

# Hassans



## Listing a Collective Investment Scheme on the Gibraltar Stock Exchange



The Gibraltar Stock Exchange (GSX) opened in November 2014 operating initially as a listing exchange for open-ended collective investment schemes.

Gibraltar has emerged as a popular alternative jurisdiction for investment funds and their managers, offering robust fund legislation, favourable tax advantages, efficient regulation, the flexibility of a small jurisdiction, and quality infrastructure. Gibraltar's funds and investments infrastructure has developed over the past decade. Gibraltar's main attraction to investors is its EU domicile, which provides entry to the single market in financial services, providing passporting throughout the member states of the European Union.

During this time Gibraltar has become home to a broad spectrum of domestic and international companies, including banks, fund administrators, accountants, investment managers, stockbrokers, company managers, auditors and lawyers who comprise Gibraltar's funds service industry.

### *Why List on GSX?*

- **European Union Visibility and Distribution** – Partial AIFMD Solution

- Gibraltar is within the European Union ("EU"). A listing on an EU stock exchange gives a fund visibility to the EU market. It can also be a step in establishing structures to allow for the distribution of a fund within the EU.

- **No Investment or Borrowing Restrictions**

- GSX operates on the basis of disclosure, not prescription. Accordingly the GSX requires proper disclosure as to the operations of a fund, but does not restrict the manner of its operations in any significant way.

- **No Tax Implications**

- A listing on the GSX has no adverse taxation consequences.

- **For non-EU incorporated funds, EU laws generally do not apply**

- Funds incorporated outside the EU often want visibility to the EU market, but do not want to be subject to EU laws. A GSX listing of an open ended fund can achieve that result.

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## • *Increased Fund Marketability*

- Many institutional investors are restricted such that they may only invest in listed securities.

## • *Increased Investor Confidence*

- A listing status gives credibility and increases investor confidence in a fund.

## • *Quickest and Most Competitive EU Listing*

- The GSX is the quickest and most cost efficient means of achieving an EU listing.

## • *Increased Investor Transparency*

- Many investors seek increased transparency. GSX's website displays regular operational data, such as net asset values, so enhancing transparency.

### *Who Can List*

- At present, a GSX listing is available to open-ended collective investment schemes only. It is anticipated that closed ended collective investment schemes will be accepted for listing by 2016.
- An Applicant can take any legal form, such as a company, a limited partnership or a unit trust.
- An Applicant can be established in any jurisdiction approved by the GSX (including the Cayman Islands and the British Virgin Islands).
- An Applicant must satisfy the GSX that its directors, and any appointed investment manager, have sufficient and satisfactory experience in the management of investments of the type in which the Applicant intends to invest.

### *How to List*

- (i) Appoint a GSX Member Firm to provide guidance on the application (such as Line Group, an affiliate of Hassans, Gibraltar's largest and only tier one law firm for investment funds, as ranked in Chambers and Partners);
- (ii) The GSX Member Firm, often in conjunction with the Applicant's existing legal advisers, prepares the required documentation for review by GSX for listing approval;
- (iii) The required documentation is submitted to the GSX;
- (iv) Queries are raised by the GSX and responses are provided;
- (v) Listed status is granted.

### *Continuing Obligations*

The GSX imposes light and appropriate continuing obligations on a listed fund. Most of these obligations simply involve the giving of notification to the GSX, through the Issuer's GSX Member Firm.

### *Hassans GSX Listing*

Hassans has a dedicated GSX Listing Team. We will be happy to provide initial advice without charge as to whether a GSX listing may be suitable for you. Contact details are provided below:

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