



Guernsey Financial
Services Commission

Consultation Paper on the Codes and Guidance Documents proposed to be re-issued under The Protection of Investors (Bailiwick of Guernsey) Law, 2020, The Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020, The Banking Supervision (Bailiwick of Guernsey) Law, 2020, The Financial Services Business (Enforcement Powers) (Bailiwick of Guernsey) Law, 2020, The Insurance Business (Bailiwick of Guernsey) Law, 2002 and The Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002

Closed 26 Jul 2021

Opened 10 Jun 2021

Contact

01481712706

revisionoflaws@gfsc.gg

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We asked

We asked for feedback on the Codes and Guidance Documents which the Commission proposes to re-issue under the new and revised Supervisory Laws and the associated amended Rules and Regulations, as part of the wider “Revision of Laws” project.

In revising the Codes and Guidance Documents, we did not seek to introduce any significant policy changes, but rather, we tried to limit the changes to those required to retain consistency with the new and revised Supervisory Laws and the amended Rules and Regulations to be made under those Laws. The substance and meaning of the Codes and Guidance Documents is intended to remain the same. This approach of minimal change has the added benefit that it should help limit the administrative burden on users of the Codes and Guidance and limit the need to make extensive changes to their policies and procedures.

As set out in the Consultation Paper, several sets of Codes and Guidance Documents did not require any revision, and it was also proposed that certain obsolete documents be removed and archived.

Given the minimal changes proposed, the Commission did not anticipate a large volume of responses but was pleased to be able to offer the opportunity for industry participants and other interested parties to respond, where they considered it to be appropriate.

You said

A total of eight parties responded directly using the Commission's On-line Consultation Hub, and a further respondent sent in their comments by email. Overall, there were very few suggestions for changes to the proposed documents (please refer to the following sections), and indeed, the majority of respondents had no comments to make on most of the revised documents.

No respondents voiced any objections to the proposed removal and archiving of the obsolete documents.

From the responses received the Commission therefore considers that industry is largely supportive of the proposed revisions.

We did

The following is a summary of certain points where, as a result of the consultation process and respondents' suggestions, changes have been made to the documents in the original proposals.

It was pointed out that some of the current documents are either undated or the date is not recorded in a consistent place or manner across all documents. For consistency and ease of reference, the month and year of issue has now been added to each revised document.

Other respondents highlighted a limited number of instances where the documents, incorrectly, still referred to the current Law and Rules, or used terms which will be superseded in the new and revised Law and Rules. The Commission is grateful to those respondents for highlighting these oversights and has updated the documents accordingly.

Other suggestions were received however where, after careful consideration, it was decided to retain the current drafting or to adopt a slightly different approach to that suggested and these are further described below.

One respondent suggested that the Guidance Documents for Qualifying Investor Funds, Private Investment Funds and Registered Collective Investment Schemes could be amalgamated into one document, in order that areas in common would not need to be duplicated, but that content which is specific to each regime could be included in separate sections of the document. Whilst the Commission can understand the rationale behind this suggestion, such changes are beyond the scope of this specific exercise. Furthermore, although each of these are fast track regimes, they are also all very separate and distinct regimes, each with their own characteristics – we take the view that retaining separate Guidance Documents for each helps maintain that distinction.

Another respondent suggested adding a section to the Change of Designated Person Guidance Document to cover Guernsey Green Funds. Again, whilst we understand the rationale behind this suggestion, it should be remembered that the Guernsey Green Fund regime takes the form of an overlay over other Guernsey regulated fund regimes, and as such, a Guernsey Green Fund may take many different forms, the requirements and processes relating to a change of Designated Person for each of which might not be the same. For this reason, we have simply added a paragraph to the revised Guidance Document, advising that in the event of a proposed change of Designated Person for a Fund which is also a Guernsey Green Fund, that the licensees

should contact the Commission at an early stage to discuss the relevant requirements on a case-by-case basis.

In respect of the Guidance Note on Managed Trust Company Relationships, one respondent suggested that the expectation voiced in the guidance that a Managed Trust Company should notify the Commission where notice to terminate the management agreement has been given, should be specifically stated in the relevant rules. The scope of this particular consultation centred upon revising the extant Codes and Guidance Documents, rather than contemplating changes to rules. However, in any event, the Commission's view is that this point is already sufficiently covered by rule 5.2 of the amended Fiduciary Rules, which is referred to in the revised Guidance Document. The Commission therefore does not propose to amend the rules in this respect at this time.

We would like to thank everyone who responded to the Consultation Paper. The feedback has played a helpful role in finalising the revised Codes and Guidance Documents.

Next Steps

The Commission has published the revised Codes and Guidance Documents and the amended Rules and Regulations and these can be found [here](#). The revised Codes, Guidance Documents, Rules and Regulations will come into force on 1 November 2021.

Overview

PART 1 INTRODUCTION

Purpose of the Consultation Paper

Revision of Laws Project

In August and September 2020, the States of Guernsey, the States of Alderney, and the Chief Pleas of Sark, as part of a review of the legislation governing the finance industry, approved the following –

- The Protection of Investors (Bailiwick of Guernsey) Law, 2020 (the “POI Law”);
- The Banking Supervision (Bailiwick of Guernsey) Law, 2020 (the “Banking Law”);
- The Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020 (the “Fiduciaries Law”); and
- The Financial Services Business (Enforcement Powers) (Bailiwick of Guernsey) Law, 2020.

The amendment Ordinances to the Insurance Business (Bailiwick of Guernsey) Law, 2002 (“IBL”), and The Insurance Managers, and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 (“IMIL”) are currently awaiting consideration by the States of Guernsey (the amendment Ordinances together with the new laws set out above are the “New and Amended Laws”).

