

Personal Directorship – multiple director relationships

The purpose of this guidance is to inform Guernsey resident individuals, acting as a director of a limited company, of the requirements of the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000

The law sets out certain requirements for company directors based in Guernsey which essentially requires directors of more than 6 companies to hold a personal fiduciary license unless the companies are exempt in some way under the law. **This requirement relates to ANY companies (regardless of WHERE they are registered i.e. it does not only relate to 6 or more Guernsey registered companies).**

Do I need a personal fiduciary license?

You will need a personal fiduciary licence if you are an individual that is acting as a director who is carrying out a 'regulated activity' BUT only if you are acting by way of business (for money or for money's worth).

There are limited exemptions in the Fiduciaries Law which allows individuals to hold up to a maximum of 6 directorships, which are not subject to any other exemptions in the Fiduciaries Law, without the need to obtain a personal fiduciary license.

Whilst an individual utilising this exemption does not require a personal fiduciary licence, he remains subject to the Proceeds of Crime Law and is required to comply with the requirements in the Criminal Justice Proceeds of Crime Regulations and the rules in the handbook (details can be found on the Guernsey Financial Services Commission website – www.gfsc.gg)

The following questions and answers are provided as guidance to help determine whether a personal fiduciary license is required. Where there is doubt advice should be sought from the Guernsey Financial Services Commission. This guidance IS NOT legal advice and should not be relied upon as such.

Q1. Am I a director of more than 6 companies?

A Yes, go to question 2
No, **no further action required**

Where a person is acting as a director of less than 6 companies then they are exempt from the requirement to hold a personal fiduciary license. This is, of course, subject to the Commission determining that the director is a fit and proper person to become a director of a company.

Q2. I am a director of more than 6 companies but I do not provide any services consisting of or comprising a regulated activity (other than as a director) for which I am receiving an income (in money or money's worth) – does this mean I need a personal fiduciary license?

A If you are acting as a director of a company which has an established place of business within the Bailiwick - provided that no services consisting of or comprising a regulated activity are supplied to the company by the director (other than acting as a director)- then you will not need a personal fiduciary license.

If you are unsure as to whether you provide services consisting or comprising regulated activity then you would need to contact the Guernsey Financial Services Commission for further advice.

Q3. I am a director of more than 6 companies but more than half of the nominal value of the share capital of the company is held by:

- 1) The director, as beneficial owner
- 2) A close relative of the director, as beneficial owner,
- 3) Trustees of a trust of which a director or close relative of a director is a beneficiary.

A if this is the case then you **DO NOT** need a personal fiduciary license.

If more than half the nominal value of the share capital of the company IS NOT held by those detailed above then you would need to contact the Guernsey Financial Services Commission for further advice.

Q4 I am acting as a director of a company which is quoted on a stock exchange recognised by the Commission – do I need a personal fiduciary license?

A **No**, you would be exempt under this legislation and would not require a personal fiduciary license. However, if in addition you do hold more than 6 directorships for companies that are not quoted on the stock exchange, and are not exempt in any other way, then you will need to contact the Guernsey Financial Services Commission for advice on a personal fiduciary license.