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GLOBAL GUIDE 2020
HEDGE FUNDS

Association of Corporate Counsel

Hedge funds in Jersey: regulatory overview

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MARKET OVERVIEW

1. What is the structure of the hedge funds market? What have been the main trends over the last year?

Jersey is dominated by its finance industry, which employs over 13,000 people and contributes a significant portion of Jersey's income. In recent years the finance industry has increasingly focused on the institutional market and sophisticated investors.

In particular, alternative asset classes and hedge funds have provided growth to the overall funds sector in Jersey. An increasing number of fund managers have relocated to or established a presence in Jersey, and the tax and regulatory authorities have been sympathetic to these new businesses. Jersey is now the sixth largest centre for hedge fund managers.

The unregulated funds regime is aimed specifically at the hedge and alternative asset funds sectors (*see Question 2*).

The Jersey Financial Services Commission (Commission) has also published a private funds guide (PFG) which enables private funds (PFs) to benefit from a light touch fast-track regulatory process. Under the PFG, up to 50 offers can be made to investors who qualify as "professional" investors and/or subscribe for interests with a value of at least GBP250,000 in PFs, and the PF (and frequently its service providers) is entirely unregulated, other than the need to obtain consent under the Control of Borrowing (Jersey) Order 1958 (COBO) upon the establishment of the fund vehicle.

(Prior to the PFG being published, the Commission was applying a similar proportionate and light-touch approach to very private structures (which permitted up to 15 offers). This resulted in a large number of very private structures being established, as they were seen as ideal for club investments, funds of one and co-investments in particular. Now, because of the wider scope and the ability to make offers to up to 50 potential investors, many more funds are benefitting from the PF regime's fast-track authorisation (within 48 hours) and its low initial and ongoing costs.)

The PF regime's speed, flexibility and low cost has proved popular with a wide range of funds, from small funds established by first time managers to multi-billion dollar/euro funds with a limited number of sovereign/institutional investors.

Jersey has introduced a new, light-touch regime that enables, without further regulation, Jersey-regulated hedge fund managers to service qualifying segregated managed accounts by employing strategies that replicate (or are comprised of material elements from) hedge-fund strategies used by their Jersey funds, while continuing to benefit from Jersey's 0% corporate tax rate. Additionally, a new policy has been introduced to enable LLPs to act as fund managers. Both of these initiatives are designed to appeal to hedge fund managers.

Fund managers should be mindful of Jersey's new economic substance requirements, whereby any company that is Jersey tax resident and receives income from activities such as fund management in Jersey, is required to meet an economic substance test. The fund will satisfy the test if all of the follow apply:

- The company is directed and managed in Jersey (for example, most of the company's board meetings are held in Jersey and the quorum is met by those physically present at the meeting).
- The core income generating activity (for example, taking decisions on the holding and selling of investments, calculating risks and reserves and/or preparing reports and returns to investors and the Jersey Financial Services Commission (JFSC)) in relation to the fund management, is carried out in Jersey.
- There are adequate employees and physical assets, and an adequate level of expenditure is incurred, in Jersey.

In the authors' experience, most Jersey fund managers already meet the above test.

REGULATORY FRAMEWORK AND BODIES

2. What are the key statutes and regulations that govern hedge funds in your jurisdiction? Which regulatory bodies regulate hedge funds?

Regulatory framework

The following categories are generally used for hedge funds:

- Unregulated eligible investor funds.
- Expert funds, Jersey eligible investor funds (JEIFs) and listed funds.
- PFs.
- Other private and public funds.

The AIFM Directive overlay is applicable to hedge funds in the same way as retail funds if funds or managers are subject to it.

Unregulated funds. The UF Order enables the establishment of eligible investor funds, which are exempt from the CIF Law. These allow hedge funds to be established in Jersey without any:

- Jersey service providers.
- Regulatory approval under Jersey's funds legislation.

Eligible investor funds can be open- or closed-ended and are restricted to sophisticated investors (including those investing USD1 million). They must be one of a:

- Jersey company.
- Jersey limited partnership (which must have at least one Jersey company as general partner).
- Unit trust (which must have at least one Jersey company as a trustee or manager).

A regulated Jersey administrator must supply the registered office to that company. SPV general partners and trustees are exempt from the requirement to be regulated under the FSJ Law.

