

VBCHC's Approach to Tax Policy

Key Issues and Principles

Effective February 2023

VBCHC is a U.S. company, headquartered in New York, New York. Since its founding in 2022, VBCHC has gained strong, early traction as an early-stage company that seeks to become a global leader in the private capital markets ecosystem by providing participants with the tools and resources they need to achieve their financial objectives and goals.

VBCHC's revenue will be generated primarily from its subsidiary companies Venture Backed Capital LLC ("**Venture Backed**") and PMI Systems LLC ("**PMI**"). VBCHC's revenue will allow the company to create and sustain an engaging and relevant experience for the people and businesses that use our products. We pride ourselves on our desire to constantly remain at the forefront of innovation to meet new needs and challenges and become a leader among U.S. companies in research and development (R&D) and investment. Despite our global reach objectives, it is our intent to maintain the majority of our R&D and operations in the United States.

VBCHC believes that stable, long-term tax policies are critical to an environment that not only helps businesses thrive and grow but enables governments to further their economic growth and prosperity. As such, VBCHC supports the following tax policy issues that encourage a competitive global tax system:

- **A stable and uniform international tax system:** VBCHC supports a stable and long-lasting international tax system. We understand that business models have changed drastically in recent years, and that tax laws should change and adapt as well. VBCHC strongly supports a balanced and stable international tax system that is based on a global multilateral consensus, encourages R&D and innovation, and recognizes the increasingly global and digitalized nature of business across all sectors. Tax laws should evolve with businesses in order to promote sound pro-growth policies.
- **Minimize double taxation and enhance tax certainty:** Governments around the globe should continue to pursue mechanisms that eliminate double taxation and ease compliance burdens for business by establishing clear lines of communication and coordination among tax administrators. We support sound global tax administration through continued investment in bilateral treaties and multilateral agreements to ensure certainty in administration for both governments and taxpayers, through agreed on principles that are well established and can be relied on.

In this rapidly changing policy environment, we not only strive to comply with all applicable tax laws, but to work with policy makers to help them adapt to these changes and achieve regulatory outcomes that are workable for both business and government. We hold ourselves to the highest standards and principles as described below:

- **Full compliance with relevant tax laws:** VBCHC’s approach to tax is to ensure compliance with all tax laws in the jurisdictions where we operate. As a company with multinational aspirations, VBCHC will always takes our tax obligations seriously and will pay all taxes due in every jurisdiction as required under the laws and international tax treaties. Tax policy has seen rapid change over the last several years, and our tax, policy, and finance teams will work hard to ensure the accurate and timely filing of our tax returns and payments of taxes due.
- **Cooperation and transparency with tax authorities:** Tax policy and administration are core to the functioning of every government. We strive to work collaboratively with all tax authorities, maintain a professional and open relationship, and are committed to resolving disagreements in interpretational matters through open discussions. While we strive to cooperate with all tax authorities, we recognize that disagreements may occur and we will assert necessary legal rights to uphold our positions based on our interpretation of the law.
- **Reducing uncertainty where appropriate:** One of VBCHC’s primary goals is to reduce uncertainty in our tax matters with regard to interpreting various tax laws. This may include the use of tax forums, tax rulings, advance pricing agreements, and other appropriate measures allowed by law. These efforts are supported by our collaborative approach and relationships with tax authorities.
- **Proactive approach to the needs of policy makers:** At VBCHC, we do not think it is enough to simply comply with all tax laws and tax reporting obligations. We will take a proactive approach to tax policy to address new and changing norms. Our objective is to engage policy makers in designing tax policies and rules that are workable for both governments and businesses. We will also proactively engage tax policy makers from individual governments around the world to exchange views, provide feedback and share best practices as these governments consider new tax policies and rules.

VBCHC’s Audit & Risk Oversight Committee of the Board of Directors oversees certain areas of the company, including its accounting and financial reporting processes and audits of its financial statements. The Audit & Risk Oversight Committee’s scope also includes VBCHC’s global tax policies, planning and compliance, and specifically this policy.