

NEW PIF RULES FURTHER ENHANCE GUERNSEY'S FUNDS OFFERING

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The decision to amend the rules surrounding Guernsey's Private Investment Fund (PIF) options will enable more investors to take advantage of the structure, increasing the attractiveness of Guernsey as a jurisdiction of choice.

The sector regulator, the Guernsey Financial Services Commission, published a consultation paper last year proposing to amend the rules and after receiving feedback, took the decision to amend the rules which are effective immediately.

The current approach to registering a PIF will not change, however the revised rules will provide new routes to enable a PIF to be created without an attached Protection of Investors Law licensed manager.

In order to use the second path, all investors will need to meet criteria aimed at protecting more vulnerable investors.

A third path will enable a PIF to be created as a bespoke private wealth structure requiring a family relationship between investors.

Christopher Jehan, chairman of the Guernsey Investment Funds Association (GIFA), welcomed the announcement.

He said: "We are pleased to see that the Commission has enabled multiple routes towards achieving the same goal.

"The PIF has already proven to be a popular product in the Guernsey fund suite and the increased flexibility can only help to increase the appeal of the product. Over the past year we have seen increasing interest in Guernsey as a fund domicile and the PIF is a key tool in our toolbox."

Guernsey Finance Chief Executive Rupert Pleasant said the decision was another demonstration of Guernsey's pragmatic approach which recognised the needs of the local fund industry and its clients to respond flexibly to their clients' needs.

"This is a fantastic development for the local fund sector and will ensure that the excellent flow of funds business continues well into the future," he said.

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