

BVI expands list of “Recognised Jurisdictions”

Introduction

Following on the introduction of the SIBA Act regulating investment activity, the BVI has now expanded on its list of Recognised Jurisdictions. These now include the following:

Argentina, Australia, Bahamas, Bermuda, Belgium, Brazil, Canada, Cayman Islands, Chile, China, Denmark, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hong Kong, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Malta, Mexico, Netherlands, Netherland Antilles, New Zealand, Norway, Panama, Portugal, Singapore, Spain, South Africa, Sweden, Switzerland, United Kingdom and United States of America

Benefits of being Recognised

Service providers to mutual funds such as investment managers, advisers, administrators, custodians and brokers are able to benefit from the "recognised jurisdictions" regime under the new mutual funds law in the BVI.

The primary benefit of inclusion on the list of recognised jurisdiction is that service providers to a BVI regulated fund are required to be incorporated either in the BVI or in a "recognised jurisdiction." While the Financial Services Commission ("FSC") do approve functionaries based in other countries, this is often quite time consuming as it entails a higher degree of review., such approval typically requires a higher degree of review by the FSC to establish that the country has a similar "system for the effective regulation of investment business, including funds". The requirement remains for all functionaries to BVI funds to be subject to 'fit and proper' requirements as set out in SIBA. However, those based outside recognised jurisdictions have a slightly longer process of approval.

Key Contact:

If you require advice or assistance in regard to any of the matters raised in this brochure, please contact your usual contact or

Miles Walton

+1 284 494 9820

Or Nicolaas Faure

+353 1 406 6500

Osiris

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