



Consultation Paper:

Repeal of the control of borrowing framework

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1. Foreword

1.1 Financial Services Competitiveness Programme

- 1.1.1 In April this year, the Government of Jersey (**Government**) announced its Financial Services Competitiveness Programme, a major strategic initiative aimed at strengthening Jersey's position as a globally attractive and forward-looking International Finance Centre (**IFC**).
- 1.1.2 This comprehensive programme is designed to support and enhance Jersey's financial and related professional services (**FRPS**) sector – the Island's largest employer and the most significant contributor to tax revenues that fund public services. It brings together several Government departments, the Jersey Financial Services Commission (**JFSC**), Jersey Finance Limited (**JFL**), Digital Jersey, and representatives from across the FRPS sector.
- 1.1.3 The programme is designed to deliver clear, actionable recommendations focused on improving Jersey's regulatory and business environment, enhancing its global positioning, and preparing the sector for future opportunities and challenges.
- 1.1.4 The first phase is focussed on quick impact improvements to Jersey's business and regulatory environment that will make positive changes to improve the ease of doing business and help maintain and grow the Island's FRPS sector as it competes in the market today.
- 1.1.5 As recent global economic volatility has demonstrated, it is more important than ever that Jersey invests in optimising its business and regulatory environment to increase its competitive edge.

1.2 Reforms to the Control of Borrowing Framework

- 1.2.1 Between February and May this year the FRPS Directorate, Department for the Economy, working closely with the JFSC, consulted with over 200 individuals from across stakeholder groups. This work collated almost 250 ideas that will achieve the goals set out in the first phase of the financial services competitiveness programme.
- 1.2.2 One of the most frequently raised and impactful suggestions was the need to fundamentally reform Jersey's Control of Borrowing (**COB**) Framework. While the COB Framework currently serves as a gatekeeping mechanism, stakeholders highlighted its limitations as a modern regulatory tool.
- 1.2.3 This consultation paper outlines the concerns raised with the COB Framework, as well as the potential risks and benefits of reform. At its core is an ambitious proposal to repeal the COB Framework within two years, while ensuring that essential gatekeeping powers are retained in a clear and proportionate manner within the broader legal and regulatory framework.

1.3 Call for input

- 1.3.1 The COB Framework, in place since 1947, is a key component of the JFSC's operations. The proposed reforms will have significant implications for both the JFSC and its service users. We therefore encourage all affected parties to review the proposals carefully, consider the potential impact on their businesses, and provide feedback.
- 1.3.2 This consultation is necessarily quite detailed, as reforming such a long running framework requires careful and detailed consideration. We are confident the long-term simplification that will result merits careful analysis at this stage and we are grateful for your input which is vital to ensure the final outcome meets the needs of all stakeholders.

Deputy Ian Gorst

Minister for Financial Services

July 2025

2. Introduction

2.1 Overview

- 2.1.1 It is proposed to replace the Control of Borrowing (Jersey) Law 1947 (**COBL**) and the Control of Borrowing (Jersey) Order 1958 (**COBO**, together **COB Framework**) – originally conceived as a capital controls regime – with a modern, proportionate, and internationally aligned gatekeeping framework that empowers the Jersey Financial Services Commission (**JFSC**) in its capacity as administrator of relevant laws to act decisively while reducing administrative friction.
- 2.1.2 Originally implemented to safeguard economic stability and ensure oversight of capital-raising activities the COB Framework now overlaps significantly with modern regulatory tools and product laws.
- 2.1.3 It is important to note that COB Framework provides the JFSC with the power to refuse applications under product laws on specified grounds and it would be detrimental to Jersey were these powers not to be maintained in a streamlined form – put simply: **authorities in Jersey must be able to refuse an application on reasonable grounds.**
- 2.1.4 There is a significant opportunity to streamline and clarify these powers such that the anachronistic overlay that the COB Framework currently provides is eliminated. Guernsey repealed their COB Framework equivalent 17 years ago.
- 2.1.5 In particular, it is proposed ongoing conditions on registrants under COBO (**COBO Conditions**) are to be retired. Where such post-registration conditions may be necessary these will be addressed explicitly by Jersey's modern **regulatory laws** which are designed to impose such conditions and would be transparently enforceable if breached.
- 2.1.6 To achieve the above it is proposed to:
 - 2.1.6.1. Repeal the COB Framework;
 - 2.1.6.2. Make consequential amendments to laws which cross-refer to the COB Framework; and
 - 2.1.6.3. Make targeted additions to the product laws that currently require consent under COBO (**COBO Consent**) to preserve the JFSC's ability to refuse applications for registration on reasonable grounds.
- 2.1.7 In addition, the consultation considers potential approaches to ensure that certain relevant products continue to be subject to proportionate oversight, which might feature:
 - 2.1.7.1. The making of regulations to establish a new class of financial services business under the Financial Services (Jersey) Law 1998 (**FSL**) to provide for continued oversight of certain fund products that have historically relied on the COB Framework to demonstrate their status as having been given consent by the JFSC; and
 - 2.1.7.2. Ensuring that ongoing oversight of certain digital products is achieved via the JFSC's existing powers under the FSL.
- 2.1.8 The JFSC and Government will also work to simplify the approach to administrative decision making in respect of registrations. This approach is currently set out in the Sound Business Practice Policy (**SBPP**) which may be streamlined or removed in order to support a more focussed risk-based approach.
- 2.1.9 It is intended that all entities holding a COBO Consent at the time of repeal will retain good standing, with no action required on their part.
- 2.1.10 Repealing the COB framework will take time but is long overdue and necessary.

2.2 Principles for reform

- 2.2.1 Throughout this consultation, the overarching intent is to achieve the proposed reforms in a way that ensures:
 - 2.2.1.1. A modern, proportionate, and internationally aligned gatekeeping framework;
 - 2.2.1.2. Authorities in Jersey are able to refuse an application on reasonable grounds;

2.2.1.3. Relevant conditions are clearly set out in the regulatory laws with breaches subject to appropriate supervisory action through those laws; and

2.2.1.4. All entities holding a current consent will retain good standing post-reform.

2.3 Visual overview

2.3.1 The diagrams below illustrate the COB Framework's interdependencies with Jersey's wider legal framework. Each node represents a law that refers to or relies upon COBL or COBO.

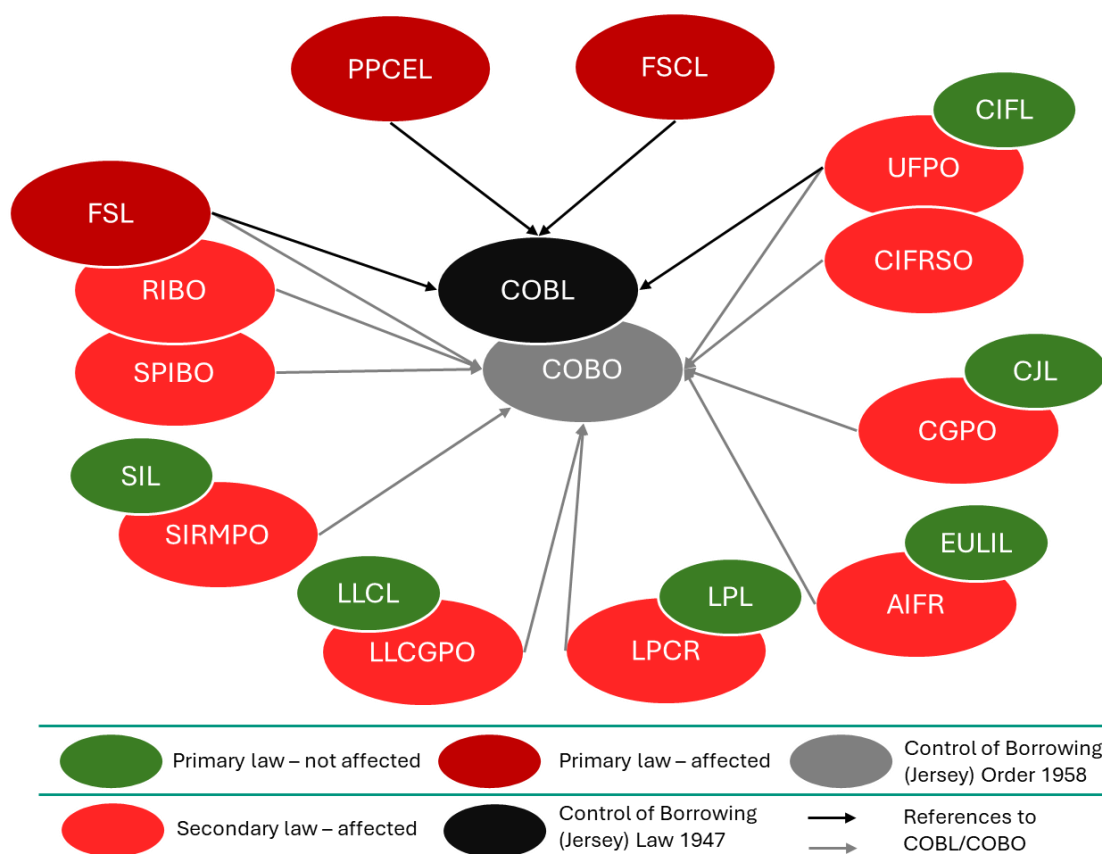
2.3.1.1. Red nodes indicate laws that would require amendment to achieve the withdrawal of the COB Framework within the proposed scheme for reform;

2.3.1.2. Green nodes are unaffected but are shown for contextual completeness; and

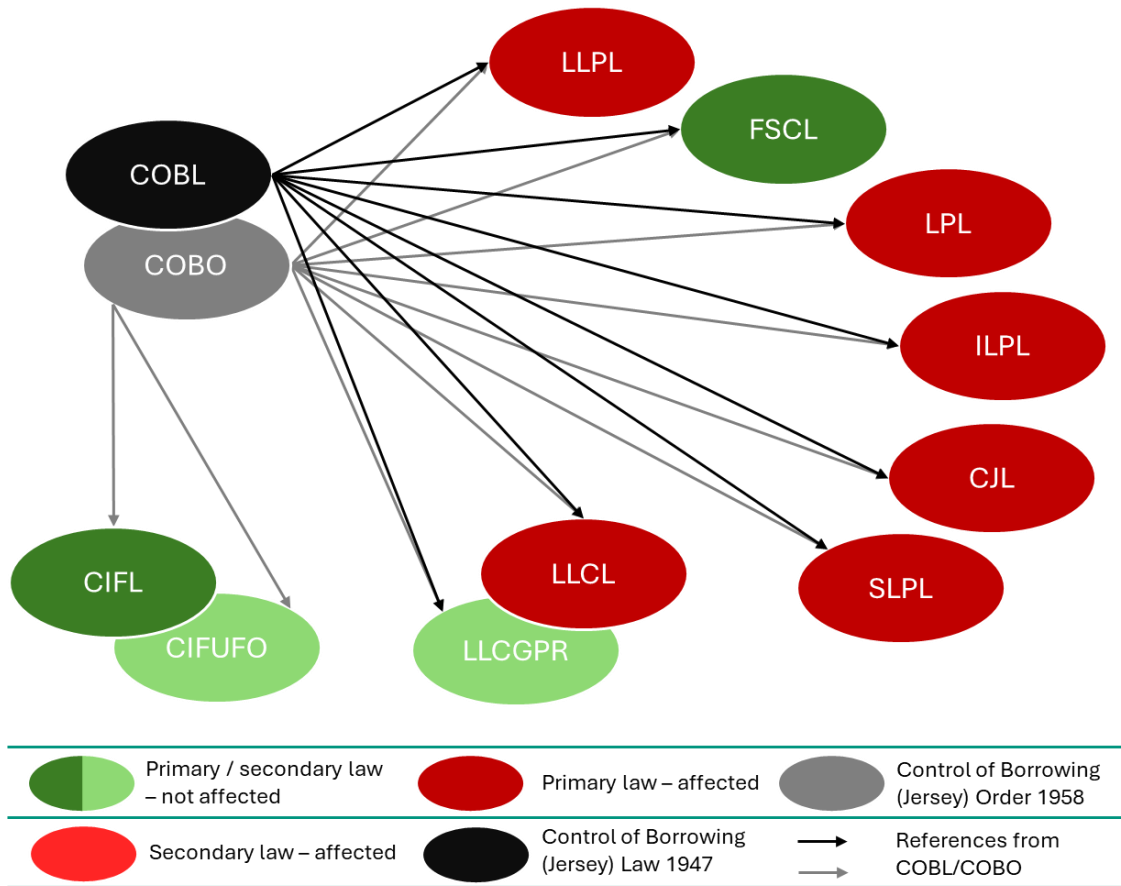
2.3.1.3. Black/grey nodes represent the core COB instruments.

2.3.2 These diagrams demonstrate the breadth of influence, and the structural reform required to ensure a coherent post-COB Framework landscape. The acronyms are set out in the Glossary (containing links to laws and other documents).

Laws referring to the COB Framework



Laws referred to by the COB Framework



2.4 Replacement of the COB Framework

2.4.1 The COB Framework would be replaced by the following:

- 2.4.1.1. All existing COBO Consents will no longer be required, and this will be clearly communicated to the holders of current COBO Consents.
- 2.4.1.2. Jersey Private Funds (JPF) and **legacy funds** will migrate into the new scheme under proportionate arrangements that are intended to preserve the existing oversight of these products. This might be by way of a new class of financial services business with ongoing oversight provided explicitly by powers equivalent to those in place for other classes of financial services business, tailored to ensure that existing and future JPF and legacy funds operate under the same conditions as they do today.
- 2.4.1.3. Entities involved in the issuance of certain digital products will migrate into the new scheme subject to the JFSC's determination of appropriate safeguards within its existing powers for the supervision of Trust Company Business (TCB) under the FSL.
- 2.4.1.4. The JFSC acting in its capacity as administrator of the product laws will retain power to properly determine applications under revised refusal powers within those laws.

