



**DIAMONT LAW**

13 years of experience in legal  
and financial services

DIAMONT LAW OÜ  
Registry code 14031263  
Mäealuse tn 3a, Tallinn  
[contact@diamont.ee](mailto:contact@diamont.ee)  
+372 5607 0001

## **SMALL AIF WITH FIU'S FUND MANAGER LICENSE**

Due to the latest changes in Estonian legislation, more and more entrepreneurs choose the Republic of Estonia as their place of business. Managing a business in the investment field in Estonia has several advantages in comparison with other EU countries and our team may provide a service for establishing the Small Alternative Investment Fund with relevant fund manager's license (hereinafter – the License).

### **Advantages of Estonia as a place of establishment of the fund**

- Estonia has attractive legislation and alternative investment fund establishment procedure similar to UK and Luxembourg whereas the establishment costs are considerably lower;
- The registration process is significantly fast;
- There are no requirements to publish the identity and the amount of contributions made by investors;
- There is no taxation on capital gains for companies registered in Estonia;
- There is no taxation on retained and reinvested profits for companies registered in Estonia.

### **Advantages of the Small Alternative Investment Fund**

- In comparison with Alternative Investment Fund (AIF) the Small Alternative Investment Fund (SAIF) in the form of Limited partnership establishment does not require the license issued by FSA (Financial Supervisory Authority) but the FIU's (Financial Intelligence Unit) license which makes the process of SAIF establishment and its management much more efficiently;
- FIU's license allows you to establish the Limited Partnership Fund which is the most popular legal structure because it requires at least one General Partner. Initial Investor is not required for such funds;
- It is possible for investors to make their contributions in virtual currency and also there are no restrictions on the minimum investment threshold;
- The assets of the SAIF can be up to 500 million euros.
- It is not allowed to offer fund's units by the public offering, thus it is possible to attract new investors only if at least one of the following requirements is satisfied:
  - fund's units are offered to the qualified investors only;
  - fund's units are offered to a maximum of 150 investors (incl. non-qualified investors) per EU country;
  - fund's units are offered with at least 100 000 euros value per unit;



**DIAMONT LAW**

13 years of experience in legal  
and financial services

DIAMONT LAW OÜ  
Registry code 14031263  
Mäealuse tn 3a, Tallinn  
[contact@diamont.ee](mailto:contact@diamont.ee)  
+372 5607 0001

- o fund's units are offered to investors with at least 100 000 euros value per offer;
- o fund's units are offered with a total consideration of less than 2 500 000 euros per EU country in total calculated in a one-year period.

### **Applying legislation**

- The regulator shall be [Financial Intelligence Unit](#) and [Financial Supervisory Authority](#);
- [Money Laundering and Terrorism Financing Prevention Act](#);
- [Investment funds act](#);
- [International sanctions act](#).

### **To establish SAIF it is required to perform the following steps:**

1. The following data and documents are required to submit to FIU in order to obtain the License for the Fund Manager:
  - o Properly filed Application;
  - o Procedural Rules and Internal Control Rules;
  - o Rules for cases when the International Sanctions implemented;
  - o Receipt for the Company's owner (incl. UBO), Board member's absence of conviction for a criminal offense;
  - o Receipt on the state fee payment in 3 300 euro.
  - o Description of the establishing financial services.
2. The following data and documents are required to submit to FSA in order to register the Fund Manager:
  - o the contact details and Articles of Association;
  - o the dates of the funds establishment and the country under which law these funds were established;
  - o the number of managed funds, their names and business names if any;
  - o the information concerning the investment policy of the funds, including the investments and instruments traded, trading venues of the fund, the main risks of the fund and composition and total value of the assets managed.

The more detailed information on the registered fund managers with may be found by this [link](#).

3. SAIF shall be established in the Commercial Register.



**DIAMONT LAW**

13 years of experience in legal  
and financial services

DIAMONT LAW OÜ  
Registry code 14031263  
Mäealuse tn 3a, Tallinn  
[contact@diamont.ee](mailto:contact@diamont.ee)  
+372 5607 0001

## COMMERCIAL OFFER – SMALL AIF WITH FIU'S FUND MANAGER LICENSE

<u>Service</u>	<u>Costs</u>	<u>Terms</u>
<p><b>Company (fund manager) establishment</b></p> <p>The private limited company (Estonian – OÜ) may be established via e-residency card or through the notary. We may assist in both procedures to establish the company (the company shall be the fund manager of limited partnership fund). This service includes:</p> <ol style="list-style-type: none"><li>1. company name verification;</li><li>2. drafting of the model establishment documents;</li><li>3. legal address rent service for the period of 1 year;</li><li>4. service of provision of the contact person for the period of 1 year;</li><li>5. state fee payment in the amount of <b>190 euros</b>.</li></ol> <p>In cases when the company is establishing through the notary the cost of notary deed shall be added.</p> <p>Also, this service may include the following additional costs:</p> <ol style="list-style-type: none"><li>1. Costs of the notarization of documents;</li><li>2. Costs of the legalization of the documents;</li><li>3. Costs of the translation of the documents.</li></ol> <p>In cases when the company shall be established on behalf of the foreign legal person the price for establishment service shall vary, depending on the current local legislation of the corresponding country.</p>	<p><b>from 3000 euros</b></p>	<p><b>up to 10 working days</b></p>



