



JFA

JERSEY
FUNDS
ASSOCIATION

JERSEY FUNDS OFFER FAST AND EFFICIENT EU DISTRIBUTION USING PRIVATE PLACEMENT

The Regime

Jersey offers easy and cost-effective marketing into the EU through National Private Placement Regimes (NPPRs), providing managers with an attractive alternative to the AIFMD passport. The AIFMD 'passport' allows EU investment funds to be distributed across the EU. However, the EU investment fund market is still predominantly a national market – in fact, only 3% of EU AIFs are registered for sale in more than three Member States.

NPPR works thanks to bilateral agreements between Jersey's financial regulator and those in each EU Member State, and Jersey has these in place with the majority of EU countries, as this [interactive tool](#) illustrates. Brexit will not impact these agreements.

Crucially, marketing through NPPR offers a lighter regulatory burden and therefore often a lower cost to managers than the AIFMD passport. In a nutshell, using Jersey offers alternative fund managers:

- + future certainty
- + flexibility
- + a cost-effective platform
- + simplified regulatory obligations
- + a tried-and-tested regime

A Success Story

The NPPR route through Jersey is working extremely well. Recent figures show that the number of alternative fund managers (AIFMs) choosing to future-proof their EU-focused funds through Jersey grew by 8% in the first six months of 2018, and by 23% year-on-year as at June 2018, to stand at 161 managers.

Meanwhile, the total number of Jersey alternative investment funds (AIFs) being marketed into the EU through NPPR also increased to stand at 306, representing a 5% increase over the first half of the year and an 11% rise since June 2017.

Private Placement – The Solution

Jersey offers a compelling proposition. But don't just take our word for it – the following pages are some real-life examples of funds launched in the past two years where a Jersey-based AIFM has successfully raised EU capital through private placement, some through reverse solicitation and some through active marketing.

As the following case studies show, Jersey's NPPR route is working incredibly well in practice and is an optimal solution for managers based in a diverse range of non-EU countries running a broad range of fund types, sizes and asset classes. The message is clear – Jersey is playing a key role in enabling managers to continue to market their funds to EU investors through its tried-and-tested private placement platform.



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CASE STUDY 1

This UK venture capital fund set up a Jersey fund and raised €240m from EU investors – around half the fund's total size – across five EU markets – the UK, Netherlands, Norway, Luxembourg and Ireland.

ASSET CLASS:

Venture Capital

TOTAL FUND SIZE:

< £500m

CAPITAL RAISED
FROM EU INVESTORS:

€240m



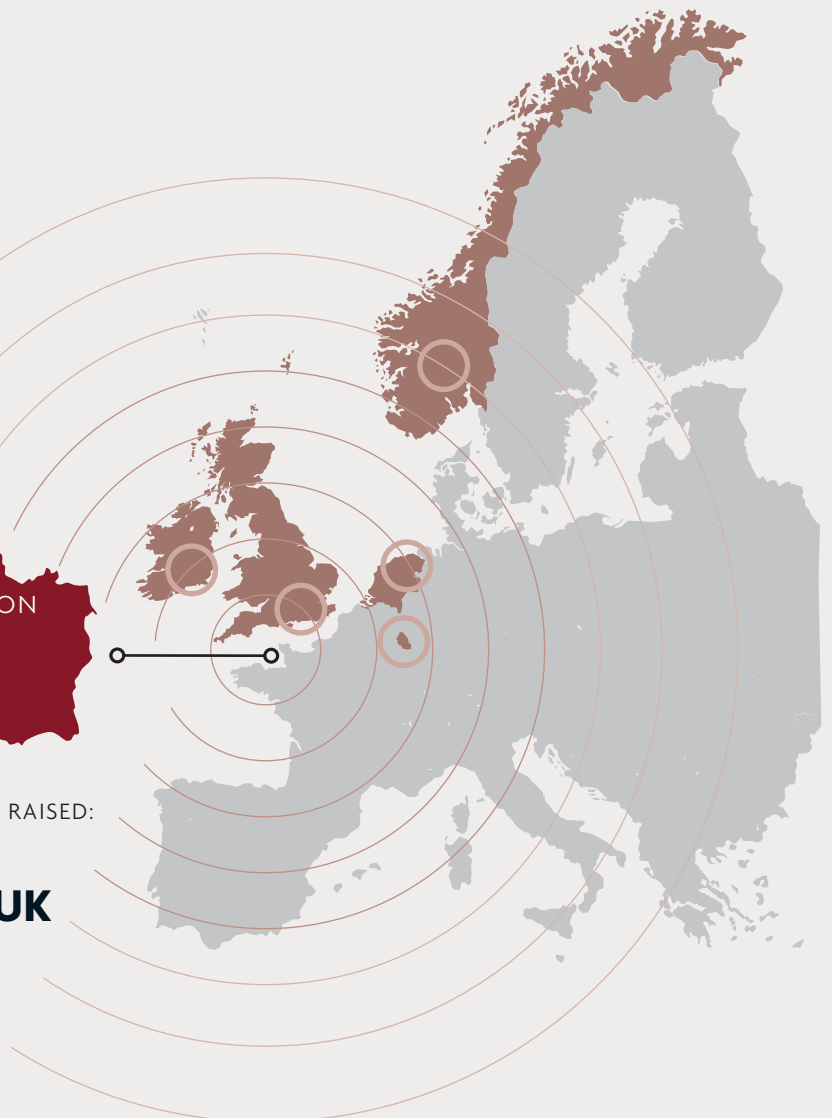
ADVISER LOCATION:

