

Crown your wealth

Based in Guernsey, Momentum Wealth International operates a truly offshore platform, offering investment and insurance products to clients in South Africa and the Middle and Far East. *Blue Chip* speaks to managing director Robert Rhodes about investing in Guernsey.

Robert, please provide an overview of Momentum Wealth International.

Our platform is open architecture, multi-asset class and multi-currency so that clients can access well over 1 000 funds, exchange traded funds (ETFs) and a wide range of globally listed shares. In addition to our offshore platform, Momentum Wealth International (MWI) operates a fund structure for our own and third-party South African fund managers with more than US\$1-billion in assets under management.

What is Momentum Wealth International's expertise?

Like our parent Momentum, the power of partnership is embedded in MWI's DNA.

Partnerships with financial advisors. With us, investing is personal and we believe that financial advisors play a pivotal role in helping clients achieve their financial goals – we look for long-term partnerships with financial advisors and discretionary fund managers (DFMs).

Partnerships with service providers. We have partnered with some of the world's most respected financial institutions to deliver a compelling proposition, such as Citibank and Northern Trust, and through our partnership with the platform technology provider FNZ we will develop an even better 21st-century technology-driven investment proposition for clients.

Momentum Wealth International is governed by Guernsey laws, which is one of the world's premier international financial services centres. Please tell us about the regulatory regime for financial services in Guernsey.

Guernsey prides itself on the strength of the regulatory environment. MWI is regulated by the Guernsey Financial Services Commission (GFSC). I have dealt with regulators in Europe, the Far East and Africa.

Perhaps it's a function of size or proximity, but my experience is that the GFSC is open-door, pragmatic and delivery-focused in its approach to regulation and the firms it supervises. That's not to say the GFSC is a soft touch, far from it. The reputation of Guernsey as an international finance centre is at stake, and the GFSC is quick to combat any threat to this reputation.

And the style of regulation seems to work. Guernsey has achieved global respect as a well-regulated jurisdiction, from clients, other regulators and bodies such as the Financial Action Task Force (FATF) and the Organisation for Economic Co-operation and Development (OECD).

Guernsey legislature determines its own laws and raises its own taxes. Please elaborate.

Guernsey has cultivated a favourable legal, regulatory and tax environment in which innovation can thrive. As a British Crown Dependency, Guernsey has been independent and self-governing for more than 500 years (apart from a brief period in WW2 when it was occupied by German forces). Links to the UK are through the Crown rather than through Parliament – we have our own legislature, called the States of Guernsey, which determines our local laws, including taxation.

Why Guernsey for investment funds?

MWI has chosen to domicile the Momentum Mutual Fund ICC in Guernsey for reasons beyond its favourable regulatory and political environments.

The Guernsey fund regime is simple and flexible. Fund structures can have different levels of oversight ranging from fully authorised funds to private funds. Structures can have various legal forms, from unit trusts to corporate structures, such as our ICC, to limited partnerships.

There is a pool of top-quality, experienced and competent service providers. Many of these are global firms, and with the flexibility of Guernsey's regulations these companies can access the skills, systems and expertise in their broader groups.

Why should South Africans consider Guernsey for investment funds?

Many South African firms have chosen Guernsey as the ideal location to establish and grow an international presence.

The GFSC and the Financial Sector Conduct Authority (FSCA) in South Africa have had a long-standing, positive relationship. The Guernsey fund regime is well understood by the FSCA; many Guernsey funds are approved for distribution in South Africa. By domiciling funds in Guernsey, South African managers can also distribute globally. If you are looking to set up a fund structure that can be distributed in South Africa and globally, consider Guernsey. And if you're looking for a partner to provide access to global markets through a true offshore platform, or assist in establishing a fund for global distribution, consider MWI. ■



Robert Rhodes, Managing Director, Momentum Wealth International

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