These New and Amended Laws form the suite of legislation contemplated in the Policy Letter on the Revision of the Financial Supervisory and Regulatory Laws which was debated and approved by the States of Deliberation on the 30th of October 2015.

As part of the Revision of Laws project, the Commission undertook extensive public consultation and engagement on revising the Bailiwick’s supervisory and regulatory laws to maintain the Bailiwick’s reputation as an efficient and well-regulated international finance centre. This commenced in 2014 with the ‘Discussion Paper on the Revision of Laws Project: Revising the Bailiwick’s financial and regulatory laws to maintain the Bailiwick’s reputation as an efficient and well-regulated international finance centre’ and was followed, in 2015, by the ‘Consultation Paper on the Revision of Laws project’. Additionally, the Commission has undertaken extensive direct engagement with government and industry bodies on the New and Amended Laws arising from the Revision of Laws project.

The New and Amended Laws update the provisions of the previous laws and

- bring them in line with current appropriate international standards;
- improve consistency between the Regulatory Laws;
- consolidate all enforcement powers, previously found across the laws, into the newly enacted Financial Services Business (Enforcement Powers) (Bailiwick of Guernsey) Law, 2020.

On 21 April 2021 the Commission issued consultation papers on proposals to issue and re-issue Statutory Instruments under the New and Amended Laws. Under these proposals, the substance and meaning of the Statutory Instruments, and the way in which they operate, is intended to remain the same but the language used would be updated, making it consistent with the New and Amended Laws and there would be harmonisation of the layout and numbering across the rules and correction of minor drafting errors. The consultations on Statutory Instruments amendment will close on 17 June 2021.

Changes to Codes and Guidance Documents

The Commission has reviewed Codes and Guidance Documents currently in issue with the objective of ensuring that the regulatory framework will continue to function correctly upon implementation of the New and Amended Laws.

The Codes and Guidance Notes considered, as part of this review project, are listed at Appendix 1.

Consistent with the Commission's objectives, the proposals in this Consultation Paper are designed to enhance the levels of confidence and security in the Bailiwick's regulatory and supervisory framework.

Purpose

This Consultation Paper focuses on the Codes and Guidance Documents to be issued under the New and Amended Laws and may be regarded as complementary to the consultation papers issued on Statutory Instruments on 21 April 2021.

The purpose of this Consultation Paper is to seek feedback from all interested parties on the changes to be made in order to successfully implement the New and Amended Laws. The objective is to ensure that the regime continues to be both compliant with international standards and appropriate for the Guernsey market.

In preparing these new draft amended Codes and Guidance we have sought to minimise changes to reduce the administrative burdens on licensed entities who will use them. We are also taking the opportunity to remove obsolete Codes and Guidance Documents.

The draft Codes and Guidance Documents (provided in versions with tracked changes for ease of reference) and those currently in issue are accessible on the Commission website and can be viewed through the hyperlinks in this paper.

This Consultation Paper is a working document and does not prejudice any final decision to be made by the Commission.

Codes and Guidance Not Requiring Amendment

There are a number of guidance notes and codes for which it is proposed that no amendments are made. With respect to this guidance or codes the Commission proposes the following:

Principles of Conduct of Finance Business

This document remains relevant and no changes are proposed.

The Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020

Guidance Notes for 124, Fiduciary Annual Return Full Fiduciary

Guidance Notes Form 127 – Pension Scheme or Gratuity Scheme Annual Return

This guidance will be amended to coincide with any future amendments to the Annual Returns.

Insurance Business (Bailiwick of Guernsey) Law, 2002

Guidance in respect of requesting disclosure derogation under FRS103

Guidance Note for Licensed Insurers on Change of Majority Shareholder Controller

Guidance Note for Licensed Insurers on Outsourcing

Guidance Note for Licensed Insurers on Unit Linked Pricing.

Guidance Note on Actuarial Valuations

Guidance Note on Insurance Fraud

Guidance Note on Internal Models

Guidance Note on Producer Owned (Re)Insurance Companies

Guidance Note on Supervisory Ladder of Intervention

The above guidance does not require any changes as a result of the New and Amended Laws

Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002

Code of Practice for Insurance Intermediary Applicants and Licensees Conducting Business from within the Bailiwick of Guernsey

The above code does not require any changes as a result of the New and Amended Laws

The Banking Supervision (Bailiwick of Guernsey) Law, 2020

Legal Risk Guidance Note for Banks

Outsourcing Risk Guidance Note for Banks

Pillar 2 Add-on Guidance

The above guidance does not require any changes as a result of the New and Amended Laws

Large Exposure Policy

Guidelines to Banks and their Auditors

Guidelines to Banks and their Auditors under s1(b)(ii) of the Banking Supervision (Accounts) Rules, 1994

The above guidance documents are covered by a separate consultation which closed on 11 May 2021 so will not be addressed in this paper.

Guidance on the Annual Compliance Form for Banks

This guidance document will be covered in a separate, forthcoming, consultation regarding re-issuing requirements for the annual review currently in the law as rules, so will not be addressed in this paper.

Background to the proposals

Current Codes and Guidance

Appendix 1 sets out all Commission Codes and Guidance Documents that are currently in issue.

Current Codes and Guidance Documents to be removed to clarify regulatory standards in force

Some of the Codes and Guidance Documents, set out in Appendix 1, are obsolete and it is proposed that these will be withdrawn and placed into the 'archived' section of the Commission's website.