UK



EU COUNTRIES FROM WHICH CAPITAL WAS RAISED:

**Ireland / Luxembourg
Netherlands / Norway / UK**





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CASE STUDY 2

With its adviser based in the Nordic region, this mid-market European buy-out fund set up a Jersey fund and raised a significant proportion of its total capital from EU investors based in ten different EU markets.

ASSET CLASS:

Mid-Market Buy-Out

TOTAL FUND SIZE:

< €2bn

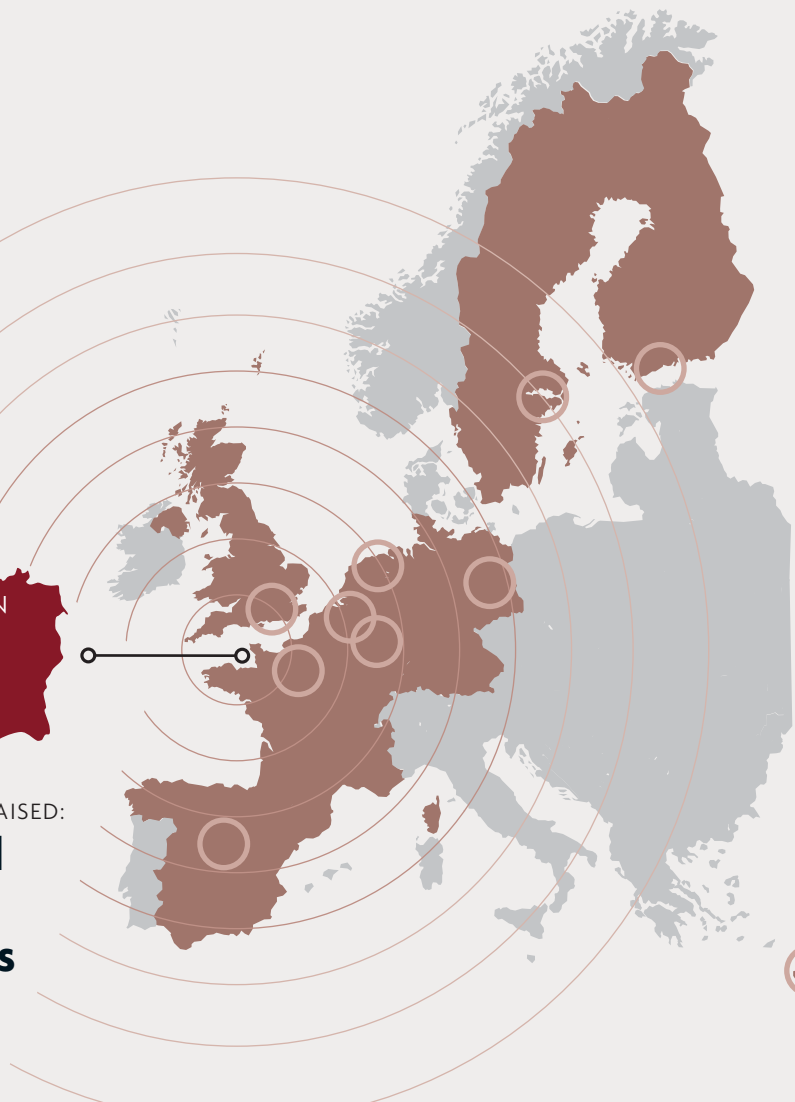
CAPITAL RAISED
FROM EU INVESTORS:

€800m



ADVISER LOCATION:

Nordic



EU COUNTRIES FROM WHICH CAPITAL WAS RAISED:

**Belgium / Cyprus / Finland
France / Germany /
Luxembourg / Netherlands
Spain* / Sweden / UK**

*includes capital raised via Reverse Solicitation



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CASE STUDY 3

This large €5bn private equity fund had considerable cross-border interests, with its advisers based in various countries in Europe and the Americas, and investing in assets in Europe and North America. By setting up a Jersey fund it was able to raise €3bn from EU investors spread over 14 different EU markets.

