



Schedule 2 business: AMLSPs

Anti-Money Laundering Services Provider (AMLSP)

These frequently asked questions have been collated to respond to queries from Industry. They may be updated from time to time.

1. Can an Alternative Investment Fund Services Business (AIFSB) that provides services to private funds and securities issuers use an AMLSP?

Yes. The eligibility criteria in the Article 9A(4) Notice have been amended to permit an AIFSB that is not also a registered fund services business to use an AMLSP.

2. Does a designated service provider (DSP) to a Jersey private fund (JPF) automatically become /convert to an AMLSP?

No. The DSP, if it meets the eligibility criteria in the Article 9A(4) Notice, will also have to complete the AMLSP Key Person application and the JPF, or its governing body (eg its trustee or GP), will have to appoint it as the JPF's AMLSP.

3. What impact does the creation of the AMLSP function have on a manager of a managed entity (MoME) and managed entities?

None. Fund services businesses that are a managed entity can continue to use a MoME (including in relation to their AML obligations) but cannot use an AMLSP. Both parties continue to be covered by the AML/CFT/CPF Handbook issued by the JFSC.

4. What impact does the creation of the AMLSP function have on an unclassified fund or a recognized fund?

None. The relevant AML arrangements for unclassified funds and recognized funds continue to be covered by the relevant existing sections of the AML/CFT/CPF Handbook.

5. I am a service provider who is regulated under the Financial Services (Jersey) Law 1998. Can I appoint an AMLSP?

No, unless you are an AIFSB that is not also a registered fund services business (see question 1 above).

Certain regulated supervised persons, including fund services businesses, that have no employees of their own and are administered by a regulated business may continue to receive AML support services (including the provision of an MLRO and MLCO) from that regulated business who continue to be covered by the AML/CFT/CPF Handbook issued by the JFSC. (See question 3 above in relation to managed entities.)

6. I am a recognized fund functionary who is regulated under the Collective Investment Funds (Jersey) Law 1988 (CIF Law). Can I appoint an AMLSP?

No. Such functionaries that have no employees of their own and are administered by a regulated business may continue to receive AML support services (including the provision of an MLRO and MLCO) from that regulated business who continues to be covered by the AML/CFT/CPF Handbook issued by the JFSC.

7. I am an unregulated service provider to funds and securities issuers. Can I appoint an AMLSP?

Yes. Non-regulated service providers to funds and securities issuers can appoint an AMLSP.

For example:

- › Service providers and functionaries that are not regulated businesses
- › Sub-threshold AIFMs

To the extent that any such unregulated service providers to funds and securities issuers currently receive AML support services (including the provision of an MLRO and MLCO) from a regulated business, they (or their governing body) will need to appoint that regulated business as their AMLSP to continue receiving those services. The appointment of an AMLSP will not happen automatically (as with DSPs and JPFs, see question 2 above).

For the avoidance of doubt, where a non-regulated service provider to funds and securities issuers wishes to fulfil the function of MLCO or MLRO themselves, they do not need to appoint an AMLSP.

8. Can all Fund, fund service provider and securities issuer types appoint an AMLSP?

No. Only certain fund, fund service provider and securities issuer types can appoint an AMLSP.

The following funds, service providers to funds, and securities issuers **can** appoint an AMLSP provided they meet the eligibility criteria in the Article 9A(4) Notice:

- › Alternative Investment Funds
- › Unregulated Funds (under the Collective Investment Funds (Unregulated Funds) (Jersey) Order 2008)
- › Jersey Private Funds (see question 2 above)
- › Legacy Private Funds (CoBO only, Private Placement Funds, Very Private Funds)
- › Securities issuers (non-funds e.g. unit trusts or other securities issuers)
- › AIFSBs that are not also a registered fund services businesses
- › Sub-threshold AIFMs

To the extent that any such funds, fund services providers and securities issuers currently receive AML support services (including the provision of an MLRO and MLCO) from a regulated business, they (or their governing body) will need to appoint that regulated business as their AMLSP to continue receiving those services. The appointment of an AMLSP will not happen automatically (as with DSPs and JPFs, see question 2 above).

For the avoidance of doubt, where those funds, fund service providers or securities issuers listed above in this question 8 wish to fulfil the function of MLCO and MLRO themselves, they do not need to appoint an AMLSP.

The following regulated funds under the CIF Law are **not** able to appoint an AMLSP:

- › Certified funds
- › Recognized funds
- › Non-domiciled funds that hold a certificate/permit under the CIF Law

Such funds may continue to receive AML support services (including the provision of an MLRO and MLCO) from an appropriately regulated business. (see question 4 above in relation to unclassified funds and recognized funds).

9. Can a 'new' Schedule 2 business use an AMLSP?

Yes. Whilst a 'new' Schedule 2 business is not obliged to appoint an AMLSP, provided all parties meet the requisite eligibility criteria and the AMLSP has obtained a prior no objection from the JFSC in relation to its key persons, they may, should they choose, appoint an AMLSP.

The AMLSP should however only provide services to a 'new' Schedule 2 business if they are able to comply with the requirements in section 18 of the AML/CFT/CPF Handbook.