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INVEST11

Gibraltar – “An alternative fund jurisdiction of choice”

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About Gibraltar

Political & Economic Stability



- British Overseas territory since 1704 with separate constitution
- Self Governing, with local Parliament since 1950's (no obligation to bilateral agreements between UK & other countries)
- Member of the EU since 1973 by virtue of the UK membership.
- EU directives transposed into Gibraltar Law, such as MIFID, UCITS and in the future AIFM Directive
- Booming & Diversified Economy with Full Employment
 - Financial Services – Over 200 regulated institutions / 28% GDP
 - Shipping and Tourism – 8.2 million visitors a year.
 - Workforce of 18,000, (5,000 cross border workers from Spain)
- European time zone, CET
- Access by land, sea and plane via Gibraltar, Malaga or Jerez



Why Gibraltar for EU Funds

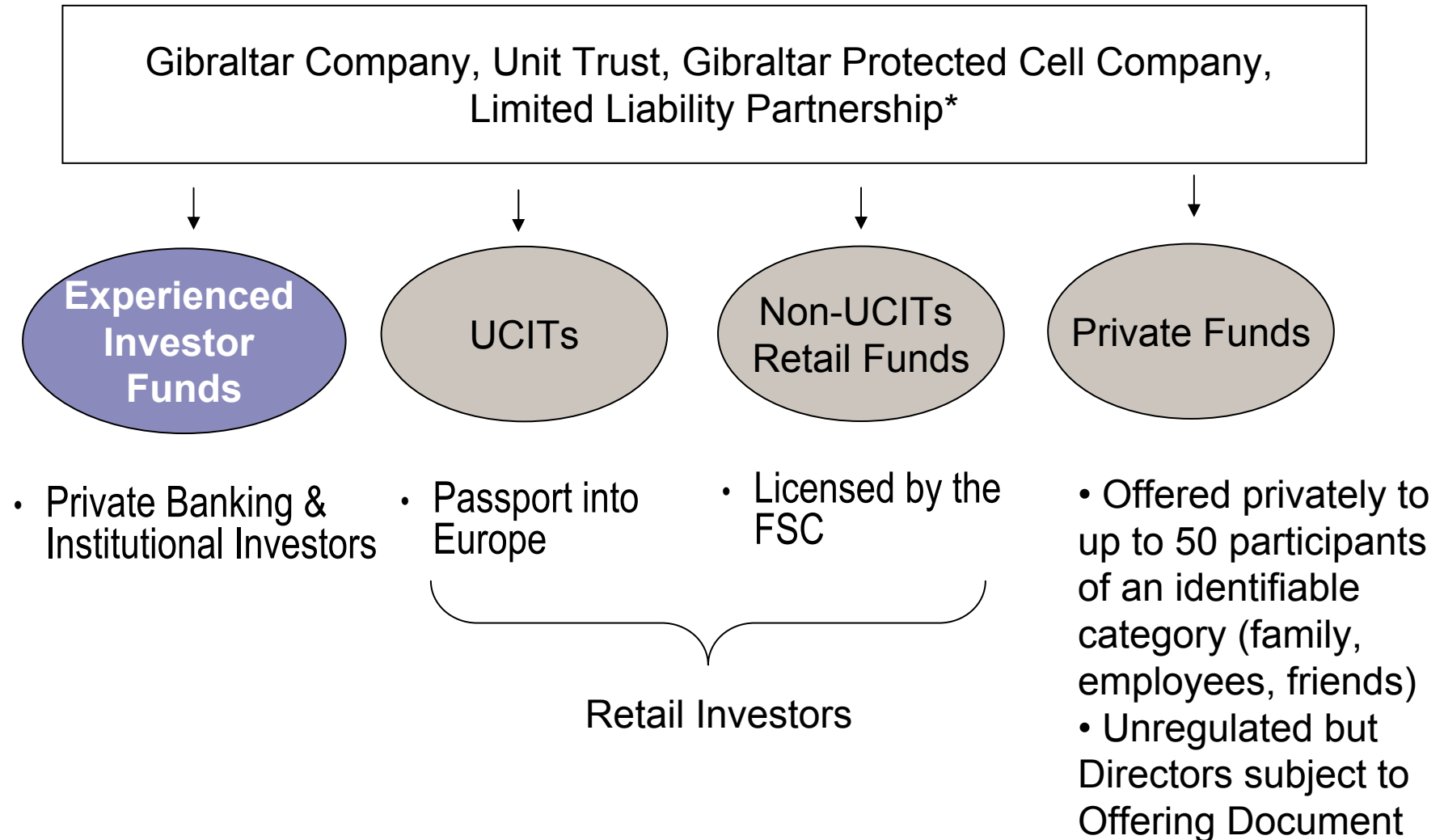
Well Regulated International Finance Centre