ASSET CLASS:

**Private Equity, focused on
Europe and North America**

ADVISER LOCATION:

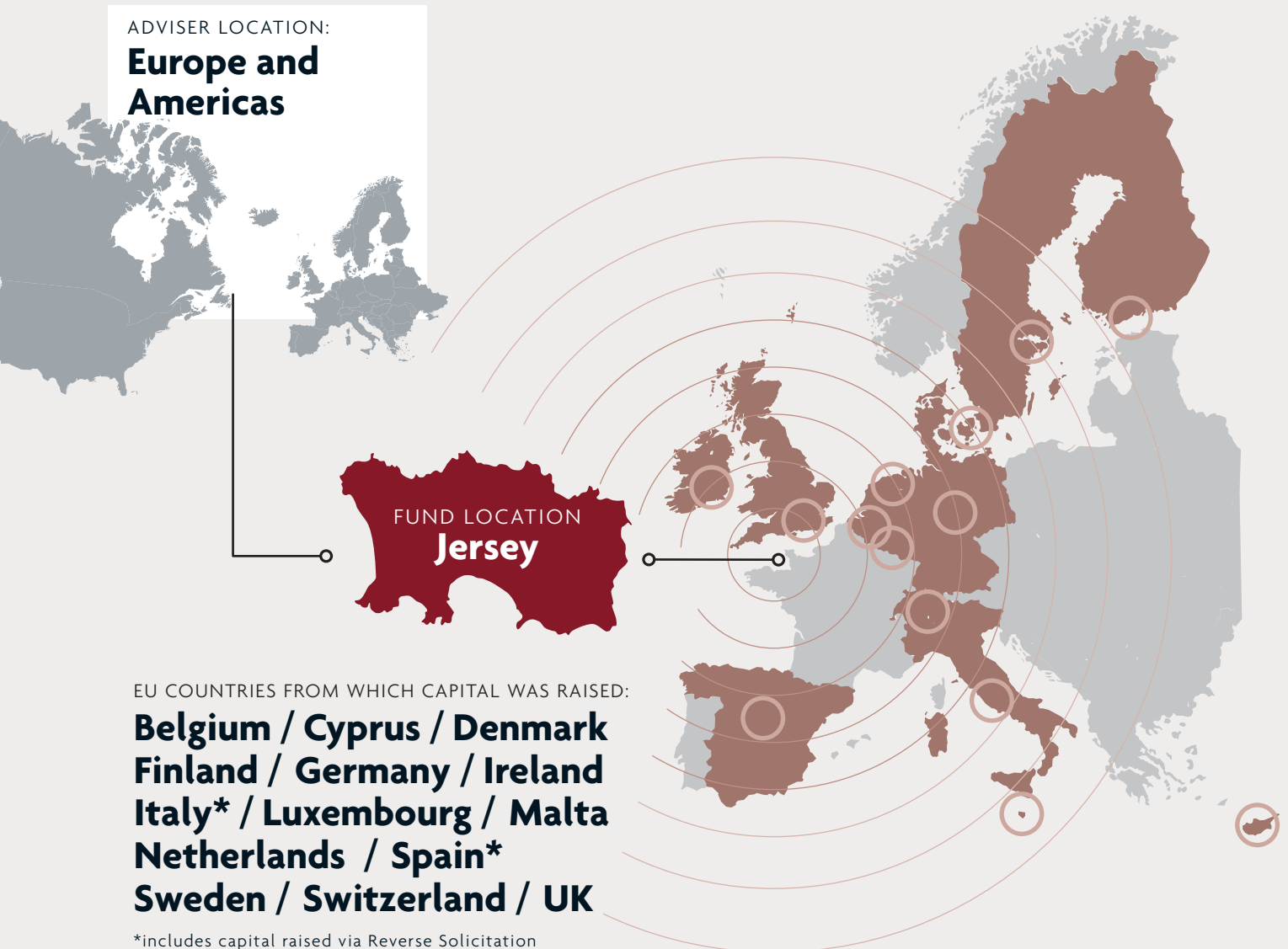
**Europe and
Americas**

TOTAL FUND SIZE:

> €5bn

CAPITAL RAISED
FROM EU INVESTORS:

€3bn



EU COUNTRIES FROM WHICH CAPITAL WAS RAISED:

**Belgium / Cyprus / Denmark
Finland / Germany / Ireland
Italy* / Luxembourg / Malta
Netherlands / Spain*
Sweden / Switzerland / UK**

*includes capital raised via Reverse Solicitation



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CASE STUDY 4

This FinTech-focused private equity fund had its adviser based in the UK and Switzerland and raised around half of its total capital (between €400m and €500m) from investors across nine EU locations.

ASSET CLASS:

**Private Equity,
focused on FinTech**

ADVISER LOCATION:

**Switzerland
and UK**

TOTAL FUND SIZE:

< €500m

CAPITAL RAISED
FROM EU INVESTORS:

€215.5m



FUND LOCATION



EU COUNTRIES FROM WHICH CAPITAL WAS RAISED:

**Belgium / Denmark
France / Germany / Italy*
Luxembourg / Netherlands
Spain* / UK**

*includes capital raised via Reverse Solicitation