Part 2 of this consultation paper sets out a table of the Guidance Documents that the Commission intends to withdraw and archive.

Re-issued Codes and Guidance Documents

The Codes and Guidance, made under the previous laws, were drafted and amended over a number of decades to reflect the changing needs of the financial services industry.

The *Codes and Guidance Documents* are not changing substantially. The substance and meaning of the *Codes and Guidance Documents* is intended to remain the same. It has, however, provided an opportunity to update the language used, making it consistent with the New and Amended Laws and proposed Rules made thereunder, correct minor drafting errors and check that any internal and external references remain relevant when the New and Amended Laws and proposed Rules come into force.

The *Codes and Guidance Documents* included in this Consultation Paper have been reviewed and updated but they retain the meaning and purpose of the Documents that they replace.

Overall policy approach

The draft Codes and Guidance Documents do not set out to implement policy change but replicate the current Codes and Guidance Documents with the incorporation of new terminology and updated referencing.

Save for new terminology the proposed re-issued Codes and Guidance Documents will be familiar to licensees and should be consistent with their current practices.

Part 3 sets out the draft Codes and Guidance Documents along with a more detailed explanation where any noteworthy amendments have had to be made, e.g. the replacement of out-dated references.

Next Steps

The closing date for the Consultation Paper is 26 July 2021. Responses to this Consultation Paper will be considered by the Commission with a view to issuing the Codes and Guidance Documents, in final form, during 2021.

What happens next

Related

[!\[\]\(21199eb166cc97331a0c54c649195dcc_img.jpg\) Consultation Paper on the Codes and Guidance Documents proposed to be re-issued under Revision of Laws](#)

Audiences

Consumer Financial Advisor Financial Services Business FinTech Lending, Credit & Finance Business
NRFSB Prescribed Business Lenders FSPID Team ExCo Banks All staff ExCo Pension Committee
NED Forum

**Consultation Paper on the Codes and Guidance Documents
proposed to be re-issued under**

**The Protection of Investors (Bailiwick of Guernsey) Law,
2020,**

**The Regulation of Fiduciaries, Administration Businesses
and Company Directors, etc. (Bailiwick of Guernsey) Law,
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**The Banking Supervision (Bailiwick of Guernsey) Law,
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and**

**The Insurance Managers and Insurance Intermediaries
(Bailiwick of Guernsey) Law, 2002**

June 2021

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Responses to this Consultation Paper are sought by 26 July 2021.

We welcome feedback or comment on any section and question. Feedback may be provided via the Consultation Hub section of the Commission's website (www.gfsc.gg).

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Guidance Note on Internal Models

Guidance Note on Producer Owned (Re)Insurance Companies

Guidance Note on Supervisory Ladder of Intervention

The above guidance does not require any changes as a result of the New and Amended Laws

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Code of Practice for Insurance Intermediary Applicants and Licensees Conducting Business from within the Bailiwick of Guernsey

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Guidelines to Banks and their Auditors under s1(b)(ii) of the Banking Supervision (Accounts) Rules, 1994

The above guidance documents are covered by a separate consultation which closed on 11 May 2021 so will not be addressed in this paper.

Guidance on the Annual Compliance Form for Banks

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Background to the proposals

Current Codes and Guidance

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Current Codes and Guidance Documents to be removed to clarify regulatory standards in force

Some of the Codes and Guidance Documents, set out in Appendix 1, are obsolete and it is proposed that these will be withdrawn and placed into the ‘archived’ section of the Commission’s website.

Part 2 of this consultation paper sets out a table of the Guidance Documents that the Commission intends to withdraw and archive.

Re-issued Codes and Guidance Documents

The Codes and Guidance, made under the previous laws, were drafted and amended over a number of decades to reflect the changing needs of the financial services industry.

The *Codes and Guidance Documents* are not changing substantially. The substance and meaning of the *Codes and Guidance Documents* is intended to remain the same. It has, however, provided an opportunity to update the language used, making it consistent with the New and Amended Laws and proposed Rules made thereunder, correct minor drafting errors and check that any internal and external references remain relevant when the New and Amended Laws and proposed Rules come into force.

The *Codes and Guidance Documents* included in this Consultation Paper have been reviewed and updated but they retain the meaning and purpose of the Documents that they replace.

Overall policy approach

The draft Codes and Guidance Documents do not set out to implement policy change but replicate the current Codes and Guidance Documents with the incorporation of new terminology and updated referencing.

Save for new terminology the proposed re-issued Codes and Guidance Documents will be familiar to licensees and should be consistent with their current practices.

Part 3 sets out the draft Codes and Guidance Documents along with a more detailed explanation where any noteworthy amendments have had to be made, e.g. the replacement of out-dated references.

Next Steps

The closing date for the Consultation Paper is 26 July 2021. Responses to this Consultation Paper will be considered by the Commission with a view to issuing the Codes and Guidance Documents, in final form, during 2021.

PART 2 WITHDRAWAL OF GUIDANCE DOCUMENTS

The following table sets out the Guidance Documents which the Commission proposes to withdraw, without the reissuance of replacement guidance, as part of this project along with the reasoning behind that decision¹.

It is proposed that these Guidance Documents will remain accessible in the ‘archived’ section on the Commission’s website.

If you wish to comment, please use the box which follows the table.

