

BVI Fund Factsheet

Article by Stephen Abletshauser
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	Professional Fund	Private Fund	Approved Fund	Incubator Fund
Suitability	Full-fledged hedge fund eg UK, US	Significant 'family & friend' offering	Smaller 'family & friend offering' while emerging/start-up managers prove track record	Smaller 'family & friend offering' while emerging/start-up managers prove track record
Maximum Assets Under Management	Uncapped	Uncapped	US\$100 million	US\$20 million
Max no. Investors	Uncapped	50 (but no cap if made on 'private basis')	20	20
Investor Qualification Requirements	'professional investors' only	N/A	N/A	'sophisticated private investors only'
Min. initial investment per investor	US\$100,00 (exceptions for parties connected to investment manager exist)	N/A	N/A	US\$20,000
Max. duration	N/A	N/A	N/A	2 years with 12 month extension possible. At end of term, fund must be wound up or be converted into approved, private or professional fund

<u>Service providers</u>	Professional Fund	Private Fund	Approved Fund	Incubator Fund
Mandatory Investment Manager?	Yes	Yes	No	No
Mandatory auditor (need not be BVI)	Yes	Yes	No	No
Mandatory custodian bank?	Yes	Yes	No	No
Mandatory administrator?	Yes	Yes	Yes	No
Foreign service providers allowed?	Yes provided provider is from an 'approved' jurisdiction eg US, UK, Barbados	Yes provided provider is from an 'approved' jurisdiction eg US, UK, Barbados	Yes provided provider is from an 'approved' jurisdiction eg US, UK, Barbados	Yes provided provider is from an 'approved' jurisdiction eg US, UK, Barbados
Director requirements?	2 – can be resident anywhere but should be professional with suitable track record	2 – can be resident anywhere but should be professional with suitable track record	2 – can be resident anywhere but should be professional with suitable track record	2 – can be resident anywhere but should be professional with suitable track record
Realistic timeframe to launch	3-6 weeks	3-6 weeks	1-2 weeks	1-2 weeks
Realistic cost! (not including cost of functionaries as required nor disbursements)	US\$25,000+	US\$18,000	US\$12,000	US\$9,000

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