Expert funds, JEIFs and listed funds. The same laws and regulations for retail funds apply. The three-day approval process applies to each of these categories. The short time to approval and the fair balance of regulatory oversight have proved successful selling points of the Jersey expert fund as an ideal fund structure for most promoters.

PFs. Jersey has a private funds regime, whereby PFs can benefit from a "light touch" fast-track regulatory process under the PFG and up to 50 offers can be made to investors who qualify as professional investors or subscribe for interests with a value of at least GBP250,000. The fund (and frequently its service providers) is entirely unregulated, other than the need to obtain consent under COBO on the establishment of the fund vehicle.

Other private and public funds. The same laws and regulations apply as for retail funds. Generally, the higher the minimum investment level and the more sophisticated the investors to whom the fund can be offered, the more flexible the Commission will be as to the scheme proposed (and in these cases the requirements of the OCIF Guide will generally not apply). These categories of fund are generally not used for hedge funds due to the speed and flexibility of the other options, and are not considered further in this chapter.

Regulatory framework. The following legislation applies:

- The Collective Investment Funds (Jersey) Law 1988, as amended (CIF Law), which regulates public funds and recognised funds.
- COBO, which regulates PFs and controls, among others, the creation and issue of:
  - shares;
  - securities;
  - units in a unit trust scheme; and
  - limited partnership interests.
- The Collective Investment Funds (Certified Funds - Prospectuses) (Jersey) Order 2012 (CFPO), which regulates the contents of prospectuses for certified funds.
- The Financial Services (Jersey) Law 1998 (FSJ Law), which regulates fund service providers operating or incorporated in Jersey.
- Alternative Investment Funds (Jersey) Regulations 2012, which overlays the AIFM Directive requirements where applicable.

The following legislation applies to recognised funds:

- The Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003 (RF Order).
- The Collective Investment Funds (Recognized Funds) (Permit Conditions for Functionaries) (Jersey) Order 1988 (RF Functionary Permit Order).
- The Collective Investment Funds (Recognized Funds) (Compensation for Investors) (Jersey) Regulations 1988.
- The Collective Investment Funds (Recognized Funds) (Actions for Damages) (Jersey) Regulations 2008.

The legislation that applies to unregulated eligible investor funds is the Collective Investment Funds (Unregulated Funds) (Jersey) Order 2008 (UF Order), which exempts them from regulation under the CIF Law if specified conditions are satisfied. Jersey's internationally compliant regime to assist in the detection and prevention of money-laundering and terrorism still applies to these funds (*see Question 3*).

Regulatory bodies

The Commission authorises and supervises regulated investment funds as the principal regulatory authority in Jersey. In addition to its statutory regulation of the financial services sector, the Commission also publishes guidelines and codes of practice for the different industry sectors. These guidelines and codes of practice are produced after consultation with the relevant industry sectors.

Guidelines and codes of practice. The Commission has published the following codes and guidelines which are often as important as the primary legislation:

- Guide to open-ended unclassified collective investment funds offered to the general public (OCIF Guide). This is also applied (by analogy) to CCIFs.
- Promoters of Public and Private Collective Investment Funds (Promoter Policy).
- Licensing Policy in respect of those activities that require registration under the FSJ Law (Licensing Policy).
- Code of Practice for Fund Services Business (FSJ Codes of Practice).
- Establishing a Collective Investment Fund Operation in Jersey.
- Securities Issues under the Control of Borrowing Legislation.
- The Code of Practice for Certified Funds (including Expert Fund, JEIF and Listed Fund guides), which applies to funds domiciled and regulated in Jersey holding a certificate under the CIF Law (that is, Expert Funds, JEIFs, Listed Funds, OCIFs and CCIFs).
- The Code of Practice for Alternative Investment Funds and AIF Services Business (AIF Codes), which apply where funds and/or fund service providers are required to comply with provisions of the AIFM Directive.
- The PFG.

The Commission also issues letters to industry participants from time to time covering fund and manager related issues as a way of highlighting to practitioners and fund professionals the Commission's approach on a particular policy area.

3. How are hedge funds regulated (if at all) to ensure compliance with general international standards of good practice?

Risk

The following apply to the various categories of fund used:

- **Unregulated eligible investor funds.** There are no regulations. A form of investor risk warning is prescribed.
- **Expert funds, Jersey eligible investor funds (JEIFs) and listed funds.** The Jersey administrator, manager or trustee must monitor compliance by the investment manager with the investment restrictions and borrowing limits of the fund. A form of investor risk warning is prescribed.
- **PFs.** Investors must receive and accept a specified form of investment warning.

