

# Jersey Private Funds: streamlined, simple and flexible

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## Introduction

The JPF regime provides fund promoters with a cost-effective, fast-track (**24-hour**), streamlined approval process for their private fund which can be offered to an **unlimited number of investors**, subject to the fund meeting certain eligibility criteria in the JPF Guide issued by the JFSC.

Launched in March 2017, the JPF regime has proved an enormous success. Recent key enhancements in August 2025, which included the removal of the 50 offer/investor cap and the reduction to a 24-hour approval process, further improved the JPF regime and demonstrate that, in response to global market trends and the expectations of fund promoters and investors, the Jersey funds industry continues to adapt and innovate responsibly and deliver flexible fund solutions.

The recent key enhancements are reflected in this guide but see also our [Further improvements to the Jersey Private Fund regime](#) for a summary.

Please refer to the Glossary at the end of this guide for definitions of various capitalised terms.

## Key features of a JPF

<b>Offers / investors</b>	No limit on the number of offers or investors of a JPF, provided the offer is made to a 'restricted group of investors' and each investor is either a 'Professional Investor' or an 'Eligible Investor'.
<b>Authorisation timeframe</b>	24-hour streamlined approval process.
<b>Structure</b>	<p>A JPF can be established using any of the common forms of investment vehicle, including a limited liability company and a non-Jersey vehicle.</p> <p>The JFSC's general expectation is for a JPF:</p> <ul style="list-style-type: none"> <li>• to be established in Jersey; and/or</li> <li>• to have its governing body and management and control in Jersey.</li> </ul> <p>A non-Jersey JPF that has its governing body and/or its management and control outside of Jersey, however, can still be authorised under the JPF Guide, but it is expected that the JFSC will request additional data on its relevant nexus to Jersey post-authorisation.</p>
<b>Directors</b>	No explicit requirement for the governing body and management and control of a JPF to be in Jersey, but the JFSC's expectation is for at least one or more Jersey resident directors to be appointed to the board of a JPF or its governing body.
<b>Closed or open-ended</b>	Both

<b>Listings</b>	Units/shares/interests in a JPF may be listed, with the prior approval of the JFSC.
<b>Offer document</b>	No requirement for an offer document, unless specifically required by another statutory requirement or applicable law, eg where the JPF will be marketed into the EEA/UK.
<b>Audited accounts</b>	No requirement for audited accounts of a JPF, unless required by its constitutional documents.
<b>Designated service provider (DSP)</b>	A JPF must appoint a Jersey-based, 'full substance' DSP - usually its administrator.
<b>Economic substance</b>	Jersey tax-resident fund management companies (ie managers, investment managers, trustees (where there is no separate manager) and general partners (where there is no separate manager)) must satisfy the requirements of the Taxation (Companies - Economic Substance) (Jersey) Law 2019.
<b>Fund Services Business (FSB)</b>	<p>Where there are more than 15 offers made in respect of a JPF, the appointed DSP must be registered by the JFSC to carry on one or more of class V (Administrator), class U (Manager), class X (Investment Manager) or class ZG (Trustee) of FSB.</p> <p>Where there are 15 or fewer offers made in respect of a JPF, the appointed DSP may be registered for any class of FSB and/or Trust Company Business.</p>
<b>Sound Business Practice Policy</b>	The activity of the JPF is subject to the JFSC's Sound Business Practice Policy.
<b>Promoter</b>	The promoter of a JPF does not need the prior approval of the JFSC.
<b>Sustainable investments</b>	When a JPF is marketed on the basis of investing in a sustainable investment, ie investments which contribute to either an environmental or social objective, it must disclose all material information in relation to the sustainable investment strategy and objectives.

### Investors in a JPF

- A JPF may only be offered to a 'restricted group of investors' each of which is either a '**Professional Investor**' or an '**Eligible Investor**' as defined in the JPF Guide (see Schedule for definitions of Professional and Eligible Investors).
- A JPF will be made available to a '**restricted group of investors**' where:
  - the offer of the JPF's units is addressed to an identifiable category of persons to whom it is directly communicated by the offeror or the offeror's appointed agent; and
  - only persons in that category may accept the offer.
- Investor eligibility is determined at the time of admission to the JPF and can continue to be relied upon, notwithstanding a status change, eg a departing employee, director, partner or expert consultant.
- For any involuntary transfer (such as on death or bankruptcy), there is no requirement for the transferee to qualify through the same criteria as the transferor, but the transferee will, itself, need to meet the investor eligibility requirements as defined in the JPF Guide.
- A top-up investment, or a transfer of units/shares/interests in a JPF by a pre-existing investor to another will be treated as part of the original offer to that investor.
- Provided the following meet the requirements of the JPF Guide, they will generally not be treated as an investor requiring an offer under the 'restricted group of investors' test:
  - management shareholders (with no economic interest);
  - carried interest vehicles;
  - co-investment arrangements; and

- general partners that do not commit co-investment capital to JPFs structured as limited partnerships.
- A discretionary investment manager for a wider group of retail stakeholders will be treated as one investor.
- Each investor must have received and acknowledged an investment warning substantially in the form set out in the JPF Guide, which will typically be contained in the subscription agreement for the JPF.
- If a proposed offer or investor does not fully satisfy the eligibility conditions of the JPF Guide, a request may be made to the JFSC for a derogation, but this may impact on application timings.