2.4.2 This is summarised in the table below:

Element repealed	Replacement	Post consultation action owner
COBO Consent	> Explicit refusal power in the product laws	> Government to instruct law drafters
JPF Oversight	> Potential new class of financial services business under FSL with dedicated code of practice; or > Alternative measures achieving the same effect as today	> Government to instruct law drafters; and/or
Legacy funds oversight		> JFSC to consider and propose new Private Fund Services Business (PFSB) Code of Practice; or

		> Alternative approach determined through consultation process
Certain digital products	<ul style="list-style-type: none"> > Code of Practice for TCB (TCB Code) update, and > Virtual Asset Service Provider (VASP) regime under SBL where relevant 	<ul style="list-style-type: none"> > JFSC to consider and propose updates to TCB Code; or > Alternative approach determined through consultation process
Prospectus powers	Removed – product laws, regulatory laws, and FSL powers in respect of offers persist	> n/a
Unit trusts		
Securities issues		
Non-domiciled structures		

2.5 Collective effort

- 2.5.1 It must be acknowledged that there will be less scrutiny applied to all transactions than at present under the COB Framework with the focus shifting to risk-based scrutiny on registration with ongoing scrutiny under the regulatory laws where that is appropriate and provided for.
- 2.5.2 While the proposals reflect a maturing of practice, their effective implementation will require the combined effort of Government, Island Agencies (in particular the JFSC), and the FRPS Sector to collectively ensure that our high standards continue to be met as well as demonstrated on the international stage.
- 2.5.3 The ultimate policy decision to repeal the COB Framework rests with Government. However, it is recognised that there will be significant operational impacts on the JFSC's registry and central authorisations functions as well as more broadly across industry.
- 2.5.4 In light of this, while rapid pace is anticipated in moving towards the law drafting required to enact legislative change, care will be required in developing achievable transitional arrangements. Government and the JFSC are committed to working in partnership to deliver these significant reforms in a way which maximises the benefits for Jersey.

3. Consultation approach

3.1 Objectives

- 3.1.1 The intent of this consultation paper is to ensure all stakeholders understand the rationale, scope, and impact of the proposed repeal and have opportunities to respond to this consultation as well as future developments.
- 3.1.2 In addition, it is intended to provide clarity and reassurance to entities holding COBO Consents that will support a smooth transition to the proposed revised framework.

3.2 Timeline

- 3.2.1 The timeline below illustrates what the overall programme of work might look like:



3.3 Stakeholders

- 3.3.1 The following table illustrates key stakeholders who will be engaged with during the consultation process:

Group	Representative Bodies
Courts of Jersey	> Judicial Greffe
Fund Services Business (FSB)	> Jersey Funds Association (JFA)
Government Departments	> FRPS Policy leads
Investors and gatekeepers	> Jersey Finance Limited (JFL)
JFSC	> FRPS Policy leads
JFSC Staff	> JSFC Policy leads
Legal and professional advisers	> Law Society of Jersey (Law Society) > Jersey Society of Chartered and Certified Accountants (JSCCA)

Group	Representative Bodies
	<ul style="list-style-type: none"> > Fiscal Strategy Group (FSG) > Association of Restructuring and Insolvency Experts (ARIES)
Local individuals and non-regulated sector	<ul style="list-style-type: none"> > Jersey Chamber of Commerce (Chamber), > Institute of Directors, Jersey Branch (IOD)
Media and public	<ul style="list-style-type: none"> > Jersey Finance Limited (JFL) > Government
Other regulated firms	<ul style="list-style-type: none"> > JFL > Jersey Bankers Association (JBA) > Jersey Pensions Association (JPA) > Jersey Compliance Officers Association (JCOA) > Jersey Association of Estate Agents (JAEA)
Trust Company Business (TCB)	<ul style="list-style-type: none"> > Jersey Association of Trust Company Officers (JATCO) > Society of Trust and Estate Practitioners, Jersey Branch (STEP)

3.4 Additional consultation

- 3.4.1 Focussed and targeted engagement with representative bodies will continue after this consultation and throughout the reform process.
- 3.4.2 It should be acknowledged that formal consultation on the JFSC codes of practice is expected at the appropriate stage of delivery.

3.5 COB Working Group

- 3.5.1 During the consultation period a working group will be convened with members from Government, the JFSC, and Industry representative bodies (**COB Working Group**) to discuss matters within this consultation in detail. It is intended that the COB Working Group will continue after the consultation period to continue to engage on the matters within this consultation as they are developed further.
- 3.5.2 In addition to the legislative details, the COB Working Group will consider operational impacts, transitional arrangements, and further guidance required to support industry.

3.6 How to respond to the consultation

- 3.6.1 Government welcomes feedback on this consultation and is grateful for the support of the participants in the engagement sessions from February to May this year who have helped develop these proposals. Upon consideration of responses, draft legislation will be finalised for lodging in the autumn.
- 3.6.2 Questions have been listed at the end of the section to which they relate, and they are collated in 17 below.
- 3.6.3 You may respond in relation only to particular questions if you wish as we appreciate the COB Framework impacts different stakeholders in different ways.
- 3.6.4 You can respond:
- 3.6.4.1 online by going to: <https://www.gov.je/consultations>
 - 3.6.4.2 by email to: growthfs@gov.je with the subject line COB Framework Consultation
 - 3.6.4.3 in writing to: FAO Miguel Zaragoza, Department for the Economy, Union St, St Helier, Jersey JE2 3DN, Jersey
- 3.6.5 Jersey Finance will also be collating an industry response. These responses should be sent:
- 3.6.5.1 by email to Peggy.Gielen@jerseyfinance.je or
 - 3.6.5.2 in writing to: Peggy Gielen, Jersey Finance Limited, 4th Floor, Sir Walter Raleigh House, 48-50 Esplanade, St Helier, Jersey, JE2 3QB
- 3.6.6 Responses should be submitted no later than Tuesday 30 September 2025.

4. The COB Framework

4.1 Brief history

- 4.1.1 The COB Framework was introduced in the mid-20th Century following developments in the United Kingdom that created mechanisms to monitor capital raising activities which in large part were required to ensure the effective servicing of war debt.
- 4.1.2 Over the intervening decades the COB Framework was extended to become a mechanism that established broader powers to monitor all capital raising activity, and before the establishment of Jersey's modern regulatory regime from the late 1980's to the early 2000's, enabled authorities in Jersey to have a clear understanding of such activities as well as appropriate powers of intervention in the context of regulatory norms at the time.
- 4.1.3 In recent decades, the COB Framework has been superseded by modern regulatory laws that address specific risks across the FRPS sector and now serves as an overlay supporting certain gatekeeping activities within the product and regulatory laws, but overlapping with more modern and explicit powers in those laws. The COB Framework currently creates duplication and brings inefficiencies.

4.2 Gatekeeping power

- 4.2.1 The COB Framework was designed as a transactional control mechanism – a gatekeeping tool – that currently enables the JSFC to grant or refuse COBO Consent across a broad range of transactions including:
 - 4.2.1.1. On the formation of legal persons and certain legal arrangements;
 - 4.2.1.2. The issuance of shares, securities, and other interests; and
 - 4.2.1.3. Borrowing and certain other forms of capital-raising.
- 4.2.2 Effectively this means that no in-scope transaction can lawfully proceed in or from within Jersey without the entity undertaking that transaction having obtained COBO Consent.
- 4.2.3 Entities operating without COBO Consent can be found in breach of the COB Framework and may be subject to criminal sanction. As such, COBO is enforceable as a binary (Consent or No Consent) mechanism.
- 4.2.4 However, the COB Framework's binary gatekeeping function overlaps with the explicit provisions elsewhere within Jersey's product and regulatory laws and creates a complex overlay.

4.3 Current decision making

- 4.3.1 Article 2(3) of COBL provides that JFSC, when issuing COBO Consent, shall have regard to:
 - 4.3.1.1. The integrity of Jersey in commercial and financial matters;
 - 4.3.1.2. The best economic interests of Jersey; and
 - 4.3.1.3. For limited liability partnerships (**LLP**), the size of the LLP and the status of the applicant or consent holder must also be considered.
- 4.3.2 This provides a broad framework under which the JFSC may make decisions with regard to the issuance of COBO Consent. In practice this is achieved through the JFSC's application of the SBPP (see 8).
- 4.3.3 Article 12 of COBO provides that COBO Consents may be granted with COBO Conditions as follows:

12. Provisions as to consent of Commission

- (1) Any consent granted by the Commission under this Order –
 - (a) may be either general or special;
 - (b) may be revoked by the Commission;
 - (c) may be absolute or conditional; and
 - (d) may be limited so as to expire at the end of a specified period unless renewed.

4.3.4 This gives the JFSC flexibility in tailoring COBO Consent to specific circumstances.

4.4 Use of COBO Conditions

4.4.1 In practice, the JFSC attaches COBO Conditions to virtually all COBO Consents. However, while the COB Framework provides for criminal sanction in the event that a COBO Condition is breached it has not been employed in this way throughout its history.

4.4.2 Rather, the COB Framework is enforced solely in its gatekeeping capacity.

4.4.3 This situation is satisfactory in the context of Jersey's more modern regulatory architecture, and international regulatory norms, where explicit laws governing anti-financial crime, conduct of business, and prudential matters supersede the gateway tests applied to all entities.

4.5 Superseded by modern laws

4.5.1 Jersey's modern legal and regulatory framework includes anti-financial crime, conduct of business, prudential, taxation and economic substance requirements as well as controls within the product laws achieving the relevant ongoing controls for all entities registered under those laws.

4.5.2 In the case of entities that are subject to supervision by the JFSC, the relevant regulatory laws provide proportionate and explicit powers for the JFSC to carry on its important supervisory functions.

4.5.3 The maintenance of a conditioned consent regime across product laws is anachronistic and complex given that Jersey's modern regulatory framework provides the JFSC with clear statutory powers to impose conditions on regulated and supervised firms undertaking activity that is explicitly countenanced within those regulatory laws and their subordinate instruments:

4.5.3.1. Alternative Investment Funds (Jersey) Regulations 2012 (**AIFR**);

4.5.3.2. Banking Business (Jersey) Law 1991 (**BBL**);

4.5.3.3. Collective Investment Funds (Jersey) Law 1988 (**CIFL**);

4.5.3.4. Financial Services (Disclosure and Provision of Information) (Jersey) Law 2020 (**FSDPL**);

4.5.3.5. FSL;

4.5.3.6. Insurance Business (Jersey) Law 1996 (**Insurance Law**); and

4.5.3.7. Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 (**SBL**).

4.5.4 COBL does not contemplate supervisory powers – its purpose is as gatekeeping tool. As such, in repealing the COB Framework, mitigating controls are proposed for gatekeeping purposes only, and the wider legal and regulatory framework relied upon to manage risk on an ongoing basis where this is explicitly provided for.

4.6 Product laws requiring COBO consent

4.6.1 At present COBO enables the JFSC to refuse consent for applications made under product laws set out in the table below. In creating the statutory power of refusal within the product laws (see 6.2.2 below), the need for these COBO Consents would fall away.

Product law	COBO Consent
Companies (Jersey) Law 1991 (CJL)	<ul style="list-style-type: none"> > Article 2 (shares and members) > Article 4 (other securities) > Article 5 (continuance)
Incorporated Limited Partnerships (Jersey) Law 2011 (ILPL)	<ul style="list-style-type: none"> > Article 10
Limited Liability Companies (Jersey) Law 2018 (LLCL)	<ul style="list-style-type: none"> > Article 4A (other securities) > Article 11A (LLC interests)
Limited Liability Companies (General Provisions) (Jersey) Regulations 2022	<ul style="list-style-type: none"> > Article 5A (continuance)
Limited Liability Partnerships (Jersey) Law 2017 (LLPL)	<ul style="list-style-type: none"> > Article 11

Product law	COBO Consent
Limited Partnerships (Jersey) Law 1994 (LPL)	> Article 10
Limited Partnerships (Continuance) (Jersey) Regulations 2023 (LPCR)	> Article 10
Separate Limited Partnerships (Jersey) Law 2011 (SLPL)	> Article 10
Trusts (Jersey) Law 1984 (Trusts Law) (strictly limited to unit trusts, see 12 below)	> Article 9

4.7 Cultural legacy

- 4.7.1 There is broad consensus between stakeholders within Government, Island Agencies, and Industry that the COB Framework needs substantive reform. However, the COB Framework has been in operation for seventy-eight (78) years and features as a significant component of the operations of the JFSC's registry and central authorisations functions as well as island businesses – particularly in the regulated FRPS sector.
- 4.7.2 The transition away from the COB Framework is not only legal – it is cultural too. Under the proposed scheme, applicants (whether local individuals or Trust Company Businesses (**TCB**)) will no longer be able to rely on the JFSC for transactional pre-clearance or condition-setting as a form of comfort.
- 4.7.3 At present the operation of the COB Framework means that there is detailed scrutiny of all transactions requiring COBO Consent by the JFSC and the proposals mean that the JFSC may be exposed to criticism should the revised regime lead to abuse by participants.
- 4.7.4 This change reflects a shift from a compliance-by-negotiation culture to one based on clear thresholds, and risk-based responsibility. Equally, the JFSC will need to adjust to an approvals model in which it no longer sets pre-consent conditions, and instead:
- 4.7.4.1. Exercises administrative discretion based on clear legal parameters designed for the relevant purpose;
 - 4.7.4.2. Refuses applications only where justified on legal or clearly articulated risk-based grounds;
 - 4.7.4.3. Relies on Jersey's wider supervisory and enforcement framework to manage risk after registration.
- 4.7.5 This is a maturing of practice – one that mirrors international best practice – toward placing the burden of compliance on the applicant, and the burden of enforcement on the regulator, rather than relying on a middle-ground of bespoke conditionality.

4.8 Need for transitional care

- 4.8.1 Adapting to the post-COB Framework is a significant undertaking for all stakeholders requiring careful coordination and ample time to transition to the new scheme. During this transition, further consultation and proactive engagement including training will be required to ensure consistent application for all stakeholders.
- 4.8.2 The JFSC will need to update internal workflows, decision trees, registry and central authorisation process flows to align with the proposed power for refusals set out at 7 below and a possible approach to a revised SBPP set out at 8 below.
- 4.8.3 Current holders of COBO Consent will need clarity on their ongoing good standing as the transition away from the COB Framework is implemented.
- 4.8.4 The potential arrangements in respect of JPF and legacy funds at 9 below and in respect of certain digital products at 10 below will require careful consideration and ongoing consultation with the FRPS sector to ensure due consideration is demonstrated and the operational aspects of the proposed scheme are implemented effectively.
- 4.8.5 In addition to written policies and procedures, many service providers have built internal systems (for example via the Registry API) that will also require targeted amendments and testing to ensure they function properly after the reforms are made.

4.8.6 It is also acknowledged that a significant number of JFSC forms, guidance and policies documents that rely on or refer to the COB Framework will each need to be carefully reviewed and amended.

4.9 Power to revoke

4.9.1 As described in 7.2 below it should be acknowledged that the power to revoke COBO Consent is provided for under the COB Framework. However, this is not a power that is exercised in practice.

4.9.2 Ensuring that the JFSC has power to ensure ongoing adherence to conditions of registration is a logical extension to the proposed scheme, yet the existing mechanism for the exercise of such power is intrinsically linked to applications being made to the Royal Court.

4.9.3 In light of this intrinsic link, which ensures judicial oversight of significant administrative decisions, it is recommended that this be preserved. In arriving at this position, it is further acknowledged that where there is a regulatory nexus, the JFSC has broader powers that enable it to act in its supervisory (rather than administrative) capacity without referral to the Court – of course with the Court being the ultimate body to which appeals may be made.