Title of Document	Reason for Removal
POI Law	
Guidance Note on Notifications of new Directors, Controllers and Partners of Licensees under The Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended	This document has become redundant as it refers to outdated notifications processes and forms. It is now appropriate that it is withdrawn and archived.
Guidance Note on Capital Adequacy Rules 2010	This document provided consultation feedback at the time of the introduction of the Capital Adequacy Rules and it is now appropriate that it is withdrawn and archived.
The Licensees (Conduct of Business) Rules Guidance Note - March 2010	This document provided clarification on certain matters relevant at the time of the introduction of the Licensees (Conduct of Business) Rules 2009. It is now appropriate that it is withdrawn and archived.
Banking Law	
Guidance Note on Upstreaming and Transparency	This document has become redundant as its content has been superseded by more recent publications. It is now appropriate that it is withdrawn and archived.

¹ Codes and Guidance Documents that are due to be re-issued are set out in Part 3.

Do you have any comments on the proposal to archive these Guidance Documents?
Where comments relate to specific Guidance Documents, please identify.

PART 3 RE-ISSUED CODES AND GUIDANCE DOCUMENTS

The following sections set out the Codes and Guidance Documents which the Commission proposes to re-issue.

Each section includes hyperlinks to copies of the draft amended document and highlights any noteworthy amendments proposed to be included.

Links to the Codes or Guidance Documents, as currently in force, can be accessed by following the relevant links.

To provide the Commission with comments, on these proposals, please use the comment boxes which follow each set of rules or provide any general comments here.

General comments on the proposed re-issue.

ALL SECTORS

1. Finance Sector Code of Corporate Governance

It is proposed that the Finance Sector Code of Corporate Governance replace the code issued, under the same name, in 2016.

A copy of the current, recently amended code can be found by following this link:

[Finance Sector Code of Corporate Governance](#)

A copy of the proposed draft replacement document can be found by following this link:

[Finance Sector Code of Corporate Governance](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of the Finance Sector Code of Corporate Governance?

2. Fit and Proper Persons – Meeting the Criteria

It is proposed that the Fit and Proper Persons – Meeting the Criteria replace the guidance document issued, under the same name, previously by the Commission.

A copy of the current guidance document can be found by following this link:

[Fit and Proper Persons - Meeting the Criteria](#)

A copy of the proposed draft replacement document can be found by following this link:

[Fit and Proper Persons – Meeting the Criteria](#)

Noteworthy amendments

- Additional information regarding consideration by the Commission of business practices and previous conduct has been included.

Do you have any comments on the proposed re-issue of Fit and Proper Persons – Meeting the Criteria?

FIDUCIARIES LAW

3. **Guidance Note on Private Trust Companies**

It is proposed that the Guidance Note on Private Trust Companies replaces the guidance document issued, under the same name, in 2019.

A copy of the current guidance document can be found by following this link:

[Guidance Note on Private Trust Companies](#)

A copy of the proposed draft replacement document can be found by following this link:

[Proposed Guidance Note on Private Trust Companies](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- The term “full fiduciary licence” is not defined or used in the new Fiduciaries Law (having been replaced with the terms “primary fiduciary licence” and “secondary fiduciary licence”). The terms used in the guidance document have been amended to reflect this change.

Do you have any comments on the proposed re-issue of the Guidance Note on Private Trust Companies?

FIDUCIARIES LAW

4. **Company Formation by Full Fiduciary Licensees**

It is proposed that the note on Company Formation by Fiduciary Licensees replaces the guidance document on Company Formation by Full Fiduciary Licensees issued in 2014.

A copy of the current guidance document can be found by following this link:

[Company Formation by Full Fiduciary Licensees](#)

A copy of the proposed draft replacement document can be found by following this link:

[Company Formation by Fiduciary Licensees](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- The term “full fiduciary licence” is not defined or used in the new Fiduciaries Law (having been replaced with the terms “primary fiduciary licence” and “secondary fiduciary licence”). The terms used in the guidance document have been amended to reflect this change.

Do you have any comments on the proposed re-issue of the Guidance Note on Company Formation by Full Fiduciary Licensees?

FIDUCIARIES LAW

5. **Note on Managed Trust Company Relationships**

It is proposed that the Note on Managed Trust Company Relationships replaces the guidance document issued, under the same name, in 2012.

A copy of the current guidance document can be found by following this link:

[Note on Managed Trust Company Relationships](#)

A copy of the proposed draft replacement document can be found by following this link:

[Note on Managed Trust Company Relationships](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- References to the Codes of Practice have been amended to corresponding provisions of the Fiduciary Rules and Guidance.
- Introductory language has been updated.

Do you have any comments on the proposed re-issue of the Note on Managed Trust Company Relationships?

FIDUCIARIES LAW

6. Registered Office Services by Unregulated Persons

It is proposed that the note on Registered Office Services by Unregulated Persons replace the guidance document issued, under the same name, in 2018.

A copy of the current guidance document can be found by following this link:

[Provision of Registered Office Services by Unregulated Persons](#)

A copy of the proposed draft replacement document can be found by following this link:

[Provision of Registered Office Services by Unregulated Persons](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- The term “full fiduciary licence” is not defined or used in the new Fiduciaries Law (having been replaced with the terms “primary fiduciary licence” and “secondary fiduciary licence”). The terms used in the guidance document have been amended to reflect this change.

Do you have any comments on the proposed re-issue of the note on Registered Office Services by Unregulated Persons?

7. Guidance Notes Depositary Requirements Article 36 of AIFMD

It is proposed that Guidance Notes Depositary Requirements Article 36 of AIFMD replace the guidance document issued, under the same name, in 2013.

A copy of the current guidance document can be found by following this link:

[Guidance Notes Depositary Requirements Article 36 of AIFMD](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Notes Depositary Requirements Article 36 of AIFMD](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of Guidance Notes Depositary Requirements Article 36 of AIFMD?

