another person)

- The Netherlands do not levy any withholding tax on interest and royalties payments
- The Netherlands do not have any capital tax
- Standard Dutch VAT rate is 21%

## CORPORATE SERVICES

### OUR RECURRING SERVICES

#### Domiciliation and Corporate Secretarial

- **Domiciliation and Legal Assistance**
  - Provision of registered address and management headquarters
  - Responsible for corporate legal compliance
  - Organisation and minutes of board of directors
  - Organisation and minutes of AGM
  - Filing financial statements with Trade Register
  - Maintenance of electronic data and permanent corporate data
  - Maintenance of Shareholder's register
- **Director Mandate**
  - Permanent involvement in day-to-day and strategic management
  - Representation of the entity in dealings with third parties
  - Board meeting attendance

#### Corporate Treasury Management

- **Bank Management**
  - Opening bank account, internet access and full documentation
  - Maintenance of signatory list
  - Organisation of general payable debts payments
  - Bank statement and cash reconciliation
  - Cash deposit
  - General contact with Dutch banks
- **Internal Financial Instruments**
  - Maintenance of financial instruments (loan and facility agreements)
  - Interest calculation, invoicing and communication
  - Financial receivable / payable control
  - Distribution to investors: statement and payment
- **Cash Flow Reporting**
  - The Netherlands entity cash flow control and reporting
  - Consolidated cash flow control and reporting

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## Accounting

- Maintenance of accounting file (document validation, filing, execution payments, ...)
- Bookkeeping and maintenance of ledgers
- Interim reporting
- Preparation of financial statements
- Entity budget control and follow-up
- Issue and communication of inter-company statements during period-end closing
- Audit assistance
- Liaise and coordinate with third party service providers

## Consolidation of Accounts

- Reconciliation of inter-company accounts
- Review of SPV accounts (local TB)
- Review of SPV accounts formatted for consolidation
- Consolidation adjustments
- Consolidation of auxiliary schedules and consolidated fund structure
- Consolidated financial statements

## VAT Compliance

- Assisting in VAT registration / removal from registry (if applicable)
- Compiling data for VAT returns
- Issue and filing of VAT returns
- Follow-up and control of VAT statements
- Organisation and follow up of VAT payments

## OUR NON-RECURRING SERVICES

### New Development Project / Development Progress / Development Delivery / Project Exit

#### • Company Formation Services

- Assistance with setting up of companies
- Implementing complex international structures as part of restructuring plans and M&A
- Selecting and coordinating with the best independent tax specialists and lawyers in the Netherlands in setting up these structures

#### • Initial and Preparatory Work

- Issue of transaction file :
- Collection and analysis of financial statements (asset deal)
  - Scheduling of transaction structure through the vehicle
  - Transaction step plan
  - Cash drawing calculation
  - Cash flow structuring (asset deal)
  - Control of legal and tax compliance for proposed transaction structure

#### • Decision-making Process

- Board of Directors meeting and / or Investors Committee meeting organization :
- Setup of meeting with required quorum
  - Issuing of agenda > collection of proxies from absent invitees
  - Collection of acquisition and financing report
  - Attendance at the meeting and drafting of the minutes

#### • Execution of Decisions Taken by Management Board

- Execution of loan agreement or any other financial agreements
- Proxy and certificate organisation with notarised signatures and apostil
- Execution of drawdown from and repayment of bank credit facilities
- Capital call for payment by investors (calculation / notice / collection)
- Capital increase subsequent to capital call
- Organisation of money transfers in creditor settlements / of currency conversion (forex, ...)
- Assistance with data room organisation

#### • Entity Set up and Liquidation

- Preparation and review of incorporation / liquidation legal documents – Liquidator mandate
- Opening / closing bank account and capital collection / repayment
- Proxies and ultimate shareholder certificate (UBO) organisation
- Deed of incorporation in front of a notary
- Coordination of liquidation procedures
- Follow up on deed registration and filing (trade register excerpt, ...)

#### • Process Finalization

- Communication of all documentation to third parties
- Collection or compiling of transaction “Bible”
- Participation in the administrative organization of the SPV

## **BUSINESS PARTNERS**

### **BUSINESS OFFICE SERVICES**

[www.bos-international.com](http://www.bos-international.com)

- High-quality furnishings, including desk, desk trolley, office chair, filing cabinet and telephone
- Company name at office entry door
- Broadband internet access and WiFi
- Allocation of a telephone line
- Personalized telephone answering services
- Mail and courier services
- Reception of visitors from 8am to 6pm, Monday to Friday
- 24-hour access with your personal access card
- Daily cleaning of the premises
- Electricity, heating and air conditioning
- Organization of board meetings
- Facilities and administrative services

## **OFFICE**

### **Alter Domus Nederland B.V.**

Amstelveenseweg 760, 3rd floor  
1081 JK Amsterdam  
The Netherlands

T + 31 20 504 3800

[contact.nl@alterDomus.com](mailto:contact.nl@alterDomus.com)

[www.alterDomus.com](http://www.alterDomus.com)

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