4.10 The scheme

4.10.1 As set out in the following sections, the proposed scheme seeks to ensure that the JFSC retains its ability to refuse applications but strips the power to set COBO Conditions.

4.10.2 To address cases where COBO Conditions are in place that serve genuine commercial purposes, it is recommended that explicit provisions are introduced to enable continuity in ongoing oversight for both the JFSC and holders of existing COBO Consent. This might be achieved via:

4.10.2.1. The creation of a new class of financial services business to accommodate certain private fund arrangements; and

4.10.2.2. Use of the JFSC's existing powers to supervise regulated firms that provide services to certain entities involved in the issue of digital assets.

A. Consultation Questions: Overall Scheme

- 1) Do you support the proposal to repeal the COB Framework in its entirety? Please indicate how the proposal will affect your business and your clients.
- 2) Do you foresee any gaps or unintended consequences arising from the proposals that are not addressed within the consultation?

5. Legal and regulatory powers

5.1 Schedule to COBL

5.1.1 COBL's Schedule includes:

- 5.1.1.1. Investigatory powers for the JFSC to compel information and documents;
- 5.1.1.2. Search and seizure powers where the Bailiff grants a warrant;
- 5.1.1.3. Criminal sanctions for non-compliance, including failure to provide information or documents;
- 5.1.1.4. Offences related to false or misleading statements, obstruction, or non-compliance with COBO conditions;
- 5.1.1.5. Vicarious liability for directors, managers, and others in control of corporate bodies; and
- 5.1.1.6. Aiding and abetting provisions extending liability to third parties.

5.1.2 These provisions are substantive in scope and establish criminal liability for a range of misconduct offences. However, as within section 4 above the powers established under the COB Framework are only used in practice for gatekeeping purposes.

5.2 Misalignment or gaps in powers

5.2.1 Repealing COBL would eliminate these investigatory and enforcement provisions. However, their repeal would not appear to weaken Jersey's enforcement capabilities. On the contrary, these powers are duplicated and more clearly articulated in the regulatory and product laws.

5.2.2 For example:

- 5.2.2.1. FSDPL provides for offences relating to the provision of false and misleading information applicable to all registry users in respect of entries on the public register on an ongoing basis; and
- 5.2.2.2. CJL and LLCL provide explicit powers for warrants to be issued.

5.2.3 Where a TCB is involved (all cases where a local individual is not registering an entity) the JFSC's powers under the FSL are substantive and reflective of modern regulatory best practices.

5.2.4 There are no apparent enforcement gaps if the COBL Schedule is repealed provided the JFSC's gatekeeping powers are firmly established in line with the scheme set out at 7 below.

5.2.5 Transitional provisions should preserve limited investigatory powers during the defined transitional period and any existing investigations initiated under COBL (if any) should be provided with a mechanism to ensure their completion in order to avoid procedural collapse.

5.3 Need for repeal

5.3.1 COBL's Schedule reflects a mid-20th century enforcement model that is no longer required. The provisions sit uncomfortably alongside the specific provisions established in the product and regulatory laws and its broad criminal penalties are not required in a contemporary gatekeeping context for product laws in isolation.

5.3.2 Repealing these provisions clarifies Jersey's enforcement architecture, reinforces reliance on modern, sector-specific laws, and aligns Jersey with international norms for proportionality and regulatory transparency. Any future misconduct would be addressed by relevant product and regulatory laws which feature improved proportionality and certainty.

B. Consultation Questions: Legal and regulatory powers

- 3) Do you agree that legal and regulatory powers are adequately provided elsewhere within Jersey's wider legal and regulatory framework?

6. Local impact

6.1 Non-financial services businesses

- 6.1.1 In repealing the COB Framework, the COBO Conditions that are placed on local non-financial services businesses will cease to have effect. These COBO Conditions have historically provided a mechanism for JFSC to set expectations and maintain visibility over such businesses where they are outside of the scope of the regulatory laws.
- 6.1.2 The removal of these COBO Conditions may create a perception of reduced oversight particularly where the local businesses in question will not be provided services by a regulated service provider.
- 6.1.3 However, it should be acknowledged that where any such business wishes to engage in activity that requires registration under the regulatory laws, these businesses will be subject to proportionate oversight featuring appropriate supervisory powers.
- 6.1.4 It should further be noted that all local businesses will continue to be subject to the requirement to provide the JFSC with information, at least annually, via annual confirmation statements in respect of their activities including updates in respect of changes to their beneficial ownership and control, as well as their business activities.
- 6.1.5 Where their information is held on public registers such information on changes must be provided within 21 days under the FSDPL.
- 6.1.6 These mechanisms provide an appropriate baseline for transparency. While they do not replicate the bespoke nature of COBO Conditions, the shift is toward a more modern, proportionate, and risk-based approach for local businesses. For these businesses this also means reduced administrative complexity and greater clarity in their corporate governance arrangements.

6.2 Risk appetite

- 6.2.1 The reforms reflect an appropriate approach to risk: one that maintains vigilance but reduces administrative friction, especially for low-risk local non-financial businesses. Jersey's modern supervisory framework and annual confirmation regime provide appropriate visibility without duplicative "red tape".
- 6.2.2 The refocussing of activities towards proportionate gatekeeping and ongoing active engagement with regulated businesses involved in cross-border activity aligns with risk management activities at the national level as articulated in the [National Strategy for Combatting Money Laundering, the Financing of Terrorism and the Financing of Proliferation of Weapons of Mass Destruction](#).

6.3 Economic impact

- 6.3.1 A full economic analysis has not yet been completed. This will be undertaken during the consultation period alongside ongoing stakeholder engagement. This analysis will consider the potential costs and benefits of the proposed repeal of the COB Framework, including transitional impacts for affected businesses, the JFSC, and broader implications for Jersey's competitiveness.
- 6.3.2 It is anticipated that this economic impact assessment work will feature a quantitative and qualitative assessment of application volumes and timelines to establish a baseline for administrative costs and potential efficiency gains, compliance and administration costs for industry and the JFSC, costs associated with the transition, and the correlation with wider indicators to help evaluate broader economic and reputational impacts, including global trends.
- 6.3.3 Initial stakeholder feedback has highlighted anticipated benefits in terms of reduced administrative friction, speed to market, and increased legal clarity. Government welcomes further evidence from respondents, particularly in relation to economic, operational, or reputational impacts, to ensure that the final scheme is proportionate and effective.

C. Consultation Questions: Local impact

- 4) Do you have any observations regarding local impacts including the economic costs and benefits associated with the proposals?

7. Product laws to provide power of refusal

7.1 Overview

- 7.1.1 Embedding refusal powers within the product laws would enable the revocation of the COB Framework while preserving the JFSC's ability to refuse applications on reasonable grounds.
- 7.1.2 The purpose of the proposed scheme is to remove the separate overlay where the COB Framework interacts with product laws in a convoluted manner while maintaining the fundamental capability of the JFSC (as administrator of relevant product laws) to refuse applications in defined circumstances.
- 7.1.3 Such circumstances, where refusal of an application is within the JFSC's power, will be clearly set, proportionate and risk-based.
- 7.1.4 The JFSC currently employs its powers under the COB Framework in circumstances where it determines that refusal of an application is warranted – an entity cannot be registered under the product laws if it does not also hold a COBO Consent.
- 7.1.5 It is conceptually feasible to introduce the refusal power in the Financial Services Commission (Jersey) Law 1998 (**FSCL**) rather than modifying each of the product laws. However, to achieve maximum clarity regarding the administrative powers that may be exercised, the scheme proposes placing this power within the product laws to prevent legal ambiguity or future challenge on grounds that the JFSC has a "duty to register".
- 7.1.6 Introducing the refusal power within the FSCL itself as well as within each product law may enhance clarity, yet is likely duplicative. The alternative of embedding the power within the FSCL in isolation risks introducing a broad power which may serve to simplify Jersey's legal and regulatory framework in an efficient way yet would not appear to achieve maximum clarity within each law.

7.2 Revocation

- 7.2.1 COBL provides for COBO Consent to be revoked, however, this power is not exercised in practice as with the enforcement of COBO Conditions.
- 7.2.2 In developing the proposed scheme, consideration has been given to the need for extended powers to enable the JFSC to revoke registration where **threshold conditions** (conditions that must be adhered to in order for a registration to be granted and implicitly adhered to on an ongoing basis by a registered entity) are not met on an ongoing basis.
- 7.2.3 An example of an existing power to revoke registration may be found at part 21, chapter 3, article 155 of CJL:

155. Power for court to wind up

- (1) A company, not being a company in respect of which a declaration has been made (and not recalled) under the Désastre Law, may be wound up by the court if the court is of the opinion that –
 - (a) it is just and equitable to do so; or
 - (b) it is expedient in the public interest to do so.
 - (2) An application to the court under this Article on the ground mentioned in paragraph (1)(a) may be made by [...] the Commission [...].
 - (3) An application to the court under this Article on the ground mentioned in paragraph (1)(b) may be made by [...] Commission.
- 7.2.4 There is good reason for this power (which may be exercised on the application of the JFSC) to have the Court's determination as a safeguard – not least because once a business is operational, winding it up has significant impact on shareholders, directors and officers, employees and other stakeholders.
 - 7.2.5 As such, the scheme does not propose to develop an extension of the proposed gatekeeping powers to include the power to revoke registrations without similar oversight by the Court. However, it should be acknowledged that were an entity not to operate in adherence with the threshold

conditions that provided the basis for its registration this would likely be a powerful reason for an application to the Court to wind up the entity to be made.

- 7.2.6 Where the product laws do not provide a similar mechanism to that described at 7.2.3 above under the CJL, it is proposed to provide for a consistent mechanism to be put in place (see 16 below).

7.3 Approach

- 7.3.1 While preserving the power to refuse applications is necessary for registration functions to remain effective (and credible on the international stage), it should not be confused with a wholesale replication of COBO by other means.
- 7.3.2 Specifically, the scheme intends to do away with the conditioning process for COBO Consent:
- 7.3.2.1. The JFSC (as administrator of the product laws) will retain the ability to refuse any application under product laws based on defined criteria; and
 - 7.3.2.2. Any conditions placed upon the relevant entity once it is registered, and if relevant, would be applied by powers in the regulatory laws.
- 7.3.3 This approach is intended to ensure effectiveness, transparency, and understandability.

7.4 Clear power

- 7.4.1 To replace necessary powers derived from the COB Framework, it is essential that the JFSC (as administrator of the product laws) is equipped with clear statutory authority to act as gatekeeper across those laws. The scheme proposes creating a general refusal power, replicated across all product laws and tailored to their individual context.
- 7.4.2 To ensure regulatory continuity, the scheme also includes recommendations for transitional actions to provide certainty for holders of existing COBO Consent.

7.5 Illustrative scheme

- 7.5.1 The scheme is designed to ensure that the COB Framework's gatekeeping powers persist, but routinely no equivalent to COBO Consent will be required for transactional matters once an entity has been registered. As such many securitisations, structured finance activities, special purpose vehicles, etc. will, once the relevant entity is registered, continue with no further intervention.
- 7.5.2 To achieve this an amendment to each of the product laws conferring a general power to refuse applications for registration where certain risk-based criteria are met is proposed.
- 7.5.3 This power should:
- 7.5.3.1. Be available in respect of any application under a law requiring the registration of an entity by the JFSC;
 - 7.5.3.2. Enable refusal where legal, factual, or reputational risk concerns arise;
 - 7.5.3.3. Include procedural safeguards (e.g. notice, reasons, right to make representations); and
 - 7.5.3.4. Include a right of appeal to the Royal Court.
- 7.5.4 The criteria on which an application may be refused should include:
- 7.5.4.1. Applications not meeting the requirements under the relevant law;
 - 7.5.4.2. Applications contravening any other law;
 - 7.5.4.3. Applications contains false, misleading, or materially incomplete information; and
 - 7.5.4.4. Applications where the proposed activity is, on reasonable grounds, contrary to the "public interest", or another clearly articulated test against risk-based principles that are aligned, for example, to Jersey's national risk appetite.
- 7.5.5 Before a decision to refuse is finalised the applicant:
- 7.5.5.1. Should be notified of the intention to refuse, with reasons;
 - 7.5.5.2. Given a reasonable window for appeal; and
 - 7.5.5.3. Have a right to appeal to the Royal Court within a reasonable window if refused.

- 7.5.6 Article 7 of the FSCL sets out guiding principles, these might be referenced as informing the decision to refuse under a “public interest” test.
- 7.5.7 As the power is intended to replace the functional role previously exercised under COBO, it should be framed in a way that:
- 7.5.7.1. Operates independently across registration regimes;
 - 7.5.7.2. Is not dependent on sector-specific enabling clauses; and
 - 7.5.7.3. Is consistent with natural justice and administrative law standards.

7.6 Potential model

- 7.6.1 A potential model for the power to refuse may be found at Regulation 4 of the LPCR in respect of refusing an application for continuance:

4. Determination of application to continue

- (5) The Commission may, if of the opinion that it would be contrary to the public interest to register the eligible foreign limited partnership as a limited partnership within Jersey, refuse the application.

- 7.6.2 Within Regulation 4 of the LPCR the JFSC is required to provide reasons for its decision and the applicant's right of appeal to the Royal Court is enshrined.
- 7.6.3 The LPCR are triennial regulations expiring on 27 July 2026 and there is work in progress to lay an amendment to the LPL before the States of Jersey this year that will likely see the provisions (including in respect of determination and refusal on public interest grounds) placed within the LPL directly, subject of course to scrutiny, debate, and royal assent.

7.7 Product laws

- 7.7.1 As noted at 7.1.5 above, while the refusal power embedded in the FSCL alone might be feasible (and less complex), in order to prevent ambiguity, it is intended to embed the explicit power within each product law.
- 7.7.2 As at 4.6.1 above, the following product laws currently contain provisions that require or assume the issuance of a COBO Consent as a precondition to registration or continuance. This table repeats those COBO references and also summarises provisions under which the JFSC has a power of refusal on other grounds, which will relate to:
- 7.7.2.1. "Public interest" concerns – only available under CJL for registrations and requiring referral to the Court, and LPCR with regard to determining applications for continuance;
 - 7.7.2.2. Concerns regarding the entity's registered office;
 - 7.7.2.3. Concerns regarding misleading or undesirable names; or
 - 7.7.2.4. Administrative matters such as the payment of fees or completion of documents in a manner prescribed by the JFSC.