8. Applications/Notifications in respect of Manager-Led Product

It is proposed that Guidance Note - Applications/Notifications in respect of Manager-Led Product replace the guidance document issued, under the same name, in 2016.

A copy of the current guidance document can be found by following this link:

[Applications/Notification in respect of Manager-Led Product](#)

A copy of the proposed draft replacement document can be found by following this link:

[Applications/Notification in respect of Manager-Led Product](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of Guidance Note - Applications/Notifications in respect of Manager-Led Product?

9. Change of Designated Person

It is proposed that Change of Designated Person Guidance replaces the guidance document issued, under the same name, in 2016.

A copy of the current guidance document can be found by following this link:

[Change of Designated Person Guidance](#)

A copy of the proposed draft replacement document can be found by following this link:

[Change of Designated Person Guidance](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- Introductory language has been updated.

Do you have any comments on the proposed re-issue of Change of Designated Person Guidance?

10. Guidance Note on Custodians of Open-Ended Collective Investment Schemes with Indirectly Held Assets

It is proposed that the Guidance Note on Custodians of Open-Ended Collective Investment Schemes with Indirectly Held Assets replace the guidance document issued, under the same name, in 2020.

A copy of the current guidance document can be found by following this link:

[Guidance Note on Custodians of Open-Ended Collective Investment Schemes with Indirectly Held Assets](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note on Custodians of Open-Ended Collective Investment Schemes with Indirectly Held Assets](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- References have been updated to correspond to the applicable proposed amended fund rules.

Do you have any comments on the proposed re-issue of Guidance Note on Custodians of Open-Ended Collective Investment Schemes with Indirectly Held Assets?

11. Guidance Note on the Independence of Managers and Trustees of Class A Collective Investment Schemes

It is proposed that Guidance Note on the Independence of Managers and Trustees of Class A Collective Investment Schemes replace the guidance document issued, under the same name, in 2002.

A copy of the current guidance document can be found by following this link:

[Guidance Note on the Independence of Managers and Trustees of Class A Collective Investment Schemes](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note on the Independence of Managers and Trustees of Class A Collective Investment Schemes](#)

Noteworthy amendments

- References to previously revoked rules have been removed.

Do you have any comments on the proposed re-issue of Guidance Note on the Independence of Managers and Trustees of Class A Collective Investment Schemes?

12. Guidance Notes for Completion of Investment Audited Financial Statements and Compliance Returns (Licensee)

It is proposed that Guidance Notes for Completion of Investment Audited Financial Statements and Compliance Returns (Licensee) replace the guidance document issued, under the same name, in 2018.

A copy of the current guidance document can be found by following this link:

[Guidance Notes for Completion of Investment Audited Financial Statements and Compliance Returns \(Licensee\)](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Notes for Completion of Investment Audited Financial Statements and Compliance Returns \(Licensee\)](#)

Noteworthy amendments

- References have been updated to the applicable provisions of the proposed amended Licensees Capital Adequacy Rules, 2021.
- Reference to the recently repealed Non-Guernsey Scheme framework have been removed.

Do you have any comments on the proposed re-issue of Guidance Notes for Completion of Investment Audited Financial Statements and Compliance Returns (Licensee)?

13. Guidance Note – Outsourcing of Functions by Entities Licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987

It is proposed that the Guidance Note – Outsourcing of Functions by Entities Licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 replace the Guidance Note – Outsourcing of Functions by Entities Licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987.

A copy of the current guidance document can be found by following this link:

[Guidance Note – Outsourcing of Functions by Entities Licensed under the Protection of Investors \(Bailiwick of Guernsey\) Law, 1987](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note – Outsourcing of Functions by Entities Licensed under the Protection of Investors \(Bailiwick of Guernsey\) Law, 2020](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- References to the Licensees (Conduct of Business) Rules have been updated to the proposed amended 2021 version of those Rules.

Do you have any comments on the proposed re-issue of Guidance Note – Outsourcing of Functions by Entities Licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 2020?

14. Hedge Funds – Flexible Approach to Authorisation Policy

It is proposed that the document Hedge Funds – Flexible Approach to Authorisation Policy replace the guidance document issued, under the same name, in 2004.

A copy of the current guidance document can be found by following this link:

[Hedge Funds – Flexible Approach to Authorisation Policy](#)

A copy of the proposed draft replacement document can be found by following this link:

[Hedge Funds – Flexible Approach to Authorisation Policy](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- Introductory language has been updated.
- References have been updated to relevant provisions in the proposed Licensees (Conduct of Business) Rules 2021.

Do you have any comments on the proposed re-issue of the Hedge Funds – Flexible Approach to Authorisation Policy?

15. Principles of Conduct of Derivatives Business

It is proposed that Principles of Conduct of Derivatives Business replace the document issued, under the same name, in 1995.

A copy of the current document can be found by following this link:

[Principles of Conduct of Derivatives Business](#)

A copy of the proposed draft replacement document can be found by following this link:

[Principles of Conduct of Derivatives Business](#)

Noteworthy amendments

- Introductory language has been updated.

Do you have any comments on the proposed re-issue of the Principles of Conduct of Derivatives Business?

16. Guidance Notes – Pricing Controls in respect of Open-Ended Collective investment Schemes

It is proposed that Guidance Notes – Pricing Controls in respect of Open-Ended Collective investment Schemes replace the guidance document issued, under the same name, in 2016.

