

JERSEY EXPERT FUND REGIME

Introduced in 2004, the Expert Fund regime is designed to provide a flexible investment vehicle for “expert” and institutional investors.

By setting clear and unambiguous criteria and by providing precise definitions for what constitutes both an Expert Investor and Expert Fund, Jersey has established a streamlined commercial environment and authorisation process.

Introducing a lighter regulatory touch and shifting the emphasis of approval towards the regulation of functionaries in the Island and away from detailed case-by-case scrutiny has accelerated the regulatory process.

There are no restrictions to the number of funds that can be created or to the number of eventual investors, providing that all investors are classed as ‘expert’ and confirm in writing that they have read and understood the investment strategy and warning, relevant to that Fund.

Expert investors include:

- Professional and institutional investors
- Investors with a net worth, together with spouse, in excess of US\$ 1m (including their principal place of residence) or
- Investors making a minimum investment of US\$100,000

An Expert Fund may be open or closed ended and take any form recognised under the laws of Jersey such as a Limited Company, Limited Partnership or Unit Trust. Promoters of such funds have total freedom to determine their investment strategy provided that full details are set out in the investment prospectus for each fund.

The fund must have a regulated Jersey Manager or Administrator, who has staff and a physical presence in the Island. The Fund’s Board of Directors, i.e. the General Partner of a Limited Partnership or the Manager or Trustee must have at least two Jersey resident directors.

To establish an Expert Fund, the regulated Jersey Administrator, Manager or Trustee must complete an application form, countersigned by the directors, confirming the accuracy of the structure and fund documentation and lodge it with the Jersey Financial Services Commission.

Provided the fund meets all guidelines, consents will then be issued.

Moore Stephens Fund Administration Limited can assist in the creation, ongoing management, administration and audit for Expert Funds.

Moore Stephens Jersey is part of Moore Stephens International, which is regarded as one of the world’s major accounting and consulting networks consisting of 351 independent firms with 630 representative offices and some 21,000 people across 98 countries.

This information sheet provides a brief outline only and is not comprehensive as such and should you require further specific advice, please contact Adrian Moll:

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