

**Client:** Dillon Eustace  
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## Cayman unit trust's Irish move

By Sophia Grene

The first Cayman unit trust to move to Ireland has been given clearance by the Central Bank of Ireland to re-domicile itself in the jurisdiction. The move was made in response to investor demand.

"Everything is investor-driven," said Brian Dillon, a partner at Dillon Eustace, the Irish law firm that advised on the transaction. "This particular example was in direct response to a desire of a significant investor in the fund."

Ireland's financial regulators have passed legislation to make it easier for funds to come onshore in order to exploit what is expected to be a growing trend. This is likely to be driven by increased appetite among investors for regulated vehicles, combined with uncertainty about the impact of the Alternative Investment Fund Managers directive.

"There's an enormous amount of interest from clients," said Mr Dillon. "All of the various Irish fund industry participants have had a lot of queries about

bringing funds onshore."

The fund, which has not been identified, is to become an Irish qualifying investor fund, the least regulated of the fund vehicles available in the jurisdiction. Recent legislation reduced the minimum investment in a QIF to €100,000 from €250,000, bringing it in line with professional investor funds, which Mr Dillon expects to fall into disuse as a result.

The news came as it emerged that BlueCrest Capital, Europe's third-largest hedge fund manager, is

shutting its only onshore Ucits fund, a version of its \$9bn offshore BlueTrend managed futures strategy, dealing a rare blow to the push towards more onshore structures.

However, BlueCrest is not turning its back completely on the onshore fund format.

It is believed the manager is poised to convert its offshore Luxembourg-based Alignment Global fixed income fund into a Ucits vehicle. The fund's more plain vanilla approach is viewed as more compatible with the Ucits rules.