A copy of the current guidance document can be found by following this link:

[Guidance Notes – Pricing Controls in respect of Open-Ended Collective investment Schemes](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Notes – Pricing Controls in respect of Open-Ended Collective investment Schemes](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of Guidance Notes – Pricing Controls in respect of Open-Ended Collective investment Schemes?

17. Private Investment Fund Guidance

It is proposed that the Private Investment Fund Guidance replace the guidance document issued, under the same name, in April 2021.

A copy of the current guidance document can be found by following this link:

[Private Investment Fund Guidance](#)

A copy of the proposed draft replacement document can be found by following this link:

[Private Investment Fund Guidance](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of the Private Investment Fund Guidance?

18. Code of Market Conduct

It is proposed that the Code of Market Conduct replace the code issued, under the same name, in 2018.

A copy of the current Code can be found by following this link:

[Code of Market Conduct](#)

A copy of the proposed draft replacement document can be found by following this link:

[Code of Market Conduct](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- The references have been updated to reflect that the Code is now made under the new Enforcement Powers Law - the Code was previously made under the POI Law.

Do you have any comments on the proposed re-issue of the Code of Market Conduct?

19. Registered Collective Investment Scheme Guidance

It is proposed that the Registered Collective Investment Scheme Guidance replace the guidance document issued, under the same name, in December 2008.

A copy of the current guidance document can be found by following this link:

[Registered Collective Investment Scheme Guidance](#)

A copy of the proposed draft replacement document can be found by following this link:

[Registered Collective Investment Scheme Guidance](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of the Registered Collective Investment Scheme Guidance?

20. Qualifying Investor Funds Guidance

It is proposed that the Qualifying Investor Funds Guidance replace the guidance document issued, under the same name, in May 2007.

A copy of the current guidance document can be found by following this link:

[Qualifying Investor Funds Guidance](#)

A copy of the proposed draft replacement document can be found by following this link:

[Qualifying Investor Funds Guidance](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- Removal of References to Non-Guernsey Schemes

Do you have any comments on the proposed re-issue of the Qualifying Investor Funds Guidance?

21. Licence Applications for Entities Acting in Respect of Qualifying Investor Funds, Registered Collective Investment Schemes or Overseas Collective Investment Schemes Guidance.

It is proposed that the Licence Applications for Entities Acting in Respect of Qualifying Investor Funds, Registered Collective Investment Schemes or Overseas Collective Investment Schemes Guidance replace the guidance document issued, under the same name, in June 2020.

A copy of the current guidance document can be found by following this link:

[Licence Applications for Entities Acting in Respect of Qualifying Investor Funds, Registered Collective Investment Schemes or Overseas Collective Investment Schemes Guidance.](#)

A copy of the proposed draft replacement document can be found by following this link:

[Licence Applications for Entities Acting in Respect of Qualifying Investor Funds, Registered Collective Investment Schemes or Overseas Collective Investment Schemes Guidance.](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of the Licence Applications for Entities Acting in Respect of Qualifying Investor Funds, Registered Collective Investment Schemes or Overseas Collective Investment Schemes Guidance?

22. Code of Practice for Branch Operations

It is proposed that the Code of Practice for Branch Operations replace the codes issued, under the same name.

A copy of the current code can be found by following this link:

[Code of Practice for Branch Operations](#)

A copy of the proposed draft replacement document can be found by following this link:

[Code of Practice for Branch Operations](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of Code of Practice for Branch Operations?

23. Guidance Note for International Life and Pension Insurers

It is proposed that the Guidance Note for International Life and Pension Insurers replace the guidance document issued, under the same name.

A copy of the current guidance document can be found by following this link:

[Guidance Note for International Life and Pension Insurers](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note for International Life and Pension Insurers](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Business Rules, 2021.

Do you have any comments on the proposed re-issue of the Guidance Note for International Life and Pension Insurers?

24. Guidance Note for Licensed Insurers on Category 6 – Non-Special Purpose Insurers

It is proposed that the Guidance Note for Licensed Insurers on Category 6 – Non-Special Purpose Insurers replace the guidance document issued, under the same name.

A copy of the current guidance document can be found by following this link:

[Guidance Note for Licensed Insurers on Category 6 – Non-Special Purpose Insurers](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note for Licensed Insurers on Category 6 – Non-Special Purpose Insurers](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Business (Solvency) Rules, 2021.

Do you have any comments on the proposed re-issue of the Guidance Note for Licensed Insurers on Category 6 – Non-Special Purpose Insurers?

25. Guidance Note for Licensed Insurers on Reinsurance and Other Forms of Risk Transfer

It is proposed that the Guidance Note for Licensed Insurers on Reinsurance and Other Forms of Risk Transfer replace the guidance document issued, under the same name.

A copy of the current guidance document can be found by following this link:

[Guidance Note for Licensed Insurers on Reinsurance and Other Forms of Risk Transfer](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note for Licensed Insurers on Reinsurance and Other Forms of Risk Transfer](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Business (Solvency) Rules, 2021.

Do you have any comments on the proposed re-issue of the Guidance Note for Licensed Insurers on Reinsurance and Other Forms of Risk Transfer?

26. Guidance Note on Special Purpose Insurers

It is proposed that the Guidance Note on Special Purpose Insurers replace the guidance document issued, under the same name, in 2016.

A copy of the current guidance document can be found by following this link:

[Guidance Note on Special Purpose Insurers](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note on Special Purpose Insurers](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Business Rules, 2021.

Do you have any comments on the proposed re-issue of the Guidance Note on Special Purpose Insurers?

27. Guidance Note for Licensed Insurers on the Completion and Submission of Annual Returns

It is proposed that the Guidance Note for Licensed Insurers on the Completion and Submission of Annual Returns replace the guidance document issued, under the same name, in 2019.

