



News Release

4 February 2009

New Yorkers take a shine to Guernsey as a fund domicile

Lawyers and accountants in New York have shown significant interest in using Guernsey as a future European private equity fund domicile.

Members of Guernsey's private equity fund industry visited the 'Big Apple' towards the end of last month as part of a trip coordinated by Guernsey Finance, the promotional agency for the Island's finance industry, which was exhibiting at the Private Equity International CFOs & COOs Forum on Wednesday 21 and Thursday 22 January at The Roosevelt Hotel.

The team from Guernsey included Joe Truelove, Head of Business Development at Kleinwort Benson; Christopher Anderson, Partner at law firm Bedell Cristin; and John Clacy, Partner, Deloitte.

As well as attending the CFOs & COOs Forum, the team also met with a large number of existing and new contacts in the city and spoke with journalists from some of the leading specialist private equity publications on the US east coast.

Peter Niven, Chief Executive of Guernsey Finance, said: "The lawyers and accountants that the team met in New York were aware of Guernsey but not surprisingly they tended to be more familiar with more local jurisdictions such as Cayman and the BVI. Whilst those jurisdictions are geographically close, Guernsey provides a good level of regulation, the right legislation, a broad range of service providers and access to the London and European markets which are all important in the decision making process for locating business. With our 'jewel in the crown' the Channel Islands Stock Exchange, the CISX, the reasons for choosing Guernsey are compelling."

Mr Niven added: "In addition, it was an opportune moment to provide an update on Guernsey's new funds regime where both open and closed-ended funds may either be authorised or registered schemes. We were able to showcase that the Island now has a comprehensive menu of options offering real choice in terms of speed of approval and levels of supervision while highlighting our hallmarks of high quality regulation and strong corporate governance. These recent changes demonstrate our continued adaptability and flexibility to be able to meet current demands of fund promoters and managers."

Guernsey has carved out a particular niche as a leading domicile for private equity funds. A major example of this business is KKR Private Equity Investors LP – the Guernsey limited partnership that raised US\$5bn before listing on the Euronext Amsterdam. This transaction showcased Guernsey's experience, expertise and innovation and therefore significantly enhanced the Island's reputation among not just European but also US lawyers and particularly those in New York.

Mr Anderson said: "Being on the ground in New York reinforced our impression that market conditions mean there is less new business coming on-stream at the moment and this is likely to be the case for much of 2009. The benefit for us is that the partners of law and accountancy firms have more time available to meet and listen to what we have to say about Guernsey. The contacts we met during this trip showed a particular interest in using the Island as a private equity funds domicile to access European investors."

Mr Niven said: "We will now be keeping in regular contact with those the team met during this trip and touching base with the additional contacts they suggested. This is just the start of an increased Guernsey presence on the east coast of the US in 2009 as we spread our messages to as many key decision makers as possible to ensure are well positioned to gain business flows when markets start to pick up."

Release Ends

Notes to Editors:

Figures from Guernsey's financial services regulator, the Guernsey Financial Services Commission (GFSC), show that the total value of funds under management and administration in the Island was £201bn (US\$294bn) at the end of September 2008.