

New PIF Rules: Guernsey strengthens its position as a private fund domicile

The 2025 updates to Guernsey's Private Investment Fund regime are designed to enhance the island's appeal as a fund domicile. [Gordon Purvis](#) and [Angel Ramon Martinez Bastida](#) explore the benefits for fund managers and investors.

The Guernsey Financial Services Commission has updated its Private Investment Fund (PIF) directive, improving speed, flexibility and regulatory clarity for fund managers and their investors. The updates broaden the scope of eligible fund types and investors, offer fast and cost-efficient fund setups, and ease regulatory compliance. All of which are expected to further increase Guernsey's competitiveness as a domicile.

Here're the main changes and benefits:

1. Increased flexibility - the new regime replaces the previous three-route system with two simplified categories, the Qualifying PIF (QPI PIF) and the Family PIF:

- The QPI PIF consolidates the adviser-led and manager-led models into a single, more adaptable structure, removing the need for a licensed manager and broadening investor eligibility.
- The Family PIF remains unchanged, and is available to family members and their eligible employees investing together.

This streamlined framework allows a wider range of fund types and strategies - particularly in private equity, venture capital, and family offices - to benefit from faster setup and clearer regulatory pathways.

2. Increased investor eligibility - PIFs are now open to a broader range of investors, including professional, experienced, and high net worth investors. They are also open to UK, EU and U.S. accredited investors, as well as 'licensee admitted investors' who are those deemed capable of understanding and bearing investment risks. Accredited investors refer to those recognized under the criteria

of their relevant regulatory authority, such as the U.S. SEC.

3. Faster time to market – a PIF can be launched without full regulatory approval, relying instead on notifications or the oversight of licensed professionals. This makes it possible to launch a fund in as little as one business day. PIFs also no longer need a Guernsey licenced fund manager, however they do still require a Guernsey licenced fund administrator. For opportunity-driven funds or time sensitive strategies, this time saving can give Guernsey a competitive edge over jurisdictions with more prolonged approval processes.

4. Streamlined regulation – depending on the route chosen, PIFs can be set up without a full prospectus (though there are exceptions). In addition, annual audits are no longer required, reducing legal and compliance costs. This is especially beneficial for smaller or family-backed private funds, where simplicity and cost-efficiency are important. In addition, the limit on investor numbers and offers has been lifted. Previous caps of 50 investors and 200 offers no longer apply, allowing for scalability and widening the options for funds to be closed or open ended.

The [Guernsey Financial Services Commission \(GFSC\)](#) has made these changes to broaden access to the jurisdiction's services for global investor bases, appealing to emerging managers and boutique firms who want to operate in an agile and investor-friendly jurisdiction.

As well as allowing Guernsey to better compete with other European jurisdictions, these updates also reflect broader global trends in private capital, among them the [retailization](#) and institutionalization of private markets. These changes in the private market investor profile have created a need for diversified fund structures and tailored vehicles that support innovation and niche strategies, the new PIF regime aims to fulfil this need.

How Aztec can help

For fund structures and strategies across the major private asset jurisdictions, Aztec has broad experience providing fund setup and administrative support. If you'd like to better understand the regulations and how they might specifically impact you, please contact us.



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