Valuation and pricing

There are no regulations for valuation and pricing.

Systems and controls

The following apply:

- **Unregulated eligible investor funds.** There are no regulations. No regulated or Jersey service providers are required, other than a Jersey registered office provider (to the fund company, general partner or trustee).
- **Expert funds, JEIFs and listed funds.** All service providers that are regulated in Jersey under the FSJ Law must comply with the FSJ Codes of Practice, which require the:

- implementation of appropriate corporate governance systems;
- implementation of internal systems and controls; and
- demonstration of the existence of adequate risk management systems.

- In the case of SPV managers for expert funds or JEIFs which are supported by a regulated administrator, an expedited approach can be adopted. Codes of Practice for Certified Funds have been adopted (*see Question 15*).
- **PFs.** A Jersey regulated administrator must be appointed to ensure that the necessary criteria and applicable AML legislation are complied with and to carry out due diligence on the promoter.

Insider dealing and market abuse

Insider dealing and market manipulation are regulated under the FSJ Law to comply with international standards. Offences in relation to misleading statements and practices exist under the CIF Law and FSJ Law.

Transparency

See above, *Systems and controls*.

Money laundering

Funds and their Jersey service providers must comply with the following legislation, which applies international standards:

- Proceeds of Crime (Jersey) Law 1999, as amended.
- Money Laundering (Jersey) Order 2008, as amended.
- Terrorism (Jersey) Law 2002, as amended.
- Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008.
- Drug Trafficking Offences (Jersey) Law 1988, as amended.
- Criminal Justice (International Co-operation) (Jersey) Law 2001, as amended.

They must also comply with any related legislation, and the Commission's Handbook for the prevention and detection of money laundering and the financing of terrorism.

Short selling

There are no regulations restricting short selling.

MARKETING

4. Who can market hedge funds?

Jersey law does not prescribe who can market hedge funds. However, a distributor of hedge funds which carries on business (or is incorporated) in Jersey must be registered with the Commission under the FSJ Law.

5. To whom can hedge funds be marketed?

Onshore hedge funds

Unregulated eligible investor funds. These are restricted to 11 categories of "eligible investor", which include:

- Those investing at least USD1 million; and
- Other sophisticated and high net-worth categories.

Listed funds. There are no restrictions.

Expert funds. These can only be marketed to "expert investors". There are ten categories, including:

- Those investing or committing a minimum of USD100,000 or currency equivalent.
- Other sophisticated and high net-worth categories.

Jersey eligible investor funds (JEIFs). There are 11 categories of "eligible investor", including:

- Those investing or committing a minimum of USD1 million or currency equivalent.
- Those whose ordinary business or professional activity includes dealing in, managing, underwriting or giving advice on investments (or an employee, director, consultant or shareholder of such a person).
- Individuals with property of a total market value of not less than USD10 million or currency equivalent.

PFs. PFs under the PFG may only be marketed to up to 50 investors who qualify as professional investors and/or subscribe for interests with a value of at least GBP250,000.

INVESTMENT RESTRICTIONS

6. Are there any restrictions on local investors investing in a hedge fund?

There are no restrictions other than those set out in *Question 4*.

ASSETS PORTFOLIO

7. Who holds the portfolio of assets? What regulations are in place for its protection?

Unregulated eligible investor funds

There are no restrictions.

Listed funds, expert funds and Jersey eligible investor funds (JEIFs)

A listed fund (which is a hedge fund) must appoint a prime broker that either:

- Has a credit rating of A1/P1 or long-term equivalent.
- Is otherwise approved by the Commission.

An open-ended expert fund must appoint either a regulated Jersey custodian/trustee or prime broker. A closed-ended expert fund does not require a custodian/trustee, provided it has adequate safe custody arrangements (including, if applicable, prime brokerage arrangements). The position is the same for JEIFs.

PFs

There are no restrictions.

REQUIREMENTS

8. What are the key disclosure or filing requirements (if any) that must be completed by the hedge fund?

Investors

Where the OCIF Guide applies:

- At least two reports must be published and distributed to holders in relation to each financial year, with the annual statements audited. Holders must be notified of any changes to the offering or constitutive documents (unless there is no prejudice to the holders' interests).
- The latest selling and redemption prices and NAV must be available to all holders.

