

An excellent location for Investment Funds

Accessible and innovative, Guernsey offers flexible and pragmatic regulation and a depth of funds experience that's second to none



Guernsey

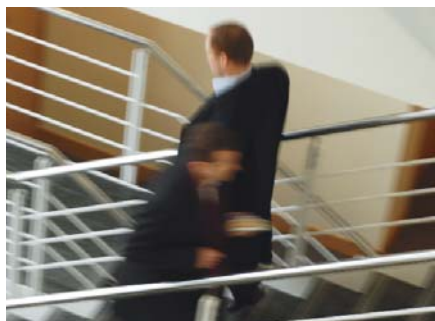
International Finance Centre

With five decades of experience, Guernsey is an excellent location in which to conduct investment fund business

Today the Island plays host to an extensive array of investment businesses, including investment advisers, stockbrokers and more than fifty fund managers, custodians and administrators, who in combination offer a range of products and services for both retail and institutional investors from the general to the more specialised.

These providers are comfortable with both non-Guernsey and Guernsey open and closed-ended funds. The international marketplace for Guernsey funds is illustrated by the fact that they are now promoted and sponsored by leading institutions from more than 55 financial centres.

Guernsey is a premier location in which to conduct fund business and in particular alternative investments. It has experience in dealing with asset classes such as funds of hedge funds, private equity and property that are becoming ever more popular amongst investors' portfolios and is growing a reputation as a centre of excellence for more esoteric investments such as fine art, fine wine and timber.



The Island also has expertise in using a wide range of investment vehicles including unit trusts, PCCs, ICCs and limited partnerships.

World-renowned investment management companies have the operation of their investment funds facilitated in Guernsey, where there is high quality legal, accounting, valuation, registrar, company secretarial and audit services for the structuring, launch and administration of funds.

Guernsey's administrative heritage is being increasingly complemented by the growth of investment management services.

This sector includes subsidiaries of large multinational houses as well as independent boutiques. In combination these firms deliver the widest range of asset management and stockbroking solutions to both private and corporate clients.

There are also a significant number of intermediaries who provide advice on suitable investment vehicles and products.

Guernsey has a reputation for robust corporate governance and there is an experienced and qualified pool of non-executive directors on the Island.

Guernsey's offering in the investment funds field was boosted in 1998 when the Channel Islands Stock Exchange (CISX) was established in the Island. It has experienced considerable growth since and – renowned for its consistency, speed and cost-efficiency – has become the exchange of choice for a growing number of quality international issuers.



Why use Guernsey?

Our track record

50 successful years Guernsey's fund industry has successfully grown over five decades. This has developed experience, infrastructure and accumulated intellectual capital which ensures the Island remains at the forefront of fund centres conducting cutting-edge fund business.

The highest reputation and standards Fund business can be transacted with confidence in Guernsey as the Island has been scrutinised and endorsed by the International Monetary Fund and the Financial Action Task Force.

A highly competitive funds climate

Fund flexibility Funds domiciled in other jurisdictions can be serviced in Guernsey. The Island is a 'Designated territory' under UK financial services legislation. There are bilateral public market access treaties with Australia, Belgium, Hong Kong, Japan, The Netherlands, Republic of Ireland, South Africa, Sweden and Switzerland. The Island has signed 20 MOUs with other jurisdictions and a Letter of Intent with the Hong Kong Securities and Exchanges Commission.

Fast track capability Self-certification Qualifying Investor Funds (QIFs) enable very short authorisation times for funds run by experienced investors. A parallel streamlined consent process for registered funds has also been introduced.

Innovative legislation Modern company law remains advanced through continuous improvement. Legislation permits PCCs, ICCs, limited partnerships and the amalgamation and migration of companies.

Strong corporate governance Guernsey has an experienced and qualified pool of non-executive directors.

Exchange listings Listings are available through the CISX, as well as other exchanges such as the main London market and AIM. Guernsey is one of only a very few jurisdictions where Investment Funds can be listed on the Euronext Amsterdam without obtaining a Netherlands licence. The Dutch AFM considers Guernsey to have adequate 'home' supervision.

Competitive tax environment There is a zero rate of income tax for corporate entities. Most funds can elect to be exempt from paying income tax, although the payment of an annual fee is required for such concession. There is no withholding tax on dividends paid, no capital gains tax or VAT.

Pragmatic regulation The Guernsey Financial Services Commission promotes robust yet pragmatic regulation and is renowned for being approachable, accessible and open to new ideas.

A 'one day business solution' Guernsey has a broad-based financial services industry (including support services) and all of the Island's businesses and key institutions are in close proximity to each other so an extensive array and high volume of business can be carried out face-to-face and in a short amount of time.

Conveniently located The Island's location between Europe and the UK places it in a time zone between the US and the Far East. This makes Guernsey a convenient place to carry out business with many different countries. Travelling to the Island is also quick and easy as there are frequent air and sea links to both Europe and the UK, with a flight time from London taking less than an hour.

