



Jersey Finance

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The Jersey Limited Liability Company (LLC)



The Jersey LLC is a familiar vehicle designed for sophisticated investors and modelled on the Delaware and Cayman LLCs. The introduction of the LLC in Jersey expands the island's product offering and strengthens its position as a leading international finance centre.

This factsheet includes recently confirmed amendments to the legislation, which allow a Jersey LLC to elect to be a body corporate, and these amendments come into effect on 14 February 2023.

Key features

- Modelled on leading LLC regimes, mainly Delaware and Cayman
- Legal personality and option to elect to be a body corporate, benefitting from limited liability
- The unique flexibility of LLC operating agreements will afford members the ability to structure and manage their undertaking as best suits their needs
- Managers will not be subject to fiduciary duties unless set out in the LLC Agreement, but will be subject to a baseline duty of good faith and with the additional flexibility of a member approval procedure
- No requirement for the inclusion of Jersey resident members or managers (subject to regulatory and economic substance requirements)
- Simple registration process by way of certificate and consent to issue interests from the Jersey Financial Services Commission (JFSC), with the LLC Agreement not publicly available
- Administration services to be provided on establishment and by a person registered under the Financial Services Jersey (FSJ) Law to carry on Trust Company Business (TCB)
- A Jersey LLC can operate as a Jersey Private Fund or as a manager to a Jersey Private Fund
- Subject to the usual JFSC fund permissions, an LLC will be able to market to EU investors under the Alternative Investment Fund Managers Directive (AIFMD) third country private placement rules
- A Jersey LLC will be treated as transparent for domestic tax purposes in Jersey
- The Jersey LLC is not subject to the UK's City Panel Takeover Code
- It can have its securities listed (debt or equity), although not if it is a Jersey Private Fund
- There is a straightforward summary winding up process, based on a solvency statement

What can LLCs be used for?

The main use cases for the Jersey LLC are expected to be:



Securities Issuing Vehicles



Jersey Private Funds (JPF)



Manager to a Securities Issuing Vehicle



Manager or AIF Manager to a JPF



A schedule 2 business requiring registration under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008

Why Jersey?

Benefits include:



Cost effectiveness



Expert community of financial services providers and a leading professional and legal services network



The comfort of a well-regulated jurisdiction and future certainty for marketing under AIFMD



Familiarity



A leading international finance centre for more than 60 years

Further reading

This document provides a quick overview of the vehicle and its key features. More information and recent further amendments are available on the [Jersey Legal Information Board \(JLIB\) website](#).

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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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