For recognised funds, the annual and half-yearly audited financial statements and portfolio statements and reports prescribed by the RF Order must be made available to investors and sent out within:

- Four months of the relevant period's end in the case of an annual report.
- Two months of the period's end in the case of a semi-annual report.

See below for the specific requirements relating to each fund type.

Regulators

Copies of the same reports distributed to the holders must be filed with the Commission (*see above, Investors*).

Where the fund is an AIF which has not appointed a sub-threshold manager, the disclosure and transparency requirements set out in the AIF Codes will also apply.

Unregulated eligible investor funds

Notice of the establishment of an eligible investor fund must be filed and a form of investment warning is prescribed. An unregulated fund which is a company must send annual audited financial statements to investors and file them with the Commission.

Expert funds, listed funds and JEIFs

The requirements for offering documents are the same as for retail funds (except that JEIFs are exempt from the content requirements set out in the CFPO). They must:

- Contain all material information in relation to the fund.
- Otherwise comply with the disclosure requirements in the relevant guide.

Each offering document must be filed within 14 days of publication. Material changes to the fund must have received Commission consent if they do not comply with the EF Guide, JEIF Guide or LF Guide. If they do comply, they merely need to be notified to the Commission. The fund must file annual audited financial statements and any interim reports with the Commission when these are published. A fund which is a company must file and send to investors annual audited financial statements.

PFs

There are no specific disclosure requirements (except for PFs set out in the AIF Codes, where the PF is an AIF that has not appointed a sub-threshold manager).

9. What are the key requirements that apply to managers or operators of hedge funds?

Unregulated eligible investor funds

There are no requirements. Service providers must be registered under the FSJ Law and regulated by the Commission (unless an exemption applies) if carrying on business in (or incorporated in) Jersey, in the same way as public retail funds. Once a service provider is regulated, there is no requirement to obtain any further consent to act in the same capacity for other public funds (including non-Jersey funds)

Expert funds, Jersey eligible investor funds (JEIFs) and listed funds

There is no requirement for the investment manager or adviser to be Jersey based. For an expert fund, the investment manager or adviser (and/or the distributor, if different) must satisfy certain requirements set out in the EF Guide. Similarly, the investment manager or adviser (and/or the distributor, if different) of a listed fund must satisfy certain requirements set out in the LF Guide. This also applies to JEIFs under the JEIF Guide. The distributor of the expert fund or JEIF (if different from the investment manager/adviser) must also satisfy these requirements if it is not the investment manager/adviser or one of its associates. A distributor is either:

- The driving force behind the fund (that is, if the distributor were to withdraw from the proposal, the fund would not go ahead).
- The entity responsible (either directly or through its agents) for putting the majority of investors into the fund.

Expert funds and JEIFs must appoint an administrator or a manager with at least two Jersey resident directors with appropriate experience, together with staff and a physical presence in Jersey.

In relation to the establishment of SPVs (such as general partner or investment management companies) investment managers or advisers in Jersey, a tailored regime applies such as general partner or investment management companies. These applications are dealt with together in the fund application.

Expert funds, JEIFs and listed funds must appoint an administrator or a manager that has at least two Jersey resident directors with appropriate experience, together with staff and a physical presence in Jersey.

In relation to expert funds, the Commission does not need to review the structure, documentation or the promoter. Instead the fund administrator certifies to the Commission that the fund complies with the Expert Fund (EF) Guide. The Commission aims to issue its approval within three working days of the submission of a completed application. The EF Guide is flexible. However, where any unusual derogations are sought from its terms, it is usual to seek these in advance while the documents are being prepared to avoid potential delay in the approval process.

Similarly, in relation to JEIFs, the fund administrator certifies to the Commission that the JEIF complies with the relevant guide and aims to issue its approval within three working days of the submission of a completed application (assuming that no derogations are needed).

Recognised funds are structured to ensure investor protection that is at least equivalent to that afforded to investors in the UK. Recognised funds issued with a recognised fund certificate can apply to the UK Financial Conduct Authority (FCA) to market directly to the public in the UK and can also be marketed to the public (subject to any local requirements) in a number of other territories including Australia, Belgium, Hong Kong, The Netherlands and South Africa. Functionaries of recognised funds are regulated under the CIF Law.