Law	Key powers in law to refuse on incorporation/registration	COBO
CJL	<ul style="list-style-type: none"> > Art.8(1) <i>referral to Royal Court</i> where not in public interest. > Art.13(1) where name is misleading or undesirable. > Art.67(3) where registered office not authorised. 	2, 4, 5
ILPL	<ul style="list-style-type: none"> > Art.4(8) where registered office not authorised. > Art.7(5) where name is misleading or undesirable. 	10
LLCL	<ul style="list-style-type: none"> > Art.7(3) where name is misleading or undesirable. > Art.8(5) where registered office not authorised. 	4A, 11A
LLCGPR	<ul style="list-style-type: none"> > Various powers to refuse mergers, demergers and continuance on administrative grounds or entity otherwise not meeting requirements of LLCL. 	5A
LLPL	<ul style="list-style-type: none"> > Art.6(3) where name is misleading or undesirable. > Art 7(3) where registered office not authorised. 	11

Law	Key powers in law to refuse on incorporation/registration	COBO
LPL	<ul style="list-style-type: none"> > Art.4(6A) where registered office not authorised. > Art.7(3) where name is misleading or undesirable. 	10
LPCR	<ul style="list-style-type: none"> > Reg.4(5) <i>refusal</i> where not in public interest. 	10
SLPL	<ul style="list-style-type: none"> > Art.4(7) where registered office not authorised. > Art.7(5) where name is misleading or undesirable. 	10
TJL (unit trusts)	<ul style="list-style-type: none"> > Only via COBO. 	9

7.7.3 The scheme would therefore amend these laws (except TJL – see 12.1 below) to explicitly include a general power to refuse applications.

7.7.4 It may be preferable to introduce the general refusal power within the FSCL and not to amend the product laws listed at 7.7.2 above in order to achieve a more simple scheme. However, this carries the risk that each product law does not stand alone with regard to the power to refuse applications on reasonable grounds.

7.8 Consistency of approach

7.8.1 While it is out of scope of the COB Framework it is worth noting that Article 27(1) of the Foundations (Jersey) Law 2009 (FDL) provides for the refusal of registration in limited circumstances (e.g. unlawful objects or misleading name).

7.8.2 The proposed scheme intends for the JFSC's power of refusal to be broader in scope than the refusal grounds currently available under the FDL, which are limited to unlawful objects or misleading names, similar to the existing provisions within the product laws listed at 7.7.2 above. As the registrar of foundations is registrar of companies (an officer of the JFSC) the proposed refusal power within the product laws might logically be included within the FDL to ensure consistency across all entity registration regimes.

7.8.3 If the alternative approach to amending the FSCL in isolation was taken, care would be required in providing the refusal powers under the ILPL, LLCL, and SLPL which, although they are explicitly included within the COB Framework as requiring COBO Consent, are not listed within the FSCL as "transferred functions" administered by the JFSC.

7.9 Transitional arrangements

7.9.1 The scheme proposes a fundamental change to the process for registration of entities in Jersey and the consequences of this change are likely to create a degree of uncertainty given that the COB Framework is a Jersey-specific and relatively complex overlay.

7.9.2 The scheme may explicitly provide confirmation that any COBO Consent in issue prior to its coming into force has the effect of registering the relevant entity.

7.9.3 Irrespective of whether the scheme does this, JFSC would issue formal guidance for affected entities, explaining that:

7.9.3.1. Their existing COBO Consent becomes redundant on the date that the new regime comes into force;

7.9.3.2. Having held COBO Consent they continue to be registered; and

7.9.3.3. No action is required on their part.

7.9.4 This ensures that existing entities are provided with clarity on their continued good standing and reassurance that they do not have to act.

7.10 Entities for which COBO Consent serves a commercial function

7.10.1 For the cohort of entities that have been issued with a COBO Consent that serves a commercial function – in particular, providing reassurance to investors and service providers – a differentiated approach is likely required. These entities are:

7.10.1.1. JPF;

7.10.1.2. "Legacy" funds; and

- 7.10.1.3. Entities holding COBO Consent in relation to certain digital products.
- 7.10.2 For these entities, the consultation considers approaches including:
 - 7.10.2.1. The creation of a new class of financial services business that would enable ongoing, proportionate oversight by the JFSC of JPF and legacy fund products, supplemented by a discrete and focussed code of practice; and
 - 7.10.2.2. Use of the Code of Practice for Trust Company Business (**TCB Code**) to address risks relating to certain digital products.
- 7.10.3 These approaches are intended to firmly establish the basis for the relevant COBO Conditions on a sound regulatory footing:
 - 7.10.3.1. The potential arrangements in respect of JPF and legacy funds are set out at 9 below; and
 - 7.10.3.2. The potential arrangements in respect of certain digital products are set out at 10 below.
- 7.11 COBO Consents that will not be brought into the proposed scheme**
 - 7.11.1 As at 7.5.1 above, many securitisations, structured finance activities, special purpose vehicles, etc. are not intended to be brought across into the proposed scheme. These are COBO Consents where adequate protections persist within the wider legal and regulatory framework to ensure consumer protection and oversight where there is a nexus to service providers within the FRPS sector.
 - 7.11.2 Further detail on these COBO Consents is set out at Sections 11 (Prospectuses), 12 (Unit trusts), and 13 (Other COBO Consents to be repealed).
- 7.12 Locus of potential amendments**
 - 7.12.1 Within 16 below an extended version of the table at 7.7.2 above is provided to indicate where amendments might be located to achieve the intent of the proposed scheme.
- 7.13 Summary**
 - 7.13.1 The proposed scheme would provide a unified statutory basis for refusal, ensuring consistency across product laws while reflecting principles of certainty and proportionality. The scheme offers a modern risk-based replacement for the COB Framework ensuring:
 - 7.13.1.1. Clarity and operational flexibility for the JFSC;
 - 7.13.1.2. Proportionate oversight across all registration regimes;
 - 7.13.1.3. Continuity and certainty during the transitional period for existing COBO Consent holders; and
 - 7.13.1.4. An improved experience for stakeholders through predictable and transparent administrative decision-making.

D. Consultation Questions: Product laws to provide powers of refusal

- 5) Do you agree that the JFSC's powers of refusal should be retained within the proposed scheme within each product law?
- 6) Do you agree with the approach in respect of criteria for refusal (e.g. illegality, misleading information, public interest)?
- 7) Do you agree that the scheme should not include powers for the JFSC to revoke registrations without requiring an application to the Royal Court?

8. Sound Business Practice Policy

8.1 Overview

- 8.1.1 The SBPP is deeply integrated with the issuance of COBO Consent. It provides the policy rationale for requiring certain information from applicants under the COB Framework as well as the decision-making basis that will ultimately guide the JFSC to its determination in respect of granting COBO Consent.
- 8.1.2 As of 10 July 2025, the SBPP contains two lists of activities in tables which, *“as a matter of policy, the JFSC has determined potentially pose reputational risks to Jersey”*:
- 4.1.1 Table 1 sets out those activities that are subject to oversight by the JFSC for one or more of supervision of financial soundness, conduct of business and compliance with requirements relating to anti-money laundering and countering the financing of terrorism, and as a result fall within the scope of this Policy.
 - 4.1.2 Table 2 sets out those activities not within the regulatory oversight of the JFSC but are considered to likely pose a potential reputational risk to Jersey.”
- 8.1.3 A key criticism from users of the SBPP both within agencies and across industry is that it permits little room for mature engagement between industry and decision-makers within agencies.
- 8.1.4 The SBPP flags “sensitive” activities but does not specify which features or risk levels within those activities trigger heightened scrutiny (e.g. “**likely** to pose a **potential** reputational risk” is ambiguous) and decision-making criteria, timelines, escalation, as well as appeal processes might be more clearly set out.

8.2 Routes to registration

- 8.2.1 It should be noted that there are only two routes to registration for entities:
- 8.2.1.1. **Directly** – for a Jersey resident individual where they will be a beneficial owner of the entity; or
 - 8.2.1.2. **Indirectly** – in any other circumstance registration must be via a TCB regulated under the FSL acting as a formation agent (Class F activity, or Class O formation activity where the TCB is solely acting for local individuals or companies).
- 8.2.2 Where a local individual seeks to register an entity the SBPP must be sufficiently flexible to provide for the JFSC to make decisions that do not compromise its role as an effective gatekeeper.
- 8.2.3 Where a TCB applies to register an entity, it is important to recognise that the TCB will be acting in accordance with the TCB Code which sets high and detailed standards in respect of the conduct of the TCB’s business activities. Specifically in relation to acting as a formation agent, the TCB Code prescribes:
- “3.2.2 Where a registered person is providing services defined in Article 2(4)(a) of the FS(J)L (namely acting as a company formation agent, a partnership formation agent or a foundation formation agent under a registration for Class F trust company business), it must:
 - 3.2.2.1 Understand, and document, the rationale for the formation of the company, partnership or foundation (as relevant); and
 - 3.2.2.2 Comply with relevant statutory obligations arising as a result of forming companies, partnerships or foundations in Jersey and other jurisdictions.”
- 8.2.4 Taken together, these factors demonstrate that strong safeguards are in place. The SBPP might therefore evolve to support accessibility for local individuals while maintaining robust regulatory oversight for all other applications
- 8.2.5 A streamlined SBPP would ideally provide a clear, principled, and internationally compliant framework under which the JFSC considers applications, for example:

Feature	Existing SBPP	Potential SBPP
Presumption of approval	<ul style="list-style-type: none"> > No clear presumption > Scrutiny based on activity 	<ul style="list-style-type: none"> > Presumption of approval unless specific red flags > Clear grounds for refusal
Transparency	<ul style="list-style-type: none"> > Lists of sensitive activities > Limited decision-making rationale 	<ul style="list-style-type: none"> > Principle-based refusal categories with clarity of purpose (compliance, risk, substance)
Flexibility	<ul style="list-style-type: none"> > Static lists > All applicants pass through the same gateway tests 	<ul style="list-style-type: none"> > Risk-tiered response: <ul style="list-style-type: none"> ○ Approve ○ Request additional information ○ Refuse
Scope	<ul style="list-style-type: none"> > Focused on COBO 	<ul style="list-style-type: none"> > Anchors future gatekeeping in evolving risk-based considerations
Nexus/Substance Focus	<ul style="list-style-type: none"> > Implicit via risk appetite but not explicit 	<ul style="list-style-type: none"> > Dedicated category on nexus to Jersey

8.3 Potential SBPP

8.3.1 The potential scheme for a more flexible risk-based SBPP as set out above would simplify the existing approach and remove the list-oriented process within the current SBPP. The concept requires a cultural shift within agencies and industry to assess, mitigate, and tolerate risk holistically.

8.3.2 It is not intended to put the SBPP on a statutory footing, however, it would be helpful when reading this consultation paper to contemplate how it might evolve to facilitate both mature engagement between agencies and industry and clarity on the reasons why applications for registration might be refused:

8.3.2.1. Presumption of Approval

8.3.2.1.1 Ordinarily approved unless clear grounds for refusal are established.

8.3.2.1.2 Applicants may be invited to provide clarifying information before a decision is confirmed.

8.3.2.2. Grounds for refusal

8.3.2.2.1 Legal or regulatory non-compliance.

8.3.2.2.2 Reputational or economic risk to Jersey – for example by reference to Jersey's [National Risk Appetite Statement](#).

8.3.2.2.3 No substance or nexus to Jersey.

8.3.2.3. Decision-making

8.3.2.3.1 Approve when no issues are present.

8.3.2.3.2 Request more information when issues are minor or remediable.

8.3.2.3.3 Refuse where serious or irredeemable concerns exist.

8.3.3 It might equally be possible to remove the SBPP in its entirety and subsume key components into other documents setting out how the JFSC will administer applications for registration such as the Registry Processing Statement (**RPS**).

8.4 Intended effect

8.4.1 The potential SBPP would embed high-level grounds for refusal while moving away from a rigid list. The presumption of approval sends a strong signal that Jersey is open for business and better suits the registration process for all entities which should not be conflated with the more detailed and rigorous approval process for regulated activities which are dealt with under the regulatory laws.

8.4.2 The proposed default approval stance would lower the administrative burden and improve transparency, only leading to escalation where justified. While the current SBPP requires case-by-case COB Framework evaluation, it lacks a structured decision process with the potential three-phase approach (approve | request information | refuse) introducing predictability.

- 8.4.3 If implemented effectively this approach should result in faster outcomes, while preserving gatekeeping control. The benefits of the approach are intended to be:
- 8.4.3.1. **Clarity** – applicants understand exactly when they may be refused with no opaque triggers;
 - 8.4.3.2. **Efficiency** – faster approval for straightforward cases, timely interventions only when genuinely needed;
 - 8.4.3.3. **Agility** – easier adaptation to emerging sectors or risks (e.g. digital assets), with principle- rather than activity-based criteria; and
 - 8.4.3.4. **Alignment** – anti-financial crime, beneficial ownership, substance, and reputational risk considerations mirror international norms.

E. Consultation Questions: SBPP

- 8) Do you agree with the proposal to move from the current list-based approach towards a more flexible, principle-based framework?
- 9) Do you agree with the proposed three-phase decision-making model (approve, request more information, refuse)?
- 10) Do you consider that the proposed SBPP should be further modified, for example should it be removed in favour of other documents such as the Registry Processing Statement?

9. JPF and legacy funds

9.1 From existing to new regime

- 9.1.1 The current framework for JPF and legacy funds is working well – for Industry and the JFSC – as demonstrated by the success of the JPF as a flexible and attractive vehicle. The JPF Guide is an effective and proportionate part of Jersey's regulatory framework and the emphasis for the new regime will be to preserve and build on this good practice, not to bring about additional burdens.
- 9.1.2 As at 4.4 above, COBO Conditions for JPF and legacy funds do not impose clear enduring obligations given that COB Conditions are not enforced in practice.
- 9.1.3 However, in repealing the COB Framework, holders of the relevant COBO Consent would be left without recognition of their activities having received consent from the JFSC as their COBO Consents would become void.
- 9.1.4 If unmanaged, this creates a risk that these entities could operate under a false pretence with any holders of these lapsed consents potentially being misunderstood as being given consent by the JFSC.
- 9.1.5 This ambiguity presents a reputational risk to Jersey and the underlying investors with exposure to the entities currently holding relevant COBO Consent.
- 9.1.6 One approach, set out in the potential scheme below, would be to create a new class of financial services business under the FSL that might be "private fund services business" (**PFSB**). This class of business could capture for JPF and legacy funds as well as their service providers enabling the JFSC to develop a code of practice to be issued under Article 19 of the FSL that would place the existing **JPF Guide** on a clear regulatory footing and might apply to:
 - 9.1.6.1. The private fund itself (new and existing funds); and/or
 - 9.1.6.2. Regulated businesses providing services to those funds.
- 9.1.7 It is important to acknowledge that in circumstances where JPF and legacy funds meet the relevant criteria for registration as Financial Institution (**FI**), Designated Non-Financial Business or Professions (**DNFBP**), or Virtual Asset Service Providers (**VASP**) under the SBL by reference to schedule 2 of the Proceeds of Crime (Jersey) Law 1999 (**POCL**) they are required to register separately with the JFSC. These obligations operate independently of the COB Framework and will remain in operation under the proposed scheme.

