

## Retail Funds in Guernsey

### Guernsey is a jurisdiction with a proven track record in retail funds.

The Island has a first class infrastructure and wealth of expertise that make it particularly attractive for these funds.

The high quality, flexible package that the Island can offer is both reassuring and a strong credential for fund promoters.

Promoters of Guernsey retail funds include:

- **Sarasin**
- **Insight**
- **RBC**
- **Dominion**
- **Investec**
- **Old Mutual**
- **Schroders**

In Guernsey there are two classes of open-ended funds for the retail investor, each with their own specific advantages:

#### Class A

These are UCITS equivalent schemes. They closely follow the rules for UK authorised collective investment schemes and have comparable levels of investor protection. They can be registered for sale in numerous countries (see list below). The presence of an investor compensation scheme provides real confidence.

**Guernsey Class A Schemes are registered for sale in:** the UK, Australia, Belgium, Hong Kong, Japan, The Netherlands, The Republic of Ireland, South Africa, Sweden and Switzerland

#### Class B

These can be strictly private funds or established as retail products marketed to the public. These funds can have wide investment and borrowing powers provided there is full disclosure. Class B schemes are often seen as umbrella funds in a Protected Cell Company (PCC).

## Infrastructure

**Pragmatic regulation** – The Guernsey Financial Services Commission promotes a pragmatic regulatory environment for retail funds.

**Competitive tax environment** – Retail funds are structured so that they are tax exempt in Guernsey. No VAT is payable in Guernsey. Class A schemes are in scope for the EU Savings Tax Directive but investors can select either disclosure or withholding tax.

**IT solutions** – Many administrators have software systems developed specifically for retail funds, providing effective solutions for both complex and simple retail fund structures.

**Legislation** – Guernsey has modern investment funds legislation and company law.

**Listing** – Guernsey retail funds can be listed anywhere in the world, including on the Channel Islands Stock Exchange (CISX)

## Expertise

With more than 25 years of experience in retail funds Guernsey has a pool of dedicated specialists.

**Experienced administrators** – As well as fund managers and custodians, Guernsey has more than 45 administrators (many of them international operations), with a number dedicated to the provision of retail fund administration services.

**Accounting services** – the big four all have large offices on the Island, in addition to other accounting practices.

**Legal expertise** – all of the principal local law firms have specialist retail fund expertise.