PFs

There are no requirements other than the need for a Jersey-regulated administrator as "designated service provider" (except where the PF is an AIF, in which case its manager can require regulation as an "AIF services business"). An investment manager or adviser that carries on business (or is incorporated) in or from within Jersey may need to be regulated under the FSJ Law unless a relevant exemption is available or it only advises on real estate.

LEGAL FUND VEHICLES AND STRUCTURES

10. What are the main legal vehicles used to set up a hedge fund and what are the key advantages and disadvantages of using these structures?

Funds in Jersey can be established as:

- Companies (single class, multi-class, umbrella or protected cell or incorporated cell).
- Limited partnerships (including incorporated limited partnerships (ILPs) and separate limited partnerships (SLPs) and limited liability partnerships (LLPs)).

- Unit trusts.

Hedge funds usually prefer a corporate structure, except where another vehicle is used to achieve tax transparency from the perspective of one or more onshore jurisdictions.

A fund of any legal structure can be open-ended or closed-ended.

Recognised funds must be structured as companies or unit trusts.

Companies

Advantages. In recent years, the Companies (Jersey) Law 1991 has been modified to accommodate improvements for the funds industry (particularly companies with a fluctuating membership), such as:

- Introducing no par value companies (that is, companies the shares of which do not have a nominal value).
- Allowing companies to hold treasury shares.
- Simplifying the making of income and capital distributions, generally permitting them from any source, subject to the company's solvency.
- The use of corporate directors.
- The abolition of financial assistance restrictions.
- Permitting the merger of companies and the migration of companies to Jersey from other jurisdictions.

Investors' interests can be represented by shares (which can be traded uncertificated) or by depository receipts or certificates.

Cell companies are companies which can create cells separate from themselves, each of which can hold separate assets (and liabilities):

- **Protected cell companies (PCCs).** The PCC has a number of features, for example, a PCC cell can invest in another cell within the same PCC structure.
- **Incorporated cell companies (ICCs).** The ICC is very similar to a PCC except that individual cells have separate legal personality.

The ICC and the PCC have found favour as fund vehicles. Statute clearly provides for the segregated nature of the cellular structure, giving legal certainty. Over 400 protected cells and 250 incorporated cells have now been registered. PCCs and ICCs are particularly suited to repeat transactions, where:

- A fund manager can seek to establish a number of funds.
- The same infrastructure is used but with different investment objectives, investor profiles or fee structures.

Given their ring-fenced structure, PCCs and ICCs are particularly suitable as hedge fund vehicles.

Limited partnerships

Limited partnerships are established under the Limited Partnerships (Jersey) Law 1994 (LP Law).

Advantages. The liability of limited partners for the debts of the partnership cannot extend beyond their agreed capital contributions, provided their activity does not constitute management under the LP Law. The LP Law provides a safe harbour for certain activities that would otherwise constitute management and permits the limited partner a greater degree of involvement in the management of a limited partnership than some other jurisdictions.

Other advantages of a Jersey limited partnership include that:

- There is no upper limit on the number of limited partners.
- Confidentiality is preserved, as the only document to be publicly filed is a short declaration of limited partnership that does not disclose the:
  - identity of the limited partners;
  - business of the partnership; and
  - partnership contributions.

Both ILPs and SLPs (introduced in Jersey in 2011 by the Incorporated Limited Partnerships (Jersey) Law 2011 and the Separate Limited Partnerships (Jersey) Law 2011 respectively) have separate legal personalities (allowing each form of limited partnership, for example, to own assets, and sue and be sued in its own name). An ILP is also a body corporate (SLPs do not have this status). These entities provide greater flexibility for fund managers in structuring their fund's general partner and carried interest vehicle, particularly where the fund is an English limited partnership.

LLPs. Jersey funds may also be established as LLPs under the Limited Liability Partnerships (Jersey) Law 2017, whereby a partner of the LLP is generally not liable for the LLP's debts or losses (including those caused by another partner).

Unit trusts

A unit trust is not a separate legal entity but a trust arrangement under which the legal ownership of the scheme's assets is vested in a trustee who holds those assets on trust for the benefit of unitholders. A unit trust is constituted by an instrument of trust (in the case of an open-ended structure, the parties to the instrument are usually a manager and a trustee), which regulates:

- The appointment and retirement of the trustee and manager.
- Their respective duties.
- The distribution or accumulation of trust income.
- Investment powers.
- Dealing.
- Valuation.

The applicable trusts legislation in Jersey is the Trusts (Jersey) Law 1984.