9.2 Approach

- 9.2.1 The intent of the potential scheme below is to ensure that existing arrangements for JPF and legacy funds are transposed into the revised regime in the most clear and transparent way to ensure consistency for the funds, service providers and their investors.
- 9.2.2 During the consultation period further engagement will take place with the existing **JPF Working Group** to develop the most proportionate approach to ongoing oversight of JPF and legacy funds.

9.3 Jersey Private Funds

- 9.3.1 JPF are collective investment vehicles that fall below the threshold for the maximum number of offers that may be made before a collective investment vehicle qualifies as a collective investment fund (50 or fewer as set out in CIFL).
- 9.3.2 The current approach to registration where an entity intends to register as a JPF is set out by the JFSC in the JPF Guide:
 - 9.3.2.1. JPF are granted COBO Consent with various COBO Conditions; and
 - 9.3.2.2. Are required to have a Designated Services Provider (**DSP**) registered under the FSL either as a FSB or TCB.
- 9.3.3 In repealing COBO, the JPF Guide would cease to have a statutory anchor to the COB Framework and the JFSC's general powers under Article 8 of the FSCL would not be sufficient to give the JPF Guide operative effect.
- 9.3.4 As such, JPF would be left in a space where they are not formally recognised and would fall outside of the regulatory perimeter in a way that would be unhelpful to the achievement of the JFSC's statutory

objectives. This may equally be unhelpful to the investors and associated parties to JPF who consider the JPF's COBO Consent as a helpful confirmation that they are subject to proportionate regulatory oversight.

- 9.3.5 In order to address this lacuna, the development of an appropriate mechanism to provide for the ongoing oversight of JPF would ideally be implemented.
- 9.3.6 The objective of the potential scheme is to ensure that JPF can continue to operate with clear confirmation that they have been subject to the JFSC's consent process and will remain subject to notification and oversight by the JFSC on an ongoing basis in line with the existing JPF Guide.

9.4 Legacy funds

- 9.4.1 Legacy funds: **COBO only funds**, Very Private Funds (**VPF**), and Private Placement Funds (**PPF**) were established under historic JFSC authorisations policy to facilitate private capital raising outside of the CIFL framework. These funds were:
 - 9.4.1.1. Offered to limited numbers of investors; and
 - 9.4.1.2. Subject to point-in-time COBO Consent.
- 9.4.2 They were often used for club deals, family office structures, or single-investor arrangements, and ceased to be offered for new fund formations when the JPF regime was introduced in March 2017.
- 9.4.3 In repealing COBO, legacy funds, in a similar vein to JPF, would be left in a space where they are not formally recognised and would fall outside of the regulatory perimeter in a way that would be undesirable.
- 9.4.4 Similar to JPF, the development of an appropriate mechanism to provide for the ongoing oversight of legacy funds might be brought into effect.
- 9.4.5 However, the key difference for "legacy funds" is that they are not required to comply with the JPF Guide but are required to comply with other historic policy statements issued by the JFSC so would require differentiation from JPF.

9.5 Potential scheme – JPF and legacy funds

- 9.5.1 A potential scheme for JPF and legacy funds within the FSL might follow the pattern established when in 2012 the AIF services business (**AIFSB**) class of business was introduced via the Financial Services (Amendment of Law) (No. 4) (Jersey) Regulations 2012 (**AIFSB Amendment Regulations**).
- 9.5.2 The AIFSB Amendment Regulations created relevant definitions for AIFSB within Article 1(1) of the FSL and introduced the AIFSB class of business within the definition of financial services business at Article 2(11) of the FSL.
- 9.5.3 The AIFSB Amendment Regulations were supplemented by an amendment to the Financial Services (Financial Services Business) (Jersey) Order 2009 (**FISBO**) via the Financial Services (Financial Service Business) (Amendment) (Jersey) Order 2013 which established the ZL (Manager of an AIF) class of business under FISBO.
- 9.5.4 These amendments provided for the capture of AIFSB activity under the FSL and subsequently the issuance of relevant codes of practice under Article 19 of the FSL by the JFSC to set out the principles and detailed requirements to be complied with by AIFSB in the conduct of their financial services business.
- 9.5.5 For JPF and legacy funds, amendments to the FSL and FISBO could establish the relevant definitions and provide for PFSB to be established as a relevant class of financial services business.
- 9.5.6 Regulations amending the FSL could be made under:
 - 9.5.6.1. Article 4(2), which allows the States, by Regulations, to amend definitions and ancillary provisions within Articles 1 and 2; and
 - 9.5.6.2. Article 42, which enables such Regulations to include various transitional and supplementary provisions as are necessary in order to have proper effect.
- 9.5.7 An Order amending FISBO could allocate an acronym to a "class" of financial services business with a concise description of that class along with a reference to the relevant part of Article 2 of the FSL where that financial services business is defined. It could be made under:

- 9.5.7.1. Article 8, which provides for the Minister, on the recommendation of the JFSC to prescribe classes of financial service business in respect of which application may be made; and
- 9.5.7.2. Article 42, which provides for such an order to have effect on the recommendation of the JFSC.
- 9.5.8 Under this potential approach, the definition of private fund (or a similar construction) would ideally incorporate the following criteria:
 - 9.5.8.1. Operates on the principle of risk spreading and involves the pooling of capital raised for investment purposes aligned to the definition of collective investment funds within Article 3 of CIFL; and
 - 9.5.8.2. Is not a collective investment fund or otherwise exempted by CIFL:
 - 9.5.8.2.1 An unclassified fund as defined in the FSL;
 - 9.5.8.2.2 An unregulated fund as defined in the FSL;
 - 9.5.8.2.3 A recognized fund as defined in the FSL; or
 - 9.5.8.2.4 A scheme or arrangement exempted from classification as a collective investment fund by virtue of the Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000 (**CIFRSO**).
- 9.5.9 The definition of PFSB (or similar construction) would ideally cross-refer to the extended definition of the class of business at Article 2 in line with other definitions for classes of financial services business within Article 1 of the FSL.
- 9.5.10 The extended definition of the class of PFSB (or similar construction) within Article 2 would ideally incorporate the following criteria:
 - 9.5.10.1. As with other definitions of financial services business within Article 2 a person would carry on PFSB; and
 - 9.5.10.2. In carrying on PFSB they would provide specified services to a private fund.
- 9.5.11 Where "specified services" is indicated at 9.5.10.2 above, this might be achieved:
 - 9.5.11.1. By constructing a definition within Article 1 equivalent to the JFSC's definition of DSP as set out in the JPF Guide, and cross-referring to that definition of DSP:
 - 9.5.11.1.1 For any JPF, being registered to providing one or more of the following classes of FSB:
 - (a) Class V (Administrator) – FSL Article 2(10)(a);
 - (b) Class U (Manager) – FSL Article 2(10)(a);
 - (c) Class X (Investment Manager) – FSL Article 2(10)(a);
 - (d) Class ZG (Trustee) of FSB – FSL Article 2(10)(c), or
 - 9.5.11.1.2 For a JPF with 15 or fewer investors, providing any class of:
 - (a) FSB – FSL Article 2(10); or
 - (b) TCB – FSL Article 2(3), or
 - 9.5.11.2. By specifying the services that will be provided to the JPF to include administrator, manager, investment manager, or trustee services.
- 9.5.12 The JFSC's ability to set further discrete criteria on registration under part 2 of the FSL and its ongoing supervisory powers under part 3 (including the issuance of codes of practice under Article 19) would enable the development of a relatively straightforward approach to capture with further detail and conditions set under the regular powers that the JFSC exercises for all financial services business under the FSL.
- 9.5.13 In respect of transitional provisions, the drafting would ideally ensure that existing JPFs with COBO Consent are deemed to have notified and been authorised by the JFSC under the regime and are therefore considered compliant from the date of the COB Framework's repeal.

F. Consultation Questions: JPF and legacy funds

- 11) Do you agree that in repealing the COB Framework it is necessary to create a mechanism to ensure JPF and legacy funds remain within the regulatory perimeter in broadly the same way as today?
- 12) Do you support the creation of a new class of financial services business (e.g. "Private Fund Services Business") under the FSL to capture JPF and legacy fund activity?

10. Certain digital products

10.1 Overview

- 10.1.1 Initial Coin and Token Offerings (**ICTO**) are coin or token-based capital issuances granted COBO Consent with bespoke COBO Conditions. Tokenised Real World Assets (**TRWA**) are digital tokens on a blockchain that represent ownership or rights to physical or traditional financial assets. As for ICTO, issues of TRWA are granted COBO Consent with bespoke COBO Conditions (ICTO/TRWA together, **Digital Issuers**).
- 10.1.2 Digital Issuers have not yet been brought into a dedicated statutory framework with the COB Framework being employed as a gatekeeping and quasi-supervisory mechanism. This position is aligned to Government's 2017 statement on [Initial Coin Offerings in Jersey \(ICOJ\)](#).
- 10.1.3 However, as at 4.4 above, COBO Conditions for Digital Issuers do not clearly impose enduring obligations.
- 10.1.4 In repealing COBO, Digital Issuers would be left without formal recognition of their activities having been given consent by the JFSC as their COBO Consents would become void. If unmanaged, this creates a risk that Digital Issuers would operate under a false pretence with the ongoing circulation of coins and tokens potentially being misunderstood as being given consent by the JFSC.
- 10.1.5 This ambiguity may also present reputational risk to Jersey in the digital finance and virtual asset space, and risk to investors with exposure to Jersey Digital Issuers who may perceive that Digital Issuers have been given consent by the JFSC without the current approach under the COB Framework.
- 10.1.6 The current approach to registration where entities intend to carry on business as Digital Issuers is set out by the JFSC in its:
 - 10.1.6.1. Guidance on the application process for issuers of initial coin and token offerings (IC/TOs) (**ICTO Guidance**);
 - 10.1.6.2. Guidance on tokenisation of real world assets (RWAs) (**TRWA Guidance**); and
 - 10.1.6.3. Is supplemented by the [Guidance Note on Securities Issues by Jersey Companies \(GNSI\)](#).
- 10.1.7 In the absence of COBO, these documents lack a statutory mechanism to have effect.
- 10.1.8 Government is committed to ensuring that Jersey's legal and regulatory framework for digital assets evolves in line with international best-practice. It is premature, given the fast-paced evolution of the digital asset space, to attempt to develop a fully functioning regime within this consultation.
- 10.1.9 However, there is a need to ensure that the continued oversight of Digital Issuers does not fall away with the repeal of the COB Framework in order to, at least, preserve the credibility of existing Digital Issuers and provide Government, the JFSC, and other Island agencies with data and information that will support future policy development regarding the digital assets regulatory framework.
- 10.1.10 As such, a potential scheme for Digital Issuers features an appropriate mechanism to provide for notification requirements and proportionate oversight by the JFSC via the TCB Code.
- 10.1.11 For Digital Issuers it is recommended that the JFSC make targeted amendments to codes of practice issued under the FSL for existing service providers to Digital Issuers in order to establish a proportionate and effective means to mitigate the risks associated with these activities.
- 10.1.12 As for JPF and legacy funds, it is important to acknowledge that in circumstances where Digital Issuers meet the relevant criteria for registration as Financial Institution (**FI**), Designated Non-Financial Business or Professions (**DNFBP**), or Virtual Asset Service Providers (**VASP**) under the SBL by reference to POCL they are required to register separately with the JFSC. These obligations operate independently of the COB Framework and will remain in operation under the proposed scheme.
- 10.1.13 Equally, where Digital Issuers meet other criteria requiring more detailed scrutiny under the product laws or ongoing supervision under the regulatory laws, the existing mechanisms for investor protection persist.

10.2 Nexus to regulated firms

- 10.2.1 On registration, the nexus to a TCB is firmly established by the established position that, except for local individuals where they will be beneficial owners, only TCB may make applications for the formation of entities.
- 10.2.2 Digital Issuers will have a TCB regulated business providing at least some services on an ongoing basis that enables the exercise of supervisory powers by the JFSC as established via the ICTO Guidance, and TRWA Guidance.
- 10.2.3 Together, this means that there is a proportionate control framework in place that can be leveraged more clearly than by using COBO Conditions without clear enduring effect (given that they are not enforced in practice).
- 10.2.4 The regulated nexus offers an opportunity to establish a smart, proportionate mechanism for continued Digital Issuers oversight once the COB Framework is repealed. This can be operationalised in a way that is flexible and clear to all stakeholders by an update to the TCB Code.

10.3 Potential scheme

- 10.3.1 The TCB Code has formal regulatory status and is flexible in that it can be updated by the JFSC subject to consultation with industry. TCBs are familiar with the code and able to adapt to new provisions rapidly.
- 10.3.2 Potential amendment to the TCB Code might include:
 - 10.3.2.1. Definitions for Digital Issuers and existing guidance within the glossary.
 - 10.3.2.2. Clarity that where a TCB provides formation agent services to Digital Issuers that it must undertake due diligence on the products and issuing entity, be satisfied that the activity is consistent with existing guidance and ensure that the JFSC is notified in accordance with that guidance.
 - 10.3.2.3. Clarity that where a TCB provides any other services to Digital Issuers that those services must include Class G (director or alternate director) and Class J (registered office or business address).
 - 10.3.2.4. Clarity that where a TCB provides any services Digital Issuers that it must provide relevant notifications under the existing guidance to the JFSC (e.g. on material change).

10.4 Alternative schemes

- 10.4.1 As noted at 10.1.8 above it is premature to introduce a formal scheme for Digital Issuers and other digital products at this time given the rapidly evolving digital asset space. However, an alternative model may be to follow the potential illustrative scheme for JPF and Legacy Funds set out at 9.5 above to create a registration and proportionate supervisory regime for Digital Issuers.
- 10.4.2 This approach might feature the creation of a specific type of regulatory licence under the FSJ for Digital Issuers including an appropriate code of practice to ensure that relevant products and activity are both subject to appropriate ongoing oversight by the JSFC and to give investors confidence in the status of the relevant products.
- 10.4.3 A further approach might involve the creation of a form of a **regulatory sandbox** for certain kinds of activity which might include Digital Issuers and potentially be extended to accommodate future novel activities or products that require some form of regulatory oversight. A formal mechanism to include relevant activities and products might be established, perhaps by way of JFSC Codes of Practice (subject to consultation) or by way of Ministerial Order, ensuring close Government policy involvement.
- 10.4.4 Such "scoped in" activities or products could then be subject to an appropriate Code of Practice balancing the need to foster innovation with the need to protect Jersey from emerging risk in novel sectors.
- 10.4.5 The fundamental issue with developing either of the above approaches is that to date, the development of mechanisms to proactively supervise novel products (including digital products), has been deliberately cautious recognising the fast-evolving pace of change within the sector and the desire not to hinder innovation.

