

## Part IV: Financial platforms and intermediation

**Briefing Summary:** Part IV (Regulation of Financial Platforms and Intermediation) of the Lending, Credit and Finance (Bailiwick of Guernsey) Law, 2022 (the "LCF Law") introduces a licensing regime in Guernsey in respect of "platform and intermediation business".

**Service Area:** Banking and Finance, Corporate, Corporate Regulation and Compliance, Regulatory, Corporate Regulation and Compliance

**Sector:** Banking

**Location:** Guernsey

**Content Authors:** Matthew Brehaut, Tom Carey

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### Overview

Persons carrying on "platform and intermediation business" will need:

- a licence (a **"Part IV Licence"**); and
- to be regulated by the Guernsey Financial Services Commission (the **"Commission"**).

Licensees under any of Guernsey's regulatory laws who carry on activities regulated under Part IV of the LCF Law must also hold a Part IV Licence.

We have set out below a detailed analysis of the provisions of Part IV of the LCF Law in relation to platform and intermediation business. In order to facilitate the analysis, we have prepared a Part IV Decision Tree.

### Carey Olsen comment

The LCF Law recognises the importance of the widespread adoption of peer to peer and crowdfunding platforms to provide diversified investment opportunities for customers as well as a more efficient route to raise capital. It will provide regulatory certainty to those persons operating these platforms in the Bailiwick and will ensure that customers who use them are adequately protected.

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## Detailed Analysis

A Part IV Licence is required where a person (either in or from within the Bailiwick) or a Bailiwick body (in or from within any place whatsoever):

- provides or carries on, offers to provide or carry on, or holds themselves out as being willing to provide or carry on;
- by way of business;

any of the following services or activities:

- the operation of a peer to peer platform;
- the operation of a crowdfunding platform;
- the provision of alternative non-bank credit or finance intermediation; or
- other services or activities specified by the States of Guernsey Policy and Resources Committee,

such activities being "**platform and intermediation business**".

### **"By way of business"**

Under the LCF Law, a person who provides any service or carries on any activity shall (unless the Commission decides otherwise) be deemed to do so "by way of business" if that person receives any income, fee, emolument or other consideration in money or money's worth for doing so.

### **"Peer to peer platform"**

Under the LCF Law, a "peer to peer platform" means a platform, whether electronic or not (commonly referred to as a "P2P platform"):

- established as a marketplace to match persons who wish to borrow money with those who wish to undertake lending; and
- through or by means of which:
  - lenders (whether institutional, business or individual) notify their willingness to undertake lending, their identity and the terms on which they are willing to transact; and
  - potential borrowers are able to communicate with the lenders and enter into transactions.

The operator of the platform is deemed to be the person providing, offering to provide or holding themselves out as being willing to provide the service or activity in question, unless the Commission directs otherwise.

### **"Crowdfunding platform"**

Under the LCF Law, a "crowdfunding platform" means a marketplace, whether electronic or not, through or by means of which persons seek to raise money or other finance through the issue of general securities and derivatives within the meaning of category 2 in Schedule 1 to the Protection of Investors (Bailiwick of Guernsey) Law, 2020.

The operator of the platform is deemed to be the person providing, offering to provide or holding themselves out as being willing to provide the service or activity in question, unless the Commission directs otherwise.

## ***"Alternative non-bank credit or finance intermediation"***

Under the LCF Law, "alternative non-bank credit or finance intermediation" means intermediation or brokerage services, whether or not provided by electronic means, for the purposes of matching lenders with borrowers.

The intermediary is deemed to be the person providing, offering to provide or holding themselves out as being willing to provide the service or activity in question, unless the Commission directs otherwise.

## **Exemptions**

The following exemptions should be considered to determine whether or not the need for a Part IV Licence can be avoided.

### **Section 32**

Section 32(1) of the LCF Law provides that a Part IV Licence is not required by any person or class or description of person specified by regulations of the States of Guernsey Policy and Resources Committee.

No such regulations have yet been proposed or published.

*Please note that this briefing is intended to provide a very general overview of the matters to which it relates. It is not intended as legal advice and should not be relied on as such. © Carey Olsen (Guernsey) LLP 2026*



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