- An alternative “niche” fund jurisdiction over past years
 - *Financial Services (CIS) Regulations 2006*
 - *Financial Services (Experienced Investor Fund) Reg. 2005*
- A statutory independent Financial Services Commission (FSC)
 - Modelled on UK FSA and matches EU Standards
 - “An effective and well developed supervisor” IMF assessment 2002 & 2007
- Small jurisdiction to be flexible (8km²)
- Large enough jurisdiction with quality and professional infrastructure at a competitive cost (UK educated workforce)
- Common Law jurisdiction and duty of confidentiality
- OECD White-listed, TEIA includes most EU countries (France, Germany, UK,...), FATF Compliant
- Benefits from EU Directives & EU Passport of Financial Services



Gibraltar Funds & Structures



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Gibraltar Experienced Investor Fund (EIF)

EIF Regulations 2005

“A fast track alternative investment fund”

- Open/close ended funds for professional investors or high net worth individual in excess of €1mio or single participant invests more than €100,000 in the fund
- Quick to launch, no regulatory application process required, only compliance with legislation (14 days notification to FSC by legal counsel)
- No investment restriction, enabling a bespoke product.
- No restriction on Investment Manager, can be outside Gibraltar (eg Switz.)
- Requires a minimum of 2 approved Gibraltar Directors and a Gibraltar licensed Administrator (in 2012 will allow non-Gib based Administrators)
- Depository limited to safe custody (Gibraltar Depository KYC on Fund)

Protected Cell Company Act 2001

- “Umbrella Structure” – cells act as a sub-fund where liabilities statutorily segregated from each other & ring fenced
- Each Cell assigned an ISIN, client subscribes to Cell via personal bank

Funds are Tax Neutral

- No tax on income accrued or derived outside Gibraltar
- No Capital Gains tax
- No Withholding Taxes on dividends or on redemptions of shares
- No VAT and No Stamp Duty on Transactions
- EU Parent/Subsidiary rules & Interest /Royalties directives

Fund Manager licensed in Gibraltar

- Corporate Tax rate of 10%
- Minimum Capital Requirement Eur 50,000
- Cost competitive overheads & employee emoluments
- No work permit required for EEA nationals
- Residents may be eligible for special tax status under the High Executive Possessing Specialist Skills (HEPSS) Regime

Redomicile to Gibraltar

- 1 An EU International Finance Centre that is well regulated and Common Law jurisdiction
- 2 Flexibility of small jurisdiction
Large enough to be professional with quality infrastructure at a competitive cost
- 3 A “niche” jurisdiction to manage your client assets through an Experienced Investor Fund (use of Protected Cell Company)
- 4 Tax Neutral Fund treatment
- 5 Cost efficient and EU passporting offering to investment managers

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Government of Gibraltar – Finance Centre

<http://www.gibraltar.gov.gi/finance-centre/eifs>

Gibraltar Financial Services Commission

<http://www.fsc.gi/fsc/home.htm>

Experienced Investor Funds Regulation

<http://www.gibraltarlaws.gov.gi/articles/2005s116.pdf>

Gibraltar Funds and Investments Association

<http://www.gfia.gi/>