



# Guernsey - Comparison of Guernsey Funds Regimes

## Introduction

This memorandum describes certain features of Guernsey fund regimes. It is intended to be a summary only, and is not exhaustive. It is not a substitute for detailed legal advice, which can be obtained from your usual Walkers contact or any of the Walkers partners listed at the end of this memorandum.

	<b>Private Investment Fund</b>	<b>Registered Fund</b>	<b>Authorised Closed-Ended Fund</b>	<b>Authorised Open-Ended Fund</b>
<b>Category of fund</b>	Open or closed	Open or closed	Closed	Open – Class A, Class B and Class Q
<b>Type of fund vehicle</b>	Company (including PCC, ICC), limited partnership or unit trust			
<b>Is fund vehicle regulated?</b>	Yes – very light touch	Yes – light touch	Yes	Yes – level varies between the classes
<b>Guernsey regulated manager required?</b>	Not mandatory, except for "Manager PIF"	Not mandatory	Not mandatory	Not mandatory for Class A Fund Mandatory for Class B and Class Q Funds
<b>Regulatory application timeframe</b>	One business day (any manager licence done at same time)	Three business days (plus 10 business days for any manager licence)	Six to eight weeks (plus four weeks for any manager licence), except that Qualifying Investor Fund is three business days (plus 10 business days for any manager licence)	Six to eight weeks (plus four weeks for any manager licence)

	<b>Private Investment Fund</b>	<b>Registered Fund</b>	<b>Authorised Closed-Ended Fund</b>	<b>Authorised Open-Ended Fund</b>
<b>Investor restrictions</b>	<p>Manager PIF – max 50 investors (max 30 new investors over 12 months); only investors able to sustain loss; no limits on marketing</p> <p>QPI PIF – max 50 investors; only "qualifying private investors"; offers limited to 200 investors</p> <p>Family PIF – investors must be part of same "family group"</p>	None	None, except that only "qualified investors" can invest in "Qualifying Investor Funds"	None, except that only "qualifying professional investors" can invest in a Class Q Fund
<b>Guernsey tax treatment of fund vehicle</b>	<p>Company and unit trust – 0% or exempt</p> <p>Limited partnership – not taxable</p>			
<b>Economic substance rules</b>	<p>Fund vehicle is exempt from economic substance requirements, unless it is a "self-managed fund"</p> <p>Licensed manager is subject to economic substance requirements</p>			
<b>Local directors of corporate fund required?</b>	No – but economic substance requirements apply if "self-managed fund"			
<b>Other local service providers</b>	Administrator and custodian (if open-ended)	Administrator and custodian (if open-ended)	Administrator	Administrator and custodian

	<b>Private Investment Fund</b>	<b>Registered Fund</b>	<b>Authorised Closed-Ended Fund</b>	<b>Authorised Open-Ended Fund</b>
<b>Information memorandum content requirements</b>	None, except that QPI PIF investors must be provided with and acknowledge a disclosure statement covering risk disclosures, the regulatory status of the PIF and investor suitability	Yes	Yes	Yes
<b>AIFMD – eligible for marketing in UK or EU?</b>	Yes			
<b>Audit requirement</b>	Yes			
<b>Reporting to investors</b>	Accounts required  Other reports allowed	Accounts required  Other reports allowed	Accounts required  Other reports allowed	Accounts and annual reports required  Half-yearly reports for Class A Fund
<b>Reporting to Guernsey regulator</b>	Very limited	Limited	Limited	More detailed
<b>Regulatory requirements applicable to Guernsey manager</b>	None	Audit, capital adequacy and conduct of business requirements	Audit, capital adequacy and conduct of business requirements	Audit, capital adequacy and conduct of business requirements
<b>Vehicle available for Guernsey Green Fund and Natural Capital Fund regimes?</b>	Yes	Yes	Yes	Yes

	<b>Private Investment Fund</b>	<b>Registered Fund</b>	<b>Authorised Closed-Ended Fund</b>	<b>Authorised Open-Ended Fund</b>
<b>Regulatory fee - application</b>	£4,280 – fund £2,755 – manager	£4,280 – fund £2,755 – manager	£3,780 – fund (£4,280 for Qualifying Investor Fund) £2,755 – manager	£3,780 – fund £2,755 – manager
<b>Regulatory fee - annual</b>	£3,780 – fund £1,970 – manager	£3,780 – fund £1,970 – manager	£3,780 – fund £1,970 – manager	£3,780 – fund £1,970 – manager

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