

## Private funds to benefit from streamlining

**From 18 April 2017 Jersey implemented a new Jersey Private Fund (JPF) regime that essentially streamlines two previous regimes into a single, more effective, solution for clients.**

Prior to this private funds in Jersey fell into either the Very Private Fund or Private Placement Fund regime. The JPF takes the popular features of the Very Private Fund regime, such as the 48 hour regulatory turnaround, no requirement for a private placement memorandum and structural flexibility and allow more funds to be created using these parameters. Now any Jersey private fund vehicle can become a JPF. In fact, any non-Jersey limited partnership can also become a JPF if it has a relevant connection to the island.

The move has been welcomed by fund professionals as it expands the application of the Very Private Fund regime so that many more privately-placed funds can benefit from a flexible, efficient and swift regulatory process.

The new regime complements Jersey's other options such as the Expert Fund and Eligible Investor Fund regimes for funds where offers are made to more than 50 investors who fit certain criteria providing a suitable solution to all scenarios.

### Jersey Private Funds regime – a brief look:

#### Key features

- Professional or eligible investors only
- 48 hour turnaround
- Maximum 50 investors
- Any investment vehicle can be used
- Can be closed or open-ended, but not listed
- A JPF must appoint a Jersey-based service provider to liaise with the Jersey Financial Services Commission (JFSC)
- The JPF's administrator will manage anti-money laundering obligations
- JPF promoters do not need approval from the JFSC

#### The Process

- The Jersey-based designated service provider will apply to the JFSC
- The application should contain the name of the JPF and any service providers involved
- The designated service provider will also inform the JFSC if an auditor is appointed
- The designated service provider will also confirm that all investors are professional or eligible
- The designated service provider will complete CDD checks and AML compliance

**The Fees**

- A fee of £1,070 will be payable to the JFSC for the establishment of a JPF
- An annual fee of £500 will also be due

In summary the JFSC's new JPF regime will give Jersey a renewed focus on fund launches, with a fast-track regulatory authorisation process for the establishment of private investment funds.

Moore Stephens Fund Services can act as the required service provider.

A summary can be viewed on the JFSC website [here](#).

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March 2018