

Jersey Unregulated Eligible Investor Funds

Unregulated Eligible Investor Funds (UEIF) fall outside the regulatory regime under the CIF Law, and the requirements of the Certified Funds Code do not apply. These funds must meet the criteria set out in the Collective Investment Funds (Unregulated Funds) (Jersey) Order 2008 (the Order).



Key UEIF features:

- Only available to eligible investors as defined in the Order, for example those that pay not less than US\$1 million or a professional investor
- Can be structured as a Jersey company (must have its registered office in Jersey), a Jersey limited partnership (must appoint at least one general partner which is a Jersey company) or a unit trust (must appoint a Jersey company as its trustee or manager)
- May only be listed on a stock exchange where restrictions on transfers are permitted
- A Jersey company providing services to a UEIF must be regulated by the JFSC to carry on 'fund services business' pursuant to the Financial Services (Jersey) Law 1998
- Where a UEIF is structured as a Jersey company, there is a requirement for a person registered to conduct fund services business to provide the registered office of the fund. This also applies to the Jersey company which is the general partner of the fund if the fund is structured as a Jersey limited partnership and to the Jersey company which is the trustee of the fund if the fund is structured as a Jersey unit trust
- There is no requirement for an UEIF have a Jersey-based administrator or custodian, nor for it to have any Jersey resident directors. There is also no requirement for Jersey-based auditors to be appointed to the fund
- UEIFs and GPs/Trustees/Managers that are Jersey companies need to comply with Jersey's economic substance requirements
- Where the fund is structured as a Jersey company, then the audit requirements of the Companies (Jersey) Law 1991 apply
- The offering document of a UEIF must contain a prominent warning in a prescribed format to state that the fund is unregulated, and investors must acknowledge this warning in writing
- The fund is unregulated and therefore can be launched immediately upon written notice being given to the Registrar confirming that all conditions in the Order have been met
- Ongoing requirements include procedures to ensure that the requirements of the Order continue to be satisfied
- UEIFs are not AIFMD compliant and therefore cannot be marketed to investors in the EU
- UEIFs are subject to supervision by the JFSC under Jersey's Anti-Money-Laundering regime

Disclaimer: This factsheet is only intended to provide a general overview of the subject matter. It does not constitute, and should not be treated as, legal advice.

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