**DIAMONT LAW**

13 years of experience in legal  
and financial services

DIAMONT LAW OÜ  
Registry code 14031263  
Mäealuse tn 3a, Tallinn  
[contact@diamont.ee](mailto:contact@diamont.ee)  
+372 5607 0001

<p><b>The preparation of the investment fund establishment documents</b></p> <p>To establish limited partnership fund it's required to draft limited partnership fund partnership agreement. This agreement shall include basic principles of fund's investment policy, investors onboarding procedure, etc. Our lawyers will prepare the document and provide legal advice in all matters, related to this document's applying for further relationships.</p> <p>The cost of service includes up to 20 lawyer's working hours.</p>	<p><b>12000 euros</b></p>	<p><b>up to 14 working days</b></p>
<p><b>Fund manager registration in Financial Supervision authority (FSA)</b></p> <p>Fund manager shall be registered in FSA before the fund's establishment in Commercial register. We will prepare the relevant application to FSA and communicate with FSA during the registration process. This service includes:</p> <ol style="list-style-type: none"><li>1. assistance in the drafting of documents required to obtain the registration;</li><li>2. drafting the application for the registration;</li><li>3. state fee payment in the amount of <b>200 euros</b>;</li><li>4. submission of the application to the FSA;</li><li>5. communication with FSA within the course of the registration obtaining.</li></ol> <p>The cost of service includes up to 30 lawyer's working hours.</p>	<p><b>15000 euros</b></p>	<p><b>up to 80 working days</b></p>



**DIAMONT LAW**

13 years of experience in legal  
and financial services

DIAMONT LAW OÜ  
Registry code 14031263  
Mäealuse tn 3a, Tallinn  
[contact@diamont.ee](mailto:contact@diamont.ee)  
+372 5607 0001

<p><b>Obtaining financial institution license</b></p> <p>Fund manager shall obtain financial institution license in Estonia Financial Intelligence Unit (FIU). This service includes:</p> <ol style="list-style-type: none"><li>1. drafting of documents which establish the basis of the risk management in the company;</li><li>2. AML policy development;</li><li>3. internal control rules development;</li><li>4. development of the rules for compliance with international sanctions application regime;</li><li>5. preparing the application for financial institution license obtaining with sub-type "asset management";</li><li>6. state fee payment in the amount of <b>3300 euros</b>;</li><li>7. submission of the application to the FIU;</li><li>8. communication with FIU within the course license obtaining.</li></ol> <p>We also include 2 months of AML officer service provision within this service to obtain the financial institution license.</p> <p>The cost of service includes up to 15 lawyer's working hours.</p>	<p><b>15000 euros</b></p>	<p><b>up to 75 working days</b></p>
<p><b>AML officer provision</b></p> <p>The company, which has valid financial institution license shall have the compliance officer (AML officer), who shall be working in Estonia. We can provide person, who will perform AML officer duties upon the following terms. The AML officer duties include the following:</p> <ol style="list-style-type: none"><li>1. AML officer shall collect and analyze information about transactions and operations which seem suspicious to</li></ol>	<p><b>3000 euros per quarter</b></p>	



**DIAMONT LAW**

13 years of experience in legal  
and financial services

DIAMONT LAW OÜ  
Registry code 14031263  
Mäealuse tn 3a, Tallinn  
[contact@diamont.ee](mailto:contact@diamont.ee)  
+372 5607 0001

<p>the money laundering or terrorism financing;</p> <ol style="list-style-type: none"><li>2. AML officer shall notify FIU when suspicious to the money laundering or terrorism financing arises.</li><li>3. AML officer shall provide the company with applications on the compliance with the current legislation</li></ol> <p>This service includes AML officer's working time in the amount up to <b>5 hours per month.</b></p>		
<p><b>Limited partnership fund establishment</b></p> <p>To establish limited partnership fund, Company shall have valid FSA's registration. To establish limited partnership fund it's required to send relevant application to Commercial register. This service includes:</p> <ol style="list-style-type: none"><li>1. Translation of limited partnership fund partnership agreement to Estonian language;</li><li>2. preparing the application to Commercial register;</li><li>3. state fee payment in the amount of <b>13 euros;</b></li><li>4. submission of the application to the Commercial register;</li><li>5. communication with Commercial Register within the course of fund establishment.</li></ol> <p>It's possible to establish several investment funds for the one fund manager (e. g. for different investment policies or different types of investors).</p>	<p><b>2000 euros</b></p>	<p><b>up to 14 working days</b></p>



**DIAMONT LAW**

13 years of experience in legal  
and financial services

DIAMONT LAW OÜ  
Registry code 14031263  
Mäealuse tn 3a, Tallinn  
[contact@diamont.ee](mailto:contact@diamont.ee)  
+372 5607 0001

We can provide you a package of the listed above services for a special price of **50 000 euros** for the establishment of Small AIF with FIU's Fund Manager license.

*The cost of maintaining the specialists necessary for the functioning of the fund is 50,000 euros per year.*

*If you want the foundation to be able to operate **in all countries** of the world, the cost of its creation increases by another 50,000 euros.*