Highly developed business support infrastructure Carrying out business in Guernsey is quick and easy because the Island has a high quality infrastructure, including a newly upgraded first class telecommunications network that is unsurpassed offshore.

Special relationship with the EU Businesses based on the Island have the advantages of being in a jurisdiction that is within the Common Customs Area and Common External Tariff without all the implications of operating from a full member of the EU. For example, directives such as those on fiscal harmonisation, financial services and company law do not have effect in Guernsey.

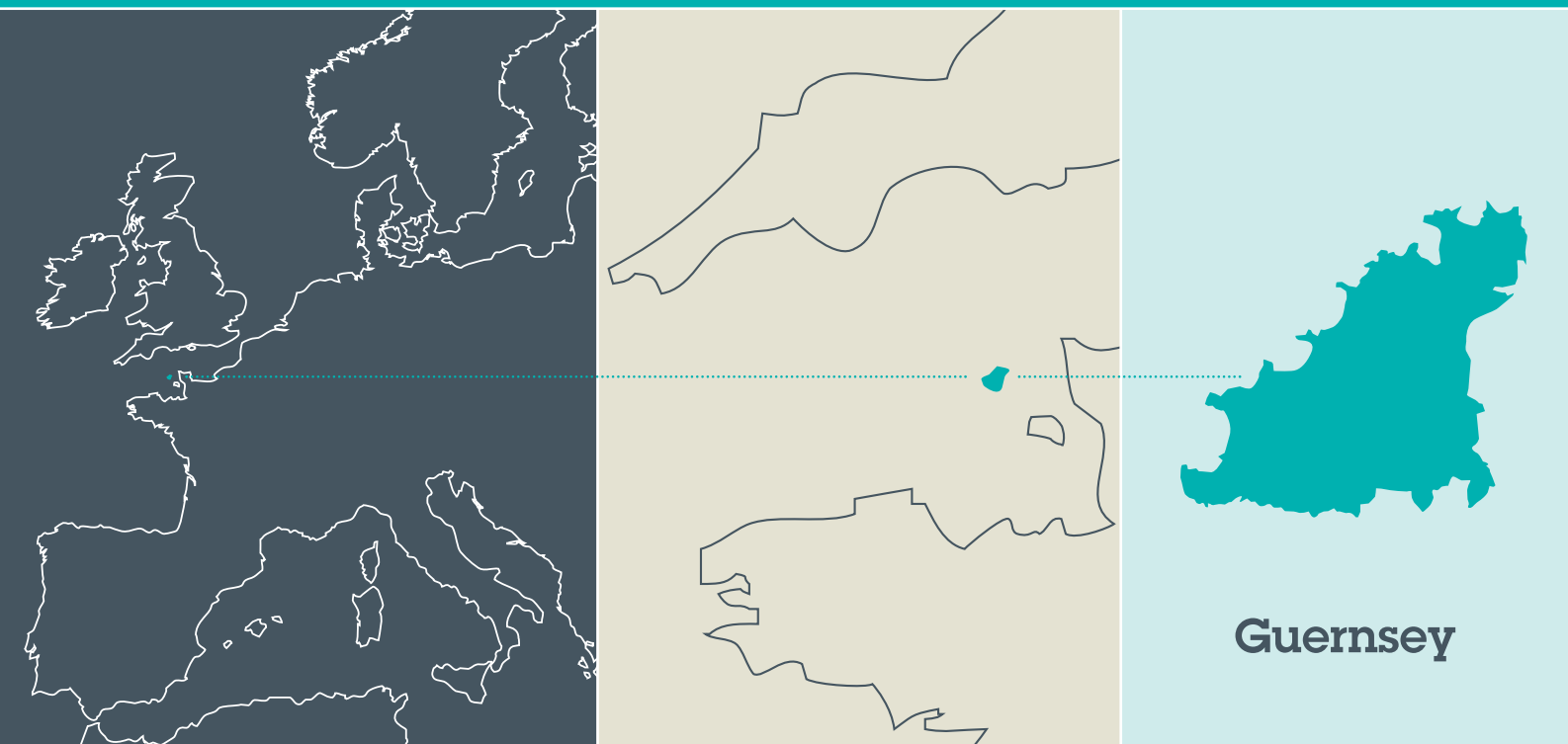
Stability Continuity within Guernsey's democratic government offers political and economic stability and thereby a safe and secure environment on which business can rely.

Independence Legislative and fiscal independence allows the Island to respond quickly to the needs of business.

Putting finance on the map

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The Island boasts nearly five decades of providing practical and innovative solutions to an international client base and remains at the cutting-edge of global finance.

Several hundred financial services firms are located on the Island, attracted by our unique business climate. Our success is built on the breadth and balance of these businesses which include:

- Banking
- Investment funds
- Insurance
- Fiduciary services
- The Channel Islands Stock Exchange (CISX)
- Internationally recognised lawyers and accountants
- Stockbroking
- Investment management
- Overseas pensions

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