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Irish Funds Industry Welcomes New Law to Enhance the Efficiency of Fund Re-Domiciliation to Ireland

Dublin, 21st December 2009: The Irish Funds Industry Association (IFIA) has today announced that it welcomes the new legislation passed by Seanad Éireann - the upper house of the Irish parliament – on Friday, 18th December 2009. The Companies (Miscellaneous Provisions) Act 2009 will enable investment funds to re-domicile to Ireland simply and efficiently.

The new legislation provides a clear framework designed to address and minimise the challenges currently experienced when re-domiciling a fund. The legislation has been drafted to specifically allow a fund structured as a corporate entity in another domicile to re-register in Ireland with its original corporate identity retained, ensuring continuity of activity and continuation of arrangements.

In addition, the legislation simplifies the considerations involved when re-domiciling. These include the ability to re-domicile a fund at a single meeting of shareholders in the jurisdiction from which the fund is seeking to move; and a single filing of registration documentation with the Companies Registration Office in Ireland to include a statutory declaration from a director of the company. The simplified process should thus reduce the burden and cost of re-domiciling by eliminating unnecessary shareholder meetings, notary declarations, certificates and reports.

Responding to the immediate need for a simple and efficient legislative process and to shorten the time frame for the enactment of primary legislation, the legislative provisions were included in the Companies (Miscellaneous Provisions) Bill 2009 as amendments to the Bill.

The new legislative framework was prepared with the involvement of all relevant agencies and authorities including: the Dept of Enterprise Trade and Employment, the Department of Finance, the Financial Regulator, the Companies Registration Office and the Revenue Commissioners. This co-ordinated approach has ensured that the corporate re-registration will take place simultaneously with the authorisation of the investment company by the Financial Regulator so that the re-domiciled company can benefit immediately from Ireland's tax regime for investment funds.

Welcoming the new legislation, the Tánaiste and Minister for Enterprise, Trade and Employment, Ms. Mary Coughlan, T.D., said,

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“The investment funds industry in Ireland has gained international recognition and prospered by fostering an environment of openness, transparency and regulation. As investment funds seek to re-establish themselves in regulated European jurisdictions, it is highly appropriate that we enable them to do so by ensuring our legislative framework is as efficient as possible. The Government is very aware of the importance of the legal framework for the investment funds industry and is committed to its continued development, as this important industry evolves and grows in Ireland”.

Michael Jackson, Chairman of the IFIA commented:

With a robust, well-understood, common law legal infrastructure and unparalleled expertise and experience in sophisticated fund structures and strategies, Ireland has always offered significant advantages for asset managers seeking a regulated jurisdiction for their funds. Now with further enhancement, through efficiencies to legal framework, Ireland is continuing to add to its reputation as the place “to do business” for the international funds industry.

Gary Palmer, Chief Executive of the IFIA commented:

While legislation has existed to facilitate fund re-domiciling, and indeed there are many examples of funds that have re-domiciled, it was generally agreed that a modern and specific legislative framework was needed. Achieving the stated objective of providing a clear and simple framework for the re-domiciliation of investment funds will add further efficiencies for the benefit of both investors and industry alike.

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Note to Editors:

The Irish Funds Industry Association (IFIA) is the representative body of the international investment funds community in Ireland, representing the administrators, custodian banks, managers, transfer agents, fund promoters and professional advisory firms involved in the international fund services industry in Ireland.

The IFIA's 76 members and 24 associate members are responsible for in excess of 10,700 funds with a net asset value of over Euro 1.35 trillion. The objective of the IFIA is to support and complement the development of the international funds industry in

Ireland, ensuring Ireland continues to be a location of choice for the domiciling and servicing of investment funds.

Over the last 20 years Ireland has become a premier jurisdiction for fund managers establishing regulated investment products for distribution in the global marketplace. In recent years Ireland has been the fastest growing international fund administration centre and boasts the largest hedge fund administration centre in the world. Ireland is also a leading European domicile for money market funds and exchange traded funds, as well as the world's premier jurisdiction for the stock exchange listing of investment funds.

International investment managers are attracted to Ireland due to its open, transparent and regulated investment environment, its strong emphasis on investor protection and its home based tax structure.

Over 350 fund promoters from across the globe have used Ireland to set up regulated investment funds distributed to shareholders throughout the world. Fund promoters can rely on expert service supported by 12,000 skilled employees across the entire service provider community, including fund administrators, trustees, legal advisers, auditors, tax advisers, compliance, listing and other industry specialists.

For further information about the IFIA, please visit www.irishfunds.ie