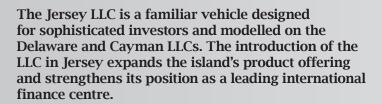


# The Jersey Limited Liability Company (LLC)





This factsheet includes recently confirmed amendments to the legislation, which allow a Jersey LLC to elect to be a body corporate, and these amendments come into effect on 14 February 2023.

### **Key features**

- Modelled on leading LLC regimes, mainly Delaware and Cayman
- Legal personality and option to elect to be a body corporate, benefitting from limited liability
- Flexible governance, as defined in the LLC agreement
- Managers will not be subject to fiduciary duties unless set out in the LLC Agreement, but will be subject to a baseline duty of good faith and with the additional flexibility of a member approval procedure
- No requirement for the inclusion of Jersey resident members or managers (subject to regulatory and economic substance requirements)
- Simple registration process by way of certificate and consent to issue interests from the Jersey Financial Services Commission (JFSC), with the LLC Agreement not publicly available
- Administration services to be provided on establishment and by a person registered under the Financial Services Jersey (FSJ) Law to carry on Trust Company Business (TCB)

- A Jersey LLC can operate as a Jersey Private Fund or as a manager to a Jersey Private Fund
- Subject to the usual JFSC fund permissions, an LLC will be able to market to EU investors under the Alternative Investment Fund Managers Directive (AIFMD) third country private placement rules
- A Jersey LLC will be treated as transparent for domestic tax purposes in Jersey
- The Jersey LLC is not subject to the UK's City Panel Takeover Code
- It can have its securities listed (debt or equity), although not if it is a Jersey Private Fund
- There is a straightforward summary winding up process, based on a solvency statement

#### What can LLCs be used for?

The main use cases for the Jersey LLC are expected to be:



Securities Issuing Vehicles



Jersey Private Funds (JPF)



Manager to a Securities Issuing Vehicle



Manager or AIF Manager to a JPF



A Schedule 2 business requiring registration under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008

## Why Jersey?

Benefits include:



Cost effectiveness



**Expert community of financial** services providers and a leading professional and legal services network



The comfort of a well-regulated jurisdiction and future certainty for marketing under AIFMD



**Familiarity** 



A leading international finance centre for more than 60 years

## **Further reading**

This document provides a quick overview of the vehicle and its key features. More information and recent further amendments are available on the Jersey Legal Information Board (JLIB) website.

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Disclaimer: This factsheet is only intended to provide a general overview of the subject matter. It does not constitute, and should not be treated as, legal advice.