



Guernsey's New Prospectus Rules unveiled

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The Guernsey Financial Services Commission's Prospectus Rules and Guidance, 2025, effective from 1 July 2025, deliver broader exemptions and provide greater clarity on certain issues.

Following a consultation with industry participants earlier this year, the Guernsey Financial Services Commission ("GFSC") issued updated [Prospectus Rules and Guidance, 2025](#) (the "New Prospectus Rules") pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (the "POI Law"). The New Prospectus Rules updated and replaced the Prospectus Rules and Guidance, 2021 (the "2021 Rules"), with effect from 1 July 2025.

Guernsey's prospectus rules regulate the issuance of a prospectus in relation to general securities and derivatives and registered collective investment schemes ("RCISs"). The rules do not apply to Private Investment Funds (PIFs) under Guernsey's Private Investment Fund Rules and Guidance, 2025 (the "PIF Rules", which were [updated in May 2025](#)).

New exemptions introduced

The New Prospectus Rules have significantly expanded the range of circumstances in which the rules do not apply.

The New Prospectus Rules do not apply, *inter alia*, to offers of any general security and derivative falling within the scope of Schedule 1, Part 2 of the POI Law ("Category 2 Investments") which are:

- promoted directly to "Professional Investors" within the meaning of the broad definition in the New Prospectus Rules (which is largely aligned with the definition in the PIF Rules);
- promoted directly to an identifiable category of up to 200

(increased from 50 under the 2021 Rules) persons excluding Professional Investors ("Non-professional Investors"), provided that such persons have sufficient information to enable them to reasonably evaluate the offer and are the only persons who may accept the offer. This exemption, and the one for Professional Investors noted above can be used cumulatively, so an offer can be made to an unlimited number of Professional Investors and up to 200 Non-professional Investors without being subject to the New Prospectus Rules;

- promoted directly to "qualified investors" as defined under the [Regulation \(EU\) 2017/1129 of 14 June 2017](#), in circumstances where securities are offered to the public or admitted to trading on a regulated market;
- made in connection with transactions that are subject to, and undertaken in accordance with, the City Code on Takeovers and Mergers;
- made in relation to transactions which are the subject of court sanctioned scheme, process or order, which is sanctioned by a court in the Bailiwick of Guernsey, Jersey, the United Kingdom or any such jurisdiction as the GFSC may approve on application; or
- where the minimum consideration required for the investment is £100,000 (or equivalent in another currency).

Exemptions in relation to distributions and employee incentive arrangements

The New Prospectus Rules do not apply to, *inter alia*, securities which are offered, allotted or to be allotted to:

- current or former directors or employees by their employer if they are provided with a document detailing the number and nature of securities offered and the reasons for and details of the offer or allotment; or

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- members of a company in full or partial satisfaction of a distribution made or to be made by that company, such as scrip dividends or rights issues.

Partial exemption from Part 2 of the New Prospectus Rules for listed registered collective investment schemes

Prospectuses for RCISs that are listed or traded (or are applying to be listed or traded) on any London Stock Exchange market are exempted from the disclosure requirements in Part 2 (*Information to be specified in the prospectus*) of the New Prospectus Rules. This exemption does not cover the notification requirements under the New Prospectus Rules requiring notice to the GFSC of specific changes.

Additional prospectus requirements for RCISs

The New Prospectus Rules establish additional requirements to be included in the prospectuses of RCISs covering valuations, fees and charges, the issue and redemption procedures in relation to units in an RCIS, the identity of the RCIS's appointed prime brokers, managers and investment advisers and the New Prospectus Rules amend what needs to be disclosed in relation to significant beneficial owners of units in the RCIS.

Additional requirements applicable to all offers

Notification of prospectus information changes

The New Prospectus Rules broaden the obligation to notify investors and the GFSC of changes to the prospectus content.

Key changes to disclosure requirements

Prospectuses under the New Prospectus Rules are required to include the following additional disclosures:

- any investment strategy, objective and restrictions that apply;
- names and addresses of the offerors, vendors, and, for promoters that are corporate entities, the principal nature of their business or activities;
- any borrowing powers, limits or restrictions (together with any hedging powers as already required) of the offeror; and
- names and addresses of any bankers of the offeror (and not only the principal bankers of the offeror as was the case under the 2021 Rules).

Timing for circulation of prospectuses

Under the New Prospectus Rules, prospectuses relating to a Category 2 Investments may only be circulated to potential investors after the GFSC has registered the prospectus, and those for RCISs may only be circulated to potential investors after the GFSC has issued its declaration of registration.

Any new, updated, or replaced prospectuses issued on or after 1 July 2025 must comply with the New Prospectus Rules. Existing prospectuses issued under the 2021 Rules are unaffected, allowing for a transition to the new requirements under the New Prospectus Rules at the next update of such prospectuses.

Should you require guidance on the application of these changes, please reach out to our [Guernsey investment funds team](#).



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