A copy of the current guidance document can be found by following this link:

[Guidance Note for Licensed Insurers on the Completion and Submission of Annual Returns](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note for Licensed Insurers on the Completion and Submission of Annual Returns](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Business Rules, 2021 and Insurance Business (Solvency) Rules, 2021.

Do you have any comments on the proposed re-issue of the Guidance Note for Licensed Insurers on the Completion and Submission of Annual Returns?

28. Guidance Note on Actuarial Requirements and Standards

It is proposed that the Guidance Note on Actuarial Requirements and Standards replace the guidance document issued, under the same name, in 2018.

A copy of the current guidance document can be found by following this link:

[Guidance Note on Actuarial Requirements and Standards](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note on Actuarial Requirements and Standards](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of the Guidance Note on Actuarial Requirements and Standards?

29. Guidance Note on Licensed Insurers' Own Solvency Assessments

It is proposed that the Guidance Note on Licensed Insurers' Own Solvency Assessments replace the guidance document issued, under the same name.

A copy of the current guidance document can be found by following this link:

[Guidance Note on Licensed Insurers' Own Solvency Assessments](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note on Licensed Insurers' Own Solvency Assessments](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Business (Solvency) Rules, 2021

Do you have any comments on the proposed re-issue of the Guidance Note on Licensed Insurers' Own Solvency Assessments?

30. Guidance on Notifications required from Licensed Insurers

It is proposed that the Guidance on Notifications required from Licensed Insurers replace the guidance document issued, under the same name, in 2014.

A copy of the current guidance document can be found by following this link:

[Guidance on Notifications required from Licensed Insurers](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance on Notifications required from Licensed Insurers](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Business Rules, 2021.
- Sections have been updated to refer to the Commission's Online Submissions and PQ Portals.

Do you have any comments on the proposed re-issue of the Guidance on Notifications required from Licensed Insurers?

31. Guidance Note for Licensed Insurers on Resilience Testing

It is proposed that the Guidance note for Licensed Insurers on Resilience Testing replace the guidance document issued, under the same name.

A copy of the current guidance document can be found by following this link:

[Guidance note for Licensed Insurers on Resilience Testing](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance note for Licensed Insurers on Resilience Testing](#)

Noteworthy amendments

- References to the withdrawn Licensed Insurers' Corporate Governance Code have been removed.

Do you have any comments on the proposed re-issue of the Guidance note for Licensed Insurers on Resilience Testing?

32. Code of Conduct for Authorised Insurance Representatives

It is proposed that the Code of Conduct for Authorised Insurance Representatives replace the code issued, under the same name, in 2017.

A copy of the current code can be found by following this link:

[Code of Conduct for Authorised Insurance Representatives](#)

A copy of the proposed draft replacement document can be found by following this link:

[Code of Conduct for Authorised Insurance Representatives](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Business Rules, 2021

Do you have any comments on the proposed re-issue of the Code of Conduct for Authorised Insurance Representatives?

33. Code of Conduct for Financial Advisors

It is proposed that the Code of Conduct for Financial Advisors replace the code issued, under the same name.

A copy of the current code can be found by following this link:

[Code of Conduct for Financial Advisors](#)

A copy of the proposed draft replacement document can be found by following this link:

[Code of Conduct for Financial Advisors](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the proposed Insurance Intermediaries Rules, 2021.

Do you have any comments on the proposed re-issue of the Code of Conduct for Financial Advisors?

34. Guidance on Disclosure under the Authorised Insurance Representatives (AIR) Code

It is proposed that the Guidance on Disclosure under the AIR Code replace the guidance document issued, under the same name, in 2015.

A copy of the current guidance document can be found by following this link:

[Guidance on Disclosure under the AIR Code](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance on Disclosure under the AIR Code](#)

Noteworthy amendments

- The document is no longer in the format of a letter. Minor text changes were made to accommodate this.
- References have been amended to the equivalent provisions of the proposed Insurance Intermediaries Rules, 2021.

Do you have any comments on the proposed re-issue of the Guidance on Disclosure under the AIR Code?

35. Guidance Note on Training and Competency Schemes

It is proposed that the Guidance Note on Training and Competency Schemes replace the guidance document issued, under the same name.

A copy of the current guidance document can be found by following this link:

[Guidance Note on Training and Competency Schemes](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note on Training and Competency Schemes](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.
- References have been amended to the equivalent provisions of the proposed Insurance Intermediaries Rules, 2021 and the Licensee's (Conduct of Business) Rules, 2021.

Do you have any comments on the proposed re-issue of the Guidance Note on Training and Competency Schemes?

36. Guernsey Financial Services Commission Code of Practice for Banks

It is proposed that the Guernsey Financial Services Commission Code of Practice for Banks replace the code issued, under the same name, in 2003.

A copy of the current code can be found by following this link:

[Guernsey Financial Services Commission Code of Practice for Banks](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guernsey Financial Services Commission Code of Practice for Banks](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of the Guernsey Financial Services Commission Code of Practice for Banks?

37. Principles for the Management of Credit Risk

It is proposed that the Principles for the Management of Credit Risk replace the codes issued, under the same name, in 2003.

A copy of the current guidance document can be found by following this link:

[Principles for the Management of Credit Risk](#)

A copy of the proposed draft replacement document can be found by following this link:

[Principles for the Management of Credit Risk](#)

Noteworthy amendments

- The document is no longer in the format of a letter. Minor text changes were made to accommodate this.
- The section on Large Exposures was removed as it has been superseded.