- 10.4.6 While it is not proposed to introduce either of the above schemes within this consultation, in the wider context of the Financial Services Competitiveness Programme it should be acknowledged that future recommendations may see these developments brought forward, subject to future consultation.

10.5 Intended outcome

- 10.5.1 The potential scheme is intended to ensure that the JFSC retains a lawful and proportionate means of regulatory engagement with Digital Issuers through the statutory obligations placed on TCB under the FSL.
- 10.5.2 As such, the potential scheme reframes the current approach – where COBO Conditions with unclear durational scope that are not enforced in practice are set – towards an approach that formalises appropriate obligations within the codes of practice through the TCB nexus.

Stage	Regulated business	JFSC Action
Formation	<ul style="list-style-type: none"> > Due diligence > Notification 	<ul style="list-style-type: none"> > Determination following process set out at 8.3 above: <ul style="list-style-type: none"> ○ Approve ○ Request more information ○ Refuse
Ongoing activity	<ul style="list-style-type: none"> > Monitor > Notify material change 	<ul style="list-style-type: none"> > Action under TCB Code where activity is not compliant with ICTO Guidance or TRWA Guidance/future guidance for novel activities and products

G. Consultation Questions: Certain digital products

- 13) Do you agree that a mechanism is required to ensure continued oversight of Digital Issuers?
- 14) Do you support the proposed approach of using the TCB Code to formalise oversight of Digital Issuers through obligations on TCBs?
- 15) Do you agree that it is premature to introduce a more comprehensive statutory regime for Digital Issuers at this time?

11. Prospectuses

11.1 Use of COBO

11.1.1 The COB Framework, through COBO, currently functions to govern the circulation of prospectuses in and from within Jersey. This includes offers of securities by:

- 11.1.1.1. Jersey companies to any person, wherever situated;
- 11.1.1.2. Foreign issuers making offers into Jersey; and
- 11.1.1.3. Unit trusts or capital markets structures involving Jersey entities.

11.1.2 This function exists in conflict with dedicated statutory prospectus regimes under CJL, LLCL and CIFL with COBO acting as a surrogate, but outdated mechanism for vetting securities-related activity outside of the explicit powers countenanced in the relevant product and regulatory laws.

11.1.3 In attempting to act as a catch-all control on fundraising activity, including offers made from or into Jersey, the COB Framework:

- 11.1.3.1. Overlaps and conflicts with the product and regulatory laws (CJL, LLCL, CIFL and FSL);
- 11.1.3.2. Offers no investor protection standards, disclosure thresholds, or enforcement tools;
- 11.1.3.3. Is not aligned with international norms; and
- 11.1.3.4. Introduces friction for legitimate capital markets activity.

11.2 No Substantive Disclosure Requirements

11.2.1 The COB Framework itself does not impose any requirements regarding the content, format, or accuracy of the prospectus, the due diligence obligations of the issuer, the suitability of the offer for the recipient.

11.2.2 As such, the COB Framework does not function as a true investor protection regime. Its application to prospectus circulation is:

- 11.2.2.1. Fragile (based only on consent to circulate);
- 11.2.2.2. Duplicative of protections already embedded in product and regulatory laws; and
- 11.2.2.3. Out of step with Jersey's aim to achieve regulatory clarity and ease of doing business.

11.3 Current policy approach by the JFSC

11.3.1 The JFSC's longstanding policy is set out in its GNSI. Appendix A to GNSI repeats the JFSC's longstanding policy statement [Securities issues under the control of borrowing legislation \(SICOB\)](#) which has been in place in substantively the same form since 1999 and applies more generally to securities issues under the COB Framework (see also 13.1 below). The statement acknowledges Jersey's use in capital markets transactions including securitisations, debt repackaging, and structured finance issues.

11.3.2 The key principles from the Policy are that the JFSC will vet:

- 11.3.2.1. **Investor Type:** The JFSC discourages the targeting of complex securities at unsophisticated investors, preferring offers to institutions or the public by major listed issuers;
- 11.3.2.2. **Parties Involved:** The JFSC expects reputable, experienced parties with a track record appropriate to their role; and
- 11.3.2.3. **Issuer Suitability:** The issuing company's activities must align with Jersey's international reputation.

11.3.3 SICOB is supplemented by the JFSC's guidance note on the [Circulation of offers in Jersey of non-Jersey securities \(CONJO\)](#) which has been in issue in substantively the same form since 2005. CONJO explains when COBO Consent is required for the circulation of offers in Jersey of non-Jersey securities, and outlines exemptions and overlaps with other laws which ultimately provide greater clarity and certainty where there is a Jersey nexus.

11.3.4 Where the JFSC is satisfied under SICOB and (if relevant) CONJO, the result is the issuance of COBO Consent with COBO Conditions. A standard pro forma is used to impose COBO Conditions regarding

investor targeting, distribution controls, and various disclaimers. As in 4.4 above, where COBO Conditions do not specifically relate to point-in-time transactional matters they are not used in practice.

11.4 Regulatory and product laws provide controls

11.4.1 Where prospectuses are used in funds or capital markets activity, Jersey has in place:

11.4.1.1. CIFL, with explicit requirements in subordinate legislation;

11.4.1.2. Companies (General Provisions) (Jersey) Order 2002 (**CGPO**);

11.4.1.3. FSL, which captures certain offer-related activities;

11.4.1.4. Limited Liability Companies (General Provisions) (Jersey) Regulations 2022 (**LLCGPR**); and

11.4.1.5. General protections under:

11.4.1.5.1 Financial Services Ombudsman (Jersey) Law 2014; and

11.4.1.5.2 Codes of practice for regulated business.

11.4.2 The above provide strong, clear, and enforceable standards appropriate to the nature of activity proposed within prospectuses and their target investors which COBO does not:

Aspect	COBO	Regulatory and product laws
Legal Authority	> General consent to circulate	> Explicit statutory authority
Disclosure Standards	> None specified	> Detailed requirements in subordinate legislation
Enforcement Powers	> Revocation of consent only	> Clear statutory powers for ongoing supervision and enforcement
Investor Protection	> Fragile, no specific standards	> Strong, clear, and enforceable standards

11.5 Need for repeal

11.5.1 The use of COBO for prospectus oversight is conceptually incoherent. It conflates pre-approval consent with ongoing investor protection and generally creates uncertainty.

11.5.2 Continuing to rely on COBO persists ambiguity, discourages sophisticated capital markets activity, and does not provide clear protection to investors or transparency to markets.

11.5.3 COBO's repeal in respect of prospectuses appears to be necessary and appropriate. Jersey's regulatory framework already contains the necessary tools to support investor protection, manage reputational risk, and maintain high standards in capital markets activity. COBO should therefore no longer be used where risks are effectively and clearly addressed elsewhere.

H. Consultation Questions: Prospectuses

16) Do you agree that the repeal of the COB Framework in respect of prospectus oversight is appropriate?

17) Do you foresee any scenarios where the removal of the COB Framework's provisions in respect of prospectus approval will expose Jersey to risks that are not addressed within other parts of the legal and regulatory framework?

12. Unit trusts

12.1 Unit Trusts

12.1.1 The Trusts Law provides for the establishment of unit trusts which must be created by an instrument in writing. However, unlike the other product laws, the Trusts Law does not contemplate the registration of any trust with the JFSC, rather this requirement is exclusively set out within COBO and exclusively for unit trusts.

12.1.2 The provisions at Article 9 of COBO in respect of unit trusts were last amended on 1 March 1985 by the [Control of Borrowing \(Amendment No. 3\) \(Jersey\) Order 1985](#). A helpful summary of the policy rationale for these amendments is found in [Government's response to a freedom of information request dated 22 February 2016](#). In essence, the policy rationale for the relevant amendments was:

12.1.2.1. Regulatory oversight of fundraising - unit trusts, like companies, can raise money from the public and to ensure investor protection (particularly for Jersey residents) the law aimed to ensure:

12.1.2.1.1 Public fundraising through unit trusts is subject to scrutiny;

12.1.2.1.2 Consent is required for the issue of units in a unit trust if the trust is governed by Jersey law or if the units are to be registered in Jersey;

12.1.2.2. Prevention of regulatory arbitrage - the inclusion of unit trusts helps prevent entities from bypassing controls by:

12.1.2.2.1 Using non-corporate structures instead of companies; and

12.1.2.2.2 Establishing offshore unit trusts that still operate or solicit funds in Jersey.

12.1.2.3. Ensuring consistency with company controls - consent requirements for issuing units (analogous to issuing shares) and control over prospectus circulation in Jersey. This created a level playing field between different types of investment vehicles.

12.1.2.4. Protecting Jersey's reputation by ensuring that all entities raising money from the public in Jersey (whether companies or trusts) are subject to appropriate controls.

12.1.2.5. Clarifying Jurisdictional scope – the law defines when a unit trust has a “relevant connection” with Jersey, such as being managed or administered in Jersey, or having Jersey-resident trustees to ensure that foreign unit trusts with meaningful ties to Jersey are also within the scope of capture of the COB Framework.

12.2 Evolution of oversight

12.2.1 The amendments to COBO aligned the regulatory framework in 1985 to the prevailing controls at that time (which predated CIFL – 1988, CJL – 1991, FSL – 1998, LLCL – 2018, and SBL - 2008).

12.2.2 Today, Jersey's regulatory framework provides for the registration of trustees to all trusts under either the SBL, or the FSL, and where such trustees are non-professional individuals there are ongoing and relevant obligations set out within the Proceeds of Crime (Duties of Non-Professional Trustees) (Jersey) Order 2016 (**NPTO**).

12.2.3 The JFSC, through the annual supervisory risk data collection exercise (TCB administered Trusts workbook) captures information about all trusts, including unit trusts (sections JTA – JTF) that are provided services by TCB. This data enables the JFSC to understand the profile of activity relating to unit trusts that have a nexus to Jersey and the JFSC's supervisory powers in respect of TCB enable ongoing monitoring and oversight of all unit trusts where there is a nexus to Jersey.

12.2.4 Where unit trusts meet the criteria for registration as collective investment funds under CIFL a more comprehensive registration and supervisory regime comes into play and where a unit trust might be a JPF, 9.1 above provides a scheme for relevant controls.

12.3 Non-fund unit trusts

12.3.1 Under the proposed scheme, the registration of all unit trusts – including those that are required to register and provide updates using the JFSC's forms for non-fund unit trusts (UT-1 and UT-2) – will be integrated into Jersey's modern supervisory framework. This approach acknowledges the comprehensive data collected on an ongoing basis from TCB as summarised in 12.2 above.

12.4 Mitigating controls

- 12.4.1 Given the evolution of oversight mechanisms, the issuance of COBO Consent to unit trusts should be withdrawn, acknowledging that the original rationale for the development of the COB Framework's controls in respect of unit trusts has been superseded by stronger, and explicit, controls within the regulatory laws including in respect of prospectus oversight where offers to the public are made (see 11 above).

12.5 Summary

- 12.5.1 In summary the COB Framework's provisions in respect of unit trusts are:
- 12.5.1.1. Superseded by more comprehensive laws; and
 - 12.5.1.2. Overlapping with more modern, targeted oversight mechanisms.

I. Consultation Questions: Unit trusts

- 18) Do you support the proposal to withdraw the requirement for COBO Consent for unit trusts?

13. Other COBO Consents to be repealed

13.1 Securities issues generally

- 13.1.1 Notwithstanding the proposals in respect of Digital Issuers, it is not intended to put in place registration requirements for securities issues more generally. This is a departure from SICOB, in place since 1999, and is an intended consequence of the proposed scheme.
- 13.1.2 In 1999, the FSL (at that time the Investment Business (Jersey) Law 1999) had not been extended to provide for the supervision of TCB (November 2000), FSB (November 2007), and did not feature provisions in respect of market manipulation, misleading information and insider dealing (April 2008).
- 13.1.3 Together with the FSL's provisions in respect of Investment Business (effective since July 1998), these provisions have continued to evolve over the past 25 years to ensure that the JFSC, in its supervisory capacity, has adequate powers to take enforcement action against Jersey-registered entities and service providers where they might breach statutory requirements with regard to investor type, parties involved, and the suitability of issuers.
- 13.1.4 Conversely, the COB Framework does not explicitly provide for such enforcement action to be taken. In 2025, continuing to overlay the COB Framework on legitimate market activity conducted in accordance with the FSL and other regulatory laws creates administrative friction and is no longer required.

13.2 Non-domiciled structures

- 13.2.1 Where the COB Framework is currently applied to non-domiciled structures (**NDS**), the provisions under the regulatory laws address concerns regarding the protection of local investors where money is raised in Jersey. There is also a clear TCB or FSB nexus where the ownership register of a non-domiciled entity may be maintained in Jersey as such activity will require registration under the FSL with the relevant service provider subject to ongoing JFSC supervision.
- 13.2.2 The continued use of the COB Framework to require that COBO Consent is granted to NDS therefore appears duplicative. To external stakeholders, including outside investors, it may give the impression that Jersey's regulatory focus is directed toward off-Island activity rather than being clearly focussed on Jersey-based activity within Island Agencies' sphere of influence.
- 13.2.3 As for securities issue generally, the COB Framework does not explicitly provide for enforcement action to be taken where an entity holding COBO Consent is in breach of statutory requirements with regard to investor type, parties involved, and the suitability of issuers.
- 13.2.4 By contrast, the regulatory laws do provide such enforcement powers, enabling the JFSC to take proportionate and effective action where necessary. This reinforces the need for repealing the COB framework in respect of NDS, in favour of the coherent approach provided by the regulatory laws.

J. Consultation Questions: Other COBO Consents to be repealed

- 19) Do you support the proposal to withdraw the requirement for COBO Consent for securities issues generally?
- 20) Do you agree that the need for requiring COBO Consent for NDS has been superseded by more modern and focussed requirements within the regulatory laws?

14. COB Framework interactions

14.1 Overview

14.1.1 Within this section, relevant laws in force in July 2025 are set out along with their purpose and use within the COB Framework being summarised. These laws will do one or more of the following:

14.1.1.1. Set out how the COB Framework operates;

14.1.1.2. Employ the provisions set out in the COB Framework; or

14.1.1.3. Cross-refer to the COB Framework.

14.1.2 Within 15 below a more detailed explanation of necessary amendments to each of these laws is set out should the shape of the scheme be developed as proposed.

