



GUERNSEY STATUTORY INSTRUMENT

2020 No. 80

## **The LLPs (Annual Validation) Regulations, 2020**

<i>Made</i>	, 2020
<i>Coming into operation</i>	, 2020
<i>Laid before the States</i>	, 2020

**THE REGISTRAR OF LIMITED LIABILITY PARTNERSHIPS**, in exercise of the powers conferred on the Registrar by sections 24 and 113 of the Limited Liability Partnerships (Guernsey) Law, 2013<sup>a</sup> and all other powers enabling the Registrar in that behalf, and having consulted with and obtained the approval of the Committee for Economic Development, hereby makes the following Regulations:-

### **Content of Annual Validation.**

1. In addition to the particulars set out at section 8(3) of the Limited Liability Partnerships (Guernsey) Law, 2013 ("the Law") and in the LLPs (Annual Validation) Regulations, 2017<sup>b</sup>, the annual validation shall state -

- (a) the category or categories of LLP to which it belongs, by reference to a system of classifying LLPs prepared by the Registrar,

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<sup>a</sup> Order in Council No. VI of 2014.

<sup>b</sup> G.S.I. No. 37 of 2017

- (b) with regard to each partner who is an individual, whether or not that partner is licensed to act as a partner of the LLP,
- (c) where a partner who is an individual is not licensed to act as a partner of the LLP -
  - (i) whether that partner is unrewarded or is exempt, and
  - (ii) in the case of a partner who is exempt, the applicable provisions,
- (d) whether the LLP is exempt from the resident agent requirements at Schedule 2 to the Law and, if so, the grounds on which it is so exempt,
- (e) where the LLP is not exempt from the resident agent requirements at Schedule 2 to the Law and the resident agent does not hold a fiduciary licence -
  - (i) the address for service of the resident agent, and
  - (ii) where no other person linked to the LLP holds a fiduciary licence -
    - (A) the length of time for which the resident agent has been a partner of the LLP or otherwise associated with it,
    - (B) whether the resident agent is a beneficial owner of the LLP, and

- (C) whether the resident agent has served a notice under section 9 of the Beneficial Ownership of Legal Persons ( Guernsey) Law, 2017 on any person in respect of the beneficial owners of the LLP within such period as the Registrar may direct,
- (f) other than for LLPs within regulation 2, whether the LLP has an ongoing business relationship with a person licensed or authorised by, or registered with, the Commission, and, if so, the nature of that relationship,
- (g) for LLPs to which this subparagraph applies -
  - (i) whether the accounts of the LLP have been audited or otherwise examined by an accountant, and
  - (ii) whether the LLP is directed and managed in Guernsey,
- (h) for LLPs to which this subparagraph applies, the jurisdiction of incorporation of any direct subsidiaries of the LLP and such other matters in relation to those subsidiaries as the Registrar may specify,
- (i) for LLPs to which this subparagraph applies, the location of any real property held by the LLP, and such other matters in relation to that property as the Registrar may specify,
- (j) for LLPs to which this subparagraph applies -

- (i) the nature of the activities of the LLP,
  - (ii) the locations in which those activities are carried out, and
  - (iii) such other matters in relation to those activities as the Registrar may specify,
- (k) other than for LLPs within regulation 2, whether the LLP is a settlor, trustee, protector or beneficiary of an existing express trust (or occupies an equivalent role in relation to another form of legal arrangement), and, if so, such other matters in relation to that trust or other legal arrangement as the Registrar may specify.

2. Regulation 1(f) to 1 (k) does not apply to an LLP that is -

- (a) a financial services business licensed by the Commission, or
- (b) an LLP that is created by a financial services business on its own behalf for the purposes of carrying out the services provided by that financial services business.

3. Without prejudice to the generality of regulation 2 -

- (a) regulation (1)(g) applies to LLPs that do not have an ongoing business relationship with a person licensed or authorised by, or registered with, the Commission,
- (b) regulation (1)(h) applies to LLPs that are classified as holding LLPs under the system of classifying LLPs referred to in regulation (1)(a),

- (c) regulation (1)(i) applies to LLPs that are classified as investment LLPs, as asset LLPs , or as charities or other non-profit LLPs under the system of classifying LLPs referred to in regulation (1)(a), and
- (d) regulation (1)(j) applies to LLPs that are classified as activity LLPs or as charities or other non-profit LLPs under the system of classifying LLPs referred to in regulation (1)(a).

4. For the purposes of these regulations -

- (a) "**directed and managed in Guernsey**" has the same meaning as in the Income Tax (Substance Requirements) (Implementation) Regulations, 2018,
- (b) "**the Fiduciaries Law**" means the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000,
- (c) "**fiduciary licence**" has the same meaning as in the Fiduciaries Law,
- (d) a partner is licensed to act as a partner of the LLP if that partner holds a fiduciary licence,
- (e) an unrewarded partner is one who not rewarded within the meaning of subparagraph (f),
- (f) a partner is rewarded if that partner is acting as a partner of the LLP by way of business within the meaning of the Fiduciaries Law,

- (g) a partner is exempt if that partner would be required to hold a fiduciary licence in acting as a partner of the LLP but for the application of one or more of the exemptions at section 3 of the Fiduciaries Law,
- (h) the applicable provisions are the subsections of section 3 of the Fiduciaries Law which have the effect of exempting the partner in question from the requirement to hold a fiduciary licence with regard to his or her acting as a partner for the LLP, and
- (i) a person is linked to an LLP if -
  - (i) that person is a partner of the LLP or is otherwise involved in its management or administration, or
  - (ii) an employee or official of that person is a partner of the LLP or is otherwise involved in its management or administration."

**Citation.**

5. These Regulations may be cited as the LLPs (Annual Validations) Regulations, 2020.

**Commencement**

6. These Regulations shall come into force on the day on which they are made.

Dated this 1 day of Sept, 2020



HELEN GAINS

Registrar of Limited Liability Partnerships

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EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations widen the category of information that must be provided by limited liability partnerships when submitting an annual validation. This additional information is required in order to assist the Registrar in discharging his or her functions on the basis of risk.

These Regulations will come into force on the day on which they are made.

