



Vaduz, 25 June 2009

#### **Press release**

With reference to recent controversial articles published in the US and UK press about the tax consequences of the practice outlined in the IRS Revenue Ruling 2009-13 (seller side) and 2009-14 (buyer side, both issued early May 2009) dealing with transfers of life insurance contracts, we would like to provide to our investors some clarification.

Through the implementation of a partnership structure in Liechtenstein (cf. our announcement of 09 January 2009) we had anticipated the publication of this IRS practice and introduced a collective investment scheme that allows treaty eligible investors the application of their double tax treaties. With the partnership structure, both the fund and the fund management could be retained in Liechtenstein.

In order to meet the various requirements for treaty application under the US double tax treaties, we introduced strict requirements for prospective and existing clients. Before an investor is allowed to invest into the fund, evidence must be achieved that:

- the investor is resident in a country with suitable double tax treaty with the US;
- the investor is able to apply the treaty (beneficial ownership, no limitations on benefits);
- the treatment of the investment scheme and the income received are in accordance with the US anti-hybrid regulation;
- the investor is properly documented.

All these measures are necessary to maintain a tax-efficient investment scheme without US or Liechtenstein taxes neither on the asset nor on the investment scheme level at the time of the investment, during the holding period or upon redemption.

We thank you for your interest and remain with kind regards,

Rolf Knell  
Managing Director

Markus Weber  
Managing Director

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