Advantages. In addition to preserving confidentiality, and the relative flexibility of trusts, there can be significant tax advantages where a unit trust structure is used.

TAX TREATMENT

11. What is the tax treatment for hedge funds?

Funds

A fund, whether established as a company, unit trust or limited partnership, is not generally subject to any local Jersey tax. In particular, there is no capital gains, capital transfer, wealth or inheritance tax payable in relation to the issue or realisation of investments in a Jersey investment fund (unless the fund invests in Jersey property or buildings). In addition, no corporation tax, profits tax or stamp duty is payable. Funds structured as unit trusts and limited partnerships are fully exempt from tax; fund companies are subject to a 0% rate but can become fully exempt.

Jersey resident administrators and custodians are generally liable to Jersey income tax at the rate of 10%. However, Jersey-administered entities, such as general partners and managers that provide services to a fund, are taxed at 0%.

Resident investors

Jersey-resident investors must pay tax at up to 20% on income received from a fund. There is no capital gains tax in Jersey (*see above, Funds*).

Non-resident investors

Non-resident investors are generally not subject to Jersey tax.

RESTRICTIONS

12. Can participants redeem their interest? Are there any restrictions on the right of participants to transfer their interests to third parties?

Redemption of interest

There are no statutory restrictions on participants redeeming their interests, but such restrictions can be imposed by fund terms.

All Jersey fund vehicles have great flexibility in distributing income and returning capital to investors (through redemption or distribution), subject to the solvency of the fund.

Transfer to third parties

The fund documents must make provision to prevent non-eligible investors acquiring interests in Jersey eligible investor funds (JEIFs) or eligible investor funds or non-expert investors acquiring interests in expert funds. No other statutory restrictions apply, but more can be imposed by fund terms.

PRIVATE PLACEMENT

13. Are private placements of hedge funds permitted under national private placement rules in your jurisdiction?

Yes, private placements of hedge funds are permitted under national private placement rules. However, consent is needed from the Commission under COBO before circulating offers to invest in non-domiciled funds in Jersey. This is subject to certain exemptions for companies and unit trusts that apply if:

- A fund has no relevant connection with Jersey.
- Either there is no offer to the public, or the offer is valid in the UK or Guernsey and is circulated in a similar manner there. This requirement does not apply to the circulation of marketing materials that do not constitute an offer.

If physical marketing takes place in Jersey or investment advice is to be given, a distributor may need to be licensed under the FSJ Law (subject to available exemptions).

14. What are the requirements for making a private placement of hedge funds?

Essential requirements to qualify for the regime

There are no specific requirements, although the Commission will expect certain information to be contained in the offering document if a COBO consent is needed (*see below*).

Registrations/permits/licences

A COBO consent will be needed, subject to available exemptions for companies or unit trusts.

Documents to be filed

The fund's offering document and evidence of its establishment (for example, a certificate of incorporation).

Regulatory timescales

The Commission generally processes COBO consent applications in five to ten working days.

Registration/permit/licence fees

Initial fees. Currently GBP440.

Ongoing fees. Not applicable.

Content requirements for offering memorandum

The level of the Commission's review of the fund's prospectus depends largely on the type of target investor. Also, factors such as the minimum investment level are relevant to this analysis.

The Commission expects the following to be included in every prospectus, as a minimum:

- The names of the directors.
- A directors' responsibility statement for the contents of the prospectus.
- A statement that investors should consult their stockbroker, bank manager, solicitor, accountant or financial adviser if they have any doubt about the contents of the prospectus.

Restrictions on investments/leverage

None.

Requirements for local service providers

A local distributor may be needed depending on the proposed marketing activities and whether or not a relevant exemption applies.

Requirements for non-local service providers

None.

Requirements for directors

None.

Ongoing filing/consent requirements

None, subject to any conditions attaching to the COBO consent (for example, that the Commission's prior consent is obtained for changes to the offering document).

REFORM

15. What (if any) proposals are there for the reform of hedge fund regulation?

See *Question 1*.

Practical Law **Contributor profile**

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- **Recent transactions**Establishment of the around USD100 billion SoftBank Vision Fund.
- Migration to Jersey and listing on the London Stock Exchange of EJF Investments.
- Listings on TISE for Liberty Living Group, Clipstone Logistics REIT and Bricklane Residential REIT.
- Hedge fund clients include Brevan Howard, BlueCrest, Systematica, Rokos and Altis.

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