14.2 Laws referred to by the COB Framework

Law	Summary of purpose/use of COB Framework	Last revised
Control of Borrowing (Jersey) Law 1947 (COBL)	<ul style="list-style-type: none"> > Sets out the overarching COB Framework > Provides definitions and scope of Order making powers (Art.1) > Provides detailed Order making powers for the issue of consents, conditions attached to consents, fees, and administrative matters (Art.2) > Limits liability for acts under the COB Framework done by the States of Jersey and JFSC (Art 3.) > Schedule (under Art.2(11)) provides for enforcement and penalties relating to Orders: <ul style="list-style-type: none"> ○ JFSC power to issue directions requiring documents/information (para.2(1)-(2)) ○ Bailiff to issue warrants (para.2(3)) ○ Criminal penalties for non-compliance (para.2(4)-(6)) ○ False and misleading information offences (para.3) ○ Further offences (paras.4-5) 	2024-02-27
Control of Borrowing (Jersey) Order 1958 (COBO)	<ul style="list-style-type: none"> > Implements powers set out under COBL Art.2 > Requirement for consent to be issued by JFSC for: <ul style="list-style-type: none"> ○ Art.1 External body corporate raising money in Jersey by issue of shares ○ Art.2 Admission to membership of Jersey body corporate ○ Art.3 External body corporate having shares registered in Jersey ○ Art.4 Issue of securities other than shares ○ Art.4A Issue of securities other than LLC interests ○ Art.4 Continuance of external body corporate in Jersey ○ 5A Continuance of external limited liability company in Jersey ○ Art.6 Grant of options to employees ○ Art.7 Government securities 	2024-01-11

Law	Summary of purpose/use of COB Framework	Last revised
	<ul style="list-style-type: none"> ○ Art.8 Prospectuses, etc. ○ Art.9 Unit trusts ○ Art.10 Partnerships with limited partners ○ Art.11 Limited liability partnerships ○ Art.11A Limited liability companies ➢ Art.12 JFSC consent general/special, revocable, absolute, conditional, time limited. ➢ Art.12A JFSC fee raising powers 	
Alternative Investment Funds (Jersey) Regulations 2012 (AIFR)	<ul style="list-style-type: none"> ➢ Art.3(1)(d)(i) Sets out that a scheme or arrangement may be an AIF where it holds a COBO consent. 	2024-02-27
Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000 (CIFRSO)	<ul style="list-style-type: none"> ➢ Art.2 Excludes schemes or arrangements from capture as Collective Investment Funds under the CIFL where such schemes or arrangements hold a relevant COBO Consent and otherwise meet criteria set out in the CIFRSO 	2023-02-14
Collective Investment Funds (Unclassified Funds) (Prospectuses) (Jersey) Order 1995 (UFPO)	<ul style="list-style-type: none"> ➢ Schedule, Para.16 requires Unclassified Funds holding a certificate under CIFL to declare the JFSC is protected from liability under COBL if they refer to a COBO Consent in their prospectus. It should be noted that UFPO was superseded by the Collective Investment Funds (Certified Funds – Prospectuses) (Jersey) Order 2012 (CFPO), however, remains in force for certain historic funds. 	2008-04-04
Companies (General Provisions) (Jersey) Order 2002 (CGPO)	<ul style="list-style-type: none"> ➢ Schedule, Part 2, Para.1 requires companies issuing a prospectus to declare that COBO Consent has been given and not withdrawn and para.1(c) refers to "these consents" one of which is the COBO Consent. 	2022-03-01
Financial Services (Investment Business (Restricted Investment Business – Exemption)) (Jersey) Order 2001 (RIBO)	<ul style="list-style-type: none"> ➢ Excludes restricted investment business from capture as Investment Business under FSL where persons carrying on that business do so for a professional investor regulated scheme which must hold a COBO Consent and otherwise meet criteria set out in the RIBO. 	2023-10-31
Financial Services (Investment Business (Special Purpose Investment Business – Exemption)) (Jersey) Order 2001 (SPIBO)	<ul style="list-style-type: none"> ➢ Excludes special purpose investment business from capture as Investment Business under the FSL where persons carrying on that business do so for a special purpose regulated scheme which must hold a COBO Consent and otherwise meet criteria set out in the SPIBO. 	2023-10-31
Financial Services (Jersey) Law 1998 (FSL)	<ul style="list-style-type: none"> ➢ Art.43(6) regarding transitional provisions, while repealed by Article 14 of the Financial Services (Extension) (Jersey) Law 2000, remains in force for legacy situations and cross refers to COBO. ➢ Schedule 2, Part 2, Paragraph 18 excludes special purpose vehicles from capture as TCB under the FSL where they have obtained COBO Consent and their sole or principal activity is to participate in a scheme or arrangement that involves: 	2024-12-11

Law	Summary of purpose/use of COB Framework	Last revised
	<ul style="list-style-type: none"> > the making of a loan, the giving of a guarantee, or the entering into of a derivatives transaction; > the issuing of securities; > the securitisation, acquisition or repackaging of assets; > a capital markets transaction; > any other transaction the JFSC may approve; or > any transaction in connection with any of the above 	
Financial Services Commission (Jersey) Law 1998 (FSCL)	<ul style="list-style-type: none"> > Art.6(b)(i) – among the transferred functions of the JFSC is administration of COBL. 	2024-02-27
Limited Liability Companies (General Provisions) (Jersey) Regulations 2022 (LLCGPR)	<ul style="list-style-type: none"> > Art.29 clarifies that provisions within the LLCGPR regarding prospectuses are in addition to and do not derogate from requirements of COBO > Art.30 prevents Limited Liability Companies from circulating a prospectus unless specified conditions are met with Art.30(3)(b) requiring those statements to include the statements in Part 2 of the Schedule > Schedule, Part 2, para.(b) refers to COBO Consent and para.(c) refers to "these consents" one of which is the COBO Consent. 	2023-02-14
Limited Partnerships (Continuance) (Jersey) Regulations 2023 (LPCR)	<ul style="list-style-type: none"> > Art.3(1)(b)(ii) requires an application to continue a limited partnership into Jersey to include a statement that the LP has applied for COBO Consent > Art.4(1) empowers the JFSC to grant continuance provided (Art.4(1)(b)) the JFSC has granted COBO Consent > Art.5(5) sets out how the effective date for the relevant COBO Consent will be documented 	2023-07-17
Police Procedures and Criminal Evidence (Jersey) Law 2003 (PPCEL)	<ul style="list-style-type: none"> > Art.25 sets out that where the Bailiff is given power to issue a search warrant by an enactment, a Jurat may exercise the power to a search warrant subject to the same conditions where the relevant enactment is listed in Schedule 3 > Sch.3 Includes COBL within the list of relevant enactments 	2023-09-21
Security Interests (Registration and Miscellaneous Provisions) (Jersey) Order 2013 (SIRMPO)	<ul style="list-style-type: none"> > Art.2(1) disapplies the registration provisions for trusts where the trustees of those trusts grant security interest but excludes prescribed unit trusts which are defined at Art.2(2) and include at 2(2)(g) that the trustees of the trust hold COBO Consent. 	2022-09-01

14.3 COBO articles

- 14.3.1 Below, each of the articles within COBO is considered as to its purpose and the effect of its removal:
- 14.3.1.1. Repeal (**R**) – where repeal is recommended, the relevant articles do not need to be ported into the proposed scheme. These articles are duplicative or redundant.
- 14.3.1.2. Product law (**PL**) – as set out in 7.7 above, the Articles that are proposed to be addressed via amendments to the product laws are those that require explicit powers of refusal

under the proposed scheme in order that the JFSC can continue to effectively function as gatekeeper.

14.3.1.3. Regulatory law (RL) – as set out at 4.5 above the relevant powers are superseded by modern regulatory laws.

Article	Summary of purpose	Implications of repeal	Balanced view	R, PL, RL
1. External body corporate raising money in Jersey by issue of shares	<ul style="list-style-type: none"> > Safeguard requiring JFSC approval for fundraising activities by non-Jersey companies that could expose local investors to foreign entities lacking local oversight. 	<ul style="list-style-type: none"> > Repeal could allow foreign companies to raise capital from Jersey investors without JFSC oversight, potentially decreasing investor protection while increasing financial crime and reputational risk. 	<ul style="list-style-type: none"> > No other comparable jurisdictions have this rule. > Enforcement is problematic as abuse would occur outside Jersey's regulatory perimeter. > Jersey should focus resource on its domestic sphere of influence. 	R
2. Admission to membership of Jersey body corporate	<ul style="list-style-type: none"> > Ensures non-shareholder admissions (e.g. guarantee) into Jersey companies are subject to regulatory scrutiny, preventing circumvention of share issuance controls. 	<ul style="list-style-type: none"> > Could lead to circumvention of intent to scrutinise and prevent abuse of non-shareholder admissions at entry. 	<ul style="list-style-type: none"> > Given comprehensive CJL provisions on share issues and membership as well as FSDPL enabling clear understanding of financial crime risk this is a duplicative provision. 	PL
3. External body corporate having shares registered in Jersey	<ul style="list-style-type: none"> > Prevents regulatory arbitrage by restricting the use of Jersey's infrastructure (e.g., registrar or nominee services) by foreign entities seeking legitimacy via Jersey. 	<ul style="list-style-type: none"> > Would risk Jersey being used as a "registry haven" for foreign shares, complicating regulatory enforcement and international compliance. 	<ul style="list-style-type: none"> > TCSP/TCB/FSB activities are subject to registration, regulation, and supervision. > COBO overlay is not required provided that ongoing supervisory activities continue to police the perimeter for relevant services. 	R
4. Issue of securities other than shares	<ul style="list-style-type: none"> > Controls the issuance of debt and other securities, ensuring Jersey entities or structures with local registration are not used to access capital without oversight. 	<ul style="list-style-type: none"> > Enables unregulated debt issuance via Jersey structures, potentially undermining financial stability, and investor protection. 	<ul style="list-style-type: none"> > Though broader than share issuance, the same principles apply: <ul style="list-style-type: none"> o Extra-territoriality is not aligned to international best practice 	PL

Article	Summary of purpose	Implications of repeal	Balanced view	R, PL, RL
			<ul style="list-style-type: none"> ○ TCSP/TCB/FSB supervision etc addresses risk of abuse ○ Access to data and information is guaranteed via product laws and/or FSDPL 	
4A. Issue of securities other than LLC interests	<ul style="list-style-type: none"> > Extends Article 4 protections to LLCs. 	<ul style="list-style-type: none"> > As for Article 4. 	<ul style="list-style-type: none"> > As for Article 4. 	PL
5. Continuance of external body corporate in Jersey	<ul style="list-style-type: none"> > Ensure foreign companies migrating into Jersey are assessed effectively (entry control) 	<ul style="list-style-type: none"> > Allows foreign companies to redomicile without review of shares and other instruments in issue, risking legacy issues and harming regulatory integrity. 	<ul style="list-style-type: none"> > Review of redomiciliation will always be appropriate under Part 18C of CJL > Consent to retain existing securities is a complex overlay better address via explicit powers to refuse continuance requests – already within CGPO and proposed within product laws. 	PL
5A. Continuance of external limited liability company in Jersey	<ul style="list-style-type: none"> > Extends Article 5 protections to LLCs. 	<ul style="list-style-type: none"> > As for Article 5. 	<ul style="list-style-type: none"> > As for Article 5 (cf. Part 8 LLCGPR) 	PL
6. Grant of options to employees	<ul style="list-style-type: none"> > Exempts legitimate employee incentive schemes from consent requirements. 	<ul style="list-style-type: none"> > May impact employee equity schemes by introducing ambiguity or inadvertently allowing misuse of schemes for capital raising. 	<ul style="list-style-type: none"> > If COBO is repealed the need for the exemption falls away 	R
7. Government securities	<ul style="list-style-type: none"> > Requires registration of securities of foreign governments so maintains reputation / political neutrality. 	<ul style="list-style-type: none"> > Could permit registration of opaque or politically sensitive government securities. 	<ul style="list-style-type: none"> > Edge case that can be addressed via updated SBPP, national risk appetite/regulated sector's adherence to risk-based anti-financial crime framework. 	R

Article	Summary of purpose	Implications of repeal	Balanced view	R, PL, RL
8. Prospectuses, etc.	<ul style="list-style-type: none"> Ensures offers made in Jersey meet high standards ensuring investor protection. 	<ul style="list-style-type: none"> Perceived weakening of controls over the circulation of financial promotions and increase local exposure to scams or misleading offers. 	<ul style="list-style-type: none"> FSL ensures strong protections are in place with tested enforcement powers supporting this approach. CIFL equally provides for strong controls in public funds context. See also 11 above 	RL
9 Unit trusts	<ul style="list-style-type: none"> Capital controls for unit trusts bringing safeguards akin to those for companies and other products. 	<ul style="list-style-type: none"> Reduces control over fundraising, weakening Jersey's ability to vet structures and intervene where marketed to retail investors. 	<ul style="list-style-type: none"> Discrete and focused controls under CIFL ensure no public offers See also 12.1 above 	RL
10 Partnerships with limited partners	<ul style="list-style-type: none"> As for unit trusts – for limited partnerships, incorporated limited partnerships, separate limited partnerships. 	<ul style="list-style-type: none"> As for unit trusts 	<ul style="list-style-type: none"> Proposed product laws general power of refusal ensures gatekeeping control Discrete and focused controls under CIFL ensure no public offers – see also 9 above 	PL
11 Limited liability partnerships	<ul style="list-style-type: none"> As for unit trusts – for limited liability partnerships. 	<ul style="list-style-type: none"> As for unit trusts 	<ul style="list-style-type: none"> As for Partnerships with limited partners 	PL
11A Limited liability companies	<ul style="list-style-type: none"> As for unit trusts – for limited liability companies. 	<ul style="list-style-type: none"> As for unit trusts 	<ul style="list-style-type: none"> As for Partnerships with limited partners 	PL
12 Provisions as to consent of Commission	<ul style="list-style-type: none"> Provides JFSC powers to grant, revoke, and condition consents in order to protect Jersey's economic and reputational interests. 	<ul style="list-style-type: none"> Strips the JFSC of flexible tools necessary for tailored regulation, reducing responsiveness to risks or unique cases. Critically, strips the JFSC of the power to "say no" to certain applications. 	<ul style="list-style-type: none"> If COBO is repealed, discrete and focussed powers that ensure the JFSC is able to act as an effective gatekeeper are proposed under product laws 	PL
12A Fees	<ul style="list-style-type: none"> Allows JFSC to levy fees 	<ul style="list-style-type: none"> Loss of income from COBO process 	<ul style="list-style-type: none"> As COBO is phased out the relevant fees should not be required on an ongoing basis with 	R

Article	Summary of purpose	Implications of repeal	Balanced view	R, PL, RL
			relevant product and regulatory laws providing power to levy fees in relevant circumstances.	
13 Definitions	> Scope of interpretation	> Minimal impact; however, repeal must be coordinated with any removal of operative provisions elsewhere that rely on these definitions.	> Definitions themselves are harmless but could lead to confusion if COBO is repealed and some terms are reused in the new approach.	R
14 Application	> Clarifies legacy applications and exclusions, especially for older statutory authorities or exemptions.	> Could create legal ambiguity about legacy transactions and grandfathered consents, complicating enforcement.	> Provides legal continuity but can be subsumed into transitional process as COBO is phased out.	R
15 Citation	> Formally cites the Order for clarity.	> No substantive impact, but note cross-references in law and JFSC publications, forms etc.	> No substantive content – standard citation clause with no regulatory effect.	R

K. Consultation Questions: COB Framework interactions

- 21) Do you consider that there are other interactions that have not been summarised above and what would their impact be?