Do you have any comments on the proposed re-issue of the Principles for the Management of Credit Risk?

38. Guidance on Liquidity Risk Management

It is proposed that the Guidance on Liquidity Risk Management replace the guidance document issued, under the same name, in 2017.

A copy of the current guidance document can be found by following this link:

[Guidance on Liquidity Risk Management](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance on Liquidity Risk Management](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of the Guidance on Liquidity Risk Management?

39. Guidance Note on Bank Auditors' reports on Guernsey Financial Services Commission returns used for Prudential Purposes

It is proposed that the Guidance Note on Bank Auditors' reports on Guernsey Financial Services Commission returns used for Prudential Purposes replace the guidance document issued, under the same name, in 2008.

A copy of the current guidance document can be found by following this link:

[Guidance Note on Bank Auditors' reports on Guernsey Financial Services Commission returns used for Prudential Purposes](#)

A copy of the proposed draft replacement document can be found by following this link:

[Guidance Note on Bank Auditors' reports on Guernsey Financial Services Commission returns used for Prudential Purposes](#)

Noteworthy amendments

- References have been amended to the equivalent provisions of the New and Amended Laws.

Do you have any comments on the proposed re-issue of the Guidance Note on Bank Auditors' reports on Guernsey Financial Services Commission returns used for Prudential Purposes?

APPENDIX 1

The following list sets out all of the Codes and Guidance Documents within the scope of this consultation paper.

Codes
Code of Conduct for Authorised Insurance Representatives (from 1/4/2017)
Code of Conduct for Financial Advisers
Code of Corporate Governance
Code of Market Conduct
Code of Practice for Branch Operations
Code of Practice for Insurance Intermediary Applicants and Licensees Conducting Business from within the Bailiwick of Guernsey
Guernsey Financial Services Commission Code of Practice for Banks
Principles for the Management of Credit Risk
Principles of Conduct of Finance Business
Guidance Documents
Applications/Notifications in respect of Manager-Led Product
Article 36 of AIFMD - Depositary Requirements Guidance Notes Post-Consultation
Change of Designated Person Guidance
Custodians of Open-Ended Collective Investment Schemes with Indirectly Held Assets - Guidance Note
Fit and Proper Guidance
Guidance for Entities Acting in Respect of Qualifying Investor Funds or Registered Closed Ended Investment Funds- 12th June 2020
Guidance in respect of requesting disclosure derogation under FRS 103
Guidance Note for International Life and Pensions Insurers
Guidance Note for Licensed Insurers on Category 6 – Non-Special Purposes Insurers- 3rd August 2018
Guidance Note for Licensed Insurers on Change of Majority Shareholder Controller- 3rd August 2018
Guidance Note for Licensed Insurers on Outsourcing - 12th July 2018
Guidance Note for Licensed Insurers on Reinsurance and Other Forms of Risk Transfer - 3rd August 2018
Guidance Note for Licensed Insurers on Resilience Testing
Guidance Note for Licensed Insurers on Unit Linked Pricing

Guidance Note on Actuarial Valuations
Guidance Note on Insurance Fraud - 18th October 2018
Guidance Note on Internal Models
Guidance Note on Licensed Insurers' Own Solvency Assessment- 3rd August 2018
Guidance Note on Notifications of New Directors, Controllers and Partners of Licensees Under Section 28A of The Protection of Investors (Bailiwick of Guernsey) Law, 1987
Guidance Note on Private Trust Companies
Guidance Note on Producer Owned (Re)Insurance Companies
Guidance Note on Registered Collective Investment Schemes
Guidance note on Special Purpose Insurers - 9th December 2016
Guidance Note on Supervisory Ladder of Intervention
Guidance Note on the Completion and Submission of Annual Returns - 18th December 2019
Guidance Note on the Independence of Managers and Trustees of Class A Collective Investment Schemes
Guidance Note on The Licensees (Capital Adequacy) Rules 2010
Guidance Note on the Outsourcing of Functions by Entities Licensed Under The Protection of Investors (Bailiwick of Guernsey) Law, 1987
Guidance Note on Training and Competency Schemes- 5th December 2016
Guidance Note on Up Streaming and Transparency
Guidance Note on Bank Auditors' reports on Guernsey Financial Services Commission returns used for Prudential Purposes
Guidance Notes For Completion Of Investment Audited Financial Statements and Compliance Returns (Licensee) – FORM 142 - 17th December 2018
Guidance Notes on Actuarial Requirements and Standards
Guidance on disclosure under the AIR Code
Guidance on Liquidity Risk Management
Guidance on the Annual Compliance Form for Banks
Guidance on notifications required from Licensed Insurers
Guidelines to Banks and their Auditors
Guidelines to banks and their auditors issued under s1 (b) (ii) of the Banking Supervision (Accounts) Rules, 1994
Hedge Funds - Flexible Approach to Authorisation Policy
Large Exposure Policy
Legal Risk Guidance Note for Banks
Note on company formation
Note on managed trust company relationships

Outsourcing Risk Guidance Note for Banks
Pillar 2 Add-on Guidance - 27th February 2017
Pricing controls in respect of Open Ended Collective Investment Schemes
Principles of Conduct of Derivatives Business
Private Investment Fund - Guidance Note - 20th April 2021
QIF Guidance Note
Registered Office Guidance - 21st June 2018
The Licensees (Conduct of Business) Rules 2009 - Guidance Note - March 2010
Guidance Notes for 124, Fiduciary Annual Return Full Fiduciary
Guidance Notes Form 127 – Pension Scheme or Gratuity Scheme Annual Return