

SECOND SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 5271 GIBRALTAR Thursday 18th December 2025

LEGAL NOTICE NO. 287 OF 2025

FINANCIAL SERVICES ACT 2019

FINANCIAL SERVICES (ALTERNATIVE INVESTMENT FUND MANAGERS) (AMENDMENT) REGULATIONS 2025

In exercise of the powers conferred on the Minister by section 620, 621 and 627 of the Financial Services Act 2019, the Minister has made these Regulations-

Title.

1. These Regulations may be cited as the Financial Services (Alternative Investment Fund Managers) (Amendment) Regulations 2025.

Commencement.

2. These Regulations come into operation on the day of publication.

Amendment of the AIFM Regulations.

3.(1) The Financial Services (Alternative Investment Fund Managers) Regulations 2020 are amended as follows.

(2) After regulation 39, insert-

“Tied agents

Obligations of AIFMs when appointing tied agents.

39A.(1) An AIFM to which regulation 12(4) applies may appoint one or more tied agents for the purposes of-

- (a) promoting the services of the AIFM to clients or prospective clients;
- (b) soliciting business from clients or prospective clients;
- (c) receiving and transmitting instructions or orders from clients in respect of investment services or financial instruments; or
- (d) providing advice to clients or prospective clients in respect of those financial instruments or services.

(2) An AIFM may only appoint a tied agent who is entered on the GFSC Register as a tied agent.

- (3) An AIFM which appoints a tied agent must–
- (a) accept full and unconditional responsibility in writing for any act or omission of the tied agent when carrying on an activity within sub-regulation (1) to which the tied agent’s appointment relates (the “relevant business”);
 - (b) ensure that the tied agent is of sufficiently good repute and possesses appropriate general, commercial and professional knowledge so as to be able to carry on relevant business on the AIFM’s behalf;
 - (c) monitor the activities of the tied agent so as to ensure that, when the AIFM is acting through the tied agent, the AIFM continues to comply with provisions contained in or made under the Act;
 - (d) take adequate measures to prevent any other activities of the tied agent having a negative impact on the relevant business carried out by the tied agent on the AIFM’s behalf; and
 - (e) ensure that the tied agent discloses the capacity in which the tied agent is acting, and the AIFM which the tied agent is representing, when contacting or before dealing with any client or potential client.
- (4) Where an AIFM which has a UK market access right appoints a tied agent in accordance with this regulation–
- (a) the AIFM must not carry on a regulated activity in the United Kingdom on the basis of that UK market access right by acting through the tied agent; and
 - (b) the tied agent must not carry on a regulated activity in the United Kingdom on the basis of that UK market access right.
- (5) In sub-regulation (4), “UK market access right” means a deemed passporting right to operate in the United Kingdom provided by the Financial Services (Passport Rights and Transitional Provisions) (EU Exit) Regulations 2020 and the corresponding law of the United Kingdom.

Obligations of tied agent.

39B.(1) A tied agent may only act for, and under the full and unconditional responsibility of, one AIFM.

- (2) A tied agent must not–
- (a) represent other counterparties; or

- (b) hold client money or financial instruments belonging to clients.

Responsibility of AIFM for tied agent.

- 39C.(1) Where an AIFM appoints a tied agent, the AIFM remains fully and unconditionally responsible for any act or omission of the tied agent when acting on the AIFM's behalf.
- (2) In determining whether an AIFM has complied with any provision referred to in regulation 39A(3)(c), anything which a relevant person has done or omitted in respect to business for which the AIFM has accepted responsibility is to be treated as having been done or omitted by the AIFM.
 - (3) In sub-regulation (2), the reference to a "relevant person" is to a person who at the material time is or was a tied agent of the AIFM, appointed in accordance with regulation 39A(1).
 - (4) Nothing in sub-regulation (3) is to cause the knowledge or intentions of a tied agent to be attributed to the AIFM for the purposes of determining whether the AIFM has committed an offence, unless in all the circumstances it is reasonable for them to be attributed to the AIFM.

Registration of tied agents.

- 39D.(1) An application for the registration of a tied agent in the GFSC Register—
- (a) may only be made by the AIFM that proposes to appoint the person named in the application as its tied agent; and
 - (b) must—
 - (i) be made in the form and manner that the GFSC may direct; and
 - (ii) contain or be supported by any information that the GFSC may require for the purpose of determining the application.
- (2) The GFSC may only admit a person to the Register if the GFSC is satisfied that the person—
- (a) is of sufficiently good repute; and
 - (b) possesses the general, commercial and professional knowledge and competence so as to be able to—
 - (i) carry on the relevant business; and
 - (ii) communicate accurately all relevant information regarding the proposed business to clients or potential clients.

- (3) If the GFSC proposes to admit a person to the Register it must give written notice to the person and to the AIFM concerned.
- (4) If the GFSC–
 - (a) proposes to refuse a registration application, it must give a warning notice to the person and to the AIFM concerned; or
 - (b) decides to refuse a registration application, it must give a decision notice to the person and to the AIFM concerned.
- (5) The GFSC may revoke a tied agent’s registration where–
 - (a) the tied agent–
 - (i) does not make use of the registration within 12 months, expressly renounces the registration or has not provided any activity for the preceding six months;
 - (ii) has obtained the registration by making false statements or by any other irregular means;
 - (iii) no longer meets the conditions under which registration was granted; or
 - (iv) has seriously and systematically infringed the Act, these Regulations or any other regulations made under the Act; or
 - (b) the AIFM which appointed the tied agent terminates that relationship and notifies the GFSC that it has done so.
- (6) If the GFSC–
 - (a) proposes to revoke a tied agent’s registration, it must give a warning notice to the tied agent and the AIFM for which the tied agent acts; or
 - (b) decides to revoke a tied agent’s registration, it must give a decision notice to the tied agent and the AIFM for which the tied agent acts.

Supervision of tied agents.

39E. The GFSC may supervise compliance by tied agents with provisions contained in or made under the Act–

- (a) directly; or
- (b) as part of the supervision of the AIFM for which the tied agent acts.”.

Dated: 18th December 2025.

N FEETHAM KC
Minister with responsibility for financial services

EXPLANATORY MEMORANDUM

These Regulations amend the Financial Services (Alternative Investment Fund Managers) Regulations 2020, to enable Alternative Investment Fund Managers to appoint tied agents who are registered by the GFSC.