### **Authorisation process for a JPF**

In order to establish a JPF, the JFSC's online JPF form must be completed by the DSP. The relevant consent will be granted in 24 hours provided the JPF meets all the eligibility criteria for a JPF set out in the JPF Guide and the JFSC receives a fully completed JPF form, together with the application fee.

### **Designated Service Provider**

The DSP shall be responsible for:

- making reasonable enquires to ensure that the JPF meets the eligibility criteria, including assessing the status of Professional and Eligible Investors, on an ongoing basis;
- carrying out, and keeping readily accessible records of, due diligence on the promoter of the JPF and the JPF itself and ensuring that the promoter has put in place appropriate measures to ensure all service providers to the JPF are fit and proper;
- ensuring that the JPF, or non-Jersey JPF having its governing body and management and control in Jersey, is complying with all AML/CFT/CPF requirements;
- completing the online JPF form and notifying the JFSC of any material changes to the information supplied; and
- submitting an annual compliance return confirming certain matters in respect of the JPF.

### **Exemption under the FS Law**

The JPF's Jersey management entity (whether a general partner, managing trustee or manager) should, in most cases (subject to any AIFMD requirements below), be exempt from registration under the FS Law, which will avoid the need for it to apply for regulatory licences or comply with Codes of Practice issued by the JFSC under the FS Law.

### **AIF Regulations/AIFMD**

If a JPF is to be marketed in the EEA/UK:

- the JPF requires a certificate pursuant to the AIF Regulations;
- its manager may need to register to conduct AIFSB under the FS Law, unless it is a 'sub-threshold' manager;
- significant owners, directors and certain other officers of the manager not previously approved are required to seek confirmation that the JFSC has no objection to their appointment in relation to the JPF by completing an application on the JFSC's myProfile system;
- the JPF must have an offer document and comply with the applicable sections of the AIF Code; and
- the application timescale and fee attaching to the relevant AIFMD forms are separate from the 24-hour JPF timescale and fee.

### **Transitional provisions and conversion**

Following the enhancements to the JPF regime in August 2025:

- any private funds established under the 'very private', private placement or COBO only fund regimes may apply to the JFSC to convert into a JPF, subject to compliance with the eligibility criteria set out in the JPF Guide;
- JPFs existing before 6 August can apply to the JFSC for an updated relevant consent at any time, but until the new consent is granted, that JPF's existing consent will continue to have conditions on the

number of offers/investors and will also remain subject to the 'restricted circle of persons' test under the CIF Law; and

- existing certified funds may be able to convert to a JPF, but this would be on a case-by-case basis. The conversion would involve revocation of its fund certificate issued by the JFSC pursuant to the CIF Law and written confirmation from its investors, including an acknowledgement and acceptance in writing of the JPF investment warning and disclosure statement.

## **Schedule – definitions of Professional Investors and Eligible Investors**

### **Professional Investors**

Includes:

- people who invest (as principal and agent) by way of business;
- individuals with a net worth (or joint net worth with their partner) of greater than US\$1m, excluding their principal place of residence;
- investment structures with assets valued at US\$1m or greater;
- an entity which carries on FSB, TCB or Investment Business in relation to the JPF, and financially sophisticated employees, directors, partners, shareholders, expert consultants or shareholders of such an entity;
- any related carried interest scheme and/or co-investment arrangement;
- 'professional clients' as defined by the UK Financial Conduct Authority's Conduct of Business Sourcebook; and
- 'US accredited investors' as defined by the U.S. Securities and Exchange Commission in rule 501 of Regulation D – Rules Governing the Limited Offer of Sale of Securities Without Registration Under the Securities Act of 1933.

### **Eligible Investors**

Includes:

- investors who make a minimum initial investment or investment commitment of £250,000 (or currency equivalent) in the JPF, whether through the initial offering or subsequent acquisition;
- holders of founder, nominal or management interests in the JPF which have been created or issued to:
  - facilitate the formation/structuring of the JPF;
  - exercise voting and/or management rights; or
  - give entitlement to performance related fees as part of remuneration arrangements; and
- investment managers acquiring interests for or on behalf of non-professional or non-eligible investors.

## **Glossary**

**AIF** an alternative investment fund as defined in the AIF Regulations.

**AIF Code** the Code of Practice for Alternative Investment Funds and AIFSB issued by the JFSC.

**AIF Regulations** Alternative Investment Funds (Jersey) Regulations 2012.

**AIFMD** the European Union's Alternative Investment Fund Managers Directive.

**AIFSB** a person carries on AIF services business if its regular business is managing one or more AIFs.

**AML/CFT/CPF** anti-money laundering, countering the financing of terrorism and countering proliferation financing.

**CIF Law** Collective Investment Funds (Jersey) Law 1988.

**COBO** Control of Borrowing (Jersey) Order 1958.

**DSP** a designated service provider.

**EEA** European Economic Area.

**Eligible Investors** see Schedule.

**FS Law** Financial Services (Jersey) Law 1998.

**JFSC** the Jersey Financial Services Commission.

**JPF Guide** the Jersey Private Fund Guide issued by the JFSC.

**Professional Investors** see Schedule.

## Contacts

For further information, please get in touch with your usual Mourant contact or, alternatively, a list of our senior funds team can be found [here](#).