15. Repeal of the COB Framework

15.1 Overview

- 15.1.1 Within this section, an explanation of the necessary amendment or repeal of the relevant laws set out above is proposed. Full laws are accessible by clicking on the link in the sub-heading for each law or through the glossary at 18 below.
- 15.1.2 For each law, an observation is made as to the required changes to implement the scheme. It must be stressed that the following are illustrative policy outlines – not statutory drafts – designed to convey the intended shape and effect of the amendments being proposed.

15.2 Control of Borrowing (Jersey) Law 1947

- 15.2.1 It is recommended that the COBL is repealed in its entirety. The effect of amending the product laws to provide the JFSC with explicit powers of refusal means that COBL will become redundant, and its subordinate instrument (COBO) may also be entirely repealed.
- 15.2.2 Transitional provisions should preserve limited investigatory powers during the defined transitional period and any existing investigations (if any) initiated under COBL should be provided with a mechanism to enable completion in order to avoid procedural collapse.

15.3 Control of Borrowing (Jersey) Order 1958

- 15.3.1 It is recommended that the COBO is repealed in its entirety. The effect of amending the product laws to provide the JFSC with explicit powers of refusal means that COBO will become redundant – see also analysis within 13 above.

15.4 Alternative Investment Funds (Jersey) Regulations 2012

- 15.4.1 If the COB Framework is repealed, the AIFR's reference to COBO would become redundant.
 - 15.4.1.1. Clause 3(1)(d)(i) would be deleted.
- 15.4.2 The effect of this would not compromise existing or future Alternative Investment Funds (**AIF**) as the purpose of Regulation 3 is to scope the definition of AIF and the COBO Consent issued does not interfere with or supersede the requirement for an AIF to hold an AIF certificate which is issued separately under the AIFR.

15.5 Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000

- 15.5.1 If the COB Framework is repealed, the CIFRSO's references to COBO would become redundant.
 - 15.5.1.1. The definitions of "1958 Order" and "relevant consent" would be deleted from Article 1.
 - 15.5.1.2. Subparagraph 2(1)(b) would be deleted.
- 15.5.2 The effect of this would not compromise the function of CIFRSO as the operative provisions within Article 2 (Restriction of scope) would persist (the investment scheme was established for a special purpose, and requirements regarding listing particulars or offer documents).

15.6 Collective Investment Funds (Unclassified Funds) (Prospectuses) (Jersey) Order 1995

- 15.6.1 If the COB Framework is repealed, the UFPO's reference to the COB Framework would become redundant.
 - 15.6.1.1. The reference to COBL and COBO within paragraph (1)(d)(ii) of the Schedule would be deleted.
- 15.6.2 The effect of this would not compromise the function of UFPO as this is a discrete disclosure requirement among others within the Schedule which would continue.
- 15.6.3 As noted in the table at Section 14.2 above, UFPO was superseded by CFPO, having effect between 17th November 2012 and 16th November 2013, however, remains in effect for certain historic funds by virtue of the operation of Article 9(4) of UFPO.

15.7 Companies (General Provisions) (Jersey) Order 2002

- 15.7.1 If the COB Framework is repealed, the CGPO references to the COB Framework would become redundant.

- 15.7.1.1. Article 4 would be deleted.
- 15.7.1.2. The reference to COBO within paragraph 1(b) of the Schedule would be deleted.
- 15.7.1.3. The reference to “these consents” within paragraph 1(c) of the Schedule would become singular rather than plural.
- 15.7.2 The effect of this would not compromise the function of CGPO as while the COBO Conditions around the issuance of prospectuses are repealed, their ongoing function is not established on a clear footing and the direct requirements within CGPO establish a clear legal basis for requirements relating to prospectuses. Where COBO is referred to within the Schedule, this is a discrete disclosure requirement among others within the Schedule. These other disclosure requirements would continue.
- 15.8 Financial Services (Investment Business (Restricted Investment Business – Exemption)) (Jersey) Order 2001**
 - 15.8.1 If the COB Framework is repealed, the RIBO’s references to the COB Framework would become redundant.
 - 15.8.1.1. The reference to “relevant consent” within subparagraph 3(2)(a) would be deleted.
 - 15.8.1.2. The reference to “relevant consent” within subparagraph 3(3)(a) would be deleted.
 - 15.8.1.3. Paragraph 3(4) which contains the definitions of “1958 Order” and “relevant consent” would be deleted.
 - 15.8.2 The effect of this would not compromise the function of RIBO as the critical investor warning provisions Article 3(2)(b) and 3(2)(c) would continue.
- 15.9 Financial Services (Investment Business (Special Purpose Investment Business – Exemption)) (Jersey) Order 2001**
 - 15.9.1 If the COB Framework is repealed, the SPIBO’s references to the COB Framework would become redundant.
 - 15.9.1.1. The reference to “relevant consent” within subparagraph 3(2)(a) would be deleted.
 - 15.9.1.2. The reference to “relevant consent” within subparagraph 3(3)(a) would be deleted.
 - 15.9.1.3. Paragraph 3(4) which contains the definitions of “1958 Order” and “relevant consent” would be deleted.
 - 15.9.2 The effect of this would not compromise the function of SPIBO as the critical “qualified professional investor” provisions Article 3(2)(b)-(c) and 3(3)(b)-(c) would continue.
- 15.10 Financial Services (Jersey) Law 1998**
 - 15.10.1 If the COB Framework is repealed, the FSL’s references to the COB Framework would become redundant.
 - 15.10.1.1. The reference to COBL within subparagraph 43(6) regarding transitional provisions, while repealed by Article 14 of the Financial Services (Extension) (Jersey) Law 2000, remains in force for legacy situations. As with the reference to the Regulation of Undertakings and Development (Jersey) Law 1973 which was repealed by Article 51 of the Control of Housing and Work (Jersey) Law 2012, this reference could persist.
 - 15.10.1.2. Within the note to paragraph 18 of schedule 2, part 2 the following amendments would be made:
 - 15.10.1.2.1 Reference to the “1958 Order” would be deleted.
 - 15.10.1.2.2 The definition of “partnership interest” would be updated to either:
 - (a) Contain the definition from COBO (“means a partner’s share of the profits and losses of a limited partnership and the right to receive distribution of partnership assets and other benefits conferred by the partnership agreement”); or

- (b) Refer to the definition at Article 1 of the Limited Partnerships (Jersey) Law 1994 (“means a partner’s share of the profits and losses of a limited partnership and the right to receive distributions of partnership assets and other benefits conferred by the partnership agreement”).

The difference between these two definitions is “distribution” in COBO vs “distributions” in the Limited Partnerships (Jersey) Law 1994. It should also be noted that since the coming into force of the Control of Borrowing (Amendment No. 14) (Jersey) Order 2011 on 10 October 2011, the reference to Article 10(3) has been incorrect – the correct reference is Article 10(4).

- 15.10.1.2.3 The definition of “relevant consent” would be deleted.
- 15.10.1.2.4 Within the definition of “special purpose vehicle”, the clause “who has obtained a relevant consent and” would be deleted.
- 15.10.1.2.5 The definition of “unit” would be updated to contain the definition from COBO (“means in relation to a unit trust, any right or interest (described whether as a unit or as a sub-unit or otherwise) which may be acquired under the scheme, being a right or interest created or issued for the purpose of raising money for the purposes of the scheme or a right or interest created or issued in substitution (whether directly or indirectly) for any right or interest so created or issued”).
- 15.10.1.2.6 There are no other constructions of “unit” that are aligned to the definition in COBO within the Jersey statute book.

- 15.10.2 The effect of this would not compromise the function of FSL as these are definitional matters which would simply be brought into alignment.

15.11 Financial Services Commission (Jersey) Law 1998

- 15.11.1 If the COB Framework is repealed, the FSCL’s reference to the COB Framework would become redundant.

15.11.1.1. The reference to COBL subparagraph 6(b)(i) would either:

- 15.11.1.1.1 Be deleted.
- 15.11.1.1.2 Allowed to persist as a matter of historic accuracy in a similar manner to the reference to the Regulation of Undertakings and Development (Jersey) Law 1973 and (potentially) COBL within the FSL.

- 15.11.2 The effect of this would not compromise the function of FSCL as the repeal of the COB Framework makes this function redundant.

15.12 Limited Liability Companies (General Provisions) (Jersey) Regulations 2022

- 15.12.1 If the COB Framework is repealed, the LLCGPR’s references to the COB Framework would become redundant.

15.12.1.1. Article 29 would be deleted.

15.12.1.2. The reference to COBO within paragraph [unnumbered](b) of Part 2 of the Schedule would be deleted.

15.12.1.3. The reference to “these consents” within paragraph [unnumbered](c) of the Schedule would become singular rather than plural.

- 15.12.2 The effect of this would not compromise the function of LLCGPR as while the COBO Consent conditions around the issuance of prospectuses are repealed, their efficacy as a supervisory tool is not established and the direct requirements within LLCGPR establish a clear legal basis for matters relating to prospectuses. Where COBO is referred to within the Schedule, this is a discrete disclosure requirement among others within the Schedule. These other disclosure requirements which would continue.

15.13 Limited Partnerships (Continuance) (Jersey) Regulations 2023

- 15.13.1 If the COB Framework is repealed, the LPCR's references to the COB Framework would become redundant.
- 15.13.1.1. The reference to COBO within clause 3(1)(b)(ii) would be deleted.
- 15.13.1.2. The reference to COBO within subparagraph 4(1)(b) would be deleted.
- 15.13.1.3. The reference to COBO within paragraph 5(5) would be deleted.
- 15.13.2 The effect of this would not compromise the function of LPCR as the transition from COBO to providing the JFSC with explicit refusal powers through the product laws means that there is a gateway approval process with a clear legal basis for refusal should this be required.
- 15.13.3 As noted at 7.6.3 above, the LPCR are triennial regulations expiring on 27 July 2026 and there is work in progress to lay an amendment to the LPL before the States of Jersey this year that will likely see the provisions (including in respect of determination and refusal on public interest grounds) placed within the LPL directly, subject of course to scrutiny, debate, and royal assent. As such the relevant references to COBO may be within the LPL at the time that drafting takes place.

15.14 Police Procedures and Criminal Evidence (Jersey) Law 2003

- 15.14.1 If the COB Framework is repealed, the PPCEL's reference to the COB Framework would become redundant.
- 15.14.1.1. The reference to COBL within the list of enactments conferring power to issue a search warrant at Schedule 3 would be deleted.
- 15.14.2 Subparagraph 2(3) of the Scheule to COBL provides that the Bailiff may issue a warrant authorising entry of premises, search, and seizure of documents. The power conferred under Article 25 of PPCEL for a Jurat to exercise this power would fall away in respect of COBL on repeal.
- 15.14.3 As noted within 5 above the powers enabling the issuance of directions by the JFSC and warrants by the Bailiff as well as provisions relating to offences regarding the provision of false and misleading information within the Scheule to COBL are intended consequences of the COB Framework's repeal.
- 15.14.4 Nevertheless, it is noted that the power conferred by Article 132 of CJL is already included in Schedule 3 of PPCEL and to ensure consistency in approach it may be desirable to explicitly include reference to the following product laws in order that a Jurat is able to exercise the Bailiff's powers:
- 15.14.4.1. Limited Liability Companies (Jersey) Law 2018 – via Regulation 109 of the LLCGPR;
- 15.14.4.2. Limited Liability Partnerships (Jersey) Law 2017 – via Regulation 43 of Limited Liability Partnerships (Dissolution and Winding Up) (Jersey) Regulations 2018;
- 15.14.4.3. For completeness, the following product laws do not contain similar provisions:
- 15.14.4.3.1 Incorporated Limited Partnerships (Jersey) Law 2011
- 15.14.4.3.2 Limited Partnerships (Jersey) Law 1994
- 15.14.4.3.3 Separate Limited Partnerships (Jersey) Law 2011
- 15.14.4.3.4 Trusts (Jersey) Law 1984.
- 15.14.5 The Bailiff's similar powers under the regulatory laws are not exercisable by a Jurat.

15.15 Security Interests (Registration and Miscellaneous Provisions) (Jersey) Order 2013

- 15.15.1 If the COB Framework is repealed, the SIRMPO's reference to the COB Framework would become redundant.
- 15.15.1.1. The reference COBO within subparagraph 2(2)(g) would be deleted.
- 15.15.2 The effect of this would not compromise the function of SIRMPO as the definition of a prescribed unit trust would be aligned to the revised scheme.

L. Consultation Questions: Repeal of the COB Framework

- 22) Do you consider that there are other amendments that have not been summarised above and what are they?

16. Locus of refusal powers in product laws

16.1 Overview

16.1.1 This section sets out an extended version of the table at 7.7.2 above to indicate where amendments might be located to achieve the intent of the proposals with regard to refusal powers as well as potential enhancements mirroring the provisions in CJL to apply to the Court for the revocation of registration.

16.1.2 The shape of the proposed scheme in respect of the power of refusal is set out at 7.5 above and might model the existing provisions:

16.1.2.1. LPCR where registration may not be granted on "public interest" grounds; and

16.1.2.2. CJL (and other laws) where registration may be effectively revoked on just and equitable or public interest grounds by application to the Royal Court.

16.2 Product Laws

Law	Refusal of Registration	Revocation
CJL	<ul style="list-style-type: none"> > Art.8(1) <i>referral to Royal Court</i> where not in public interest. <p>Article 8 might be amended to enable the registrar to refuse registration on "public interest" grounds without referral to the court.</p>	<ul style="list-style-type: none"> > Article 155 provides satisfactory grounds.
ILPL	<ul style="list-style-type: none"> > Art.4(8) where registered office not authorised. <p>Article 4 might be extended to enable the registrar to refuse registration on "public interest" grounds.</p>	<ul style="list-style-type: none"> > Regulation 19 of the ILPR (under Article 21 of ILPL) provides satisfactory grounds.
LLCL	<ul style="list-style-type: none"> > Art.7(3) where name is misleading or undesirable. > Art.8(5) where registered office not authorised. <p>Article 4 might be extended to enable the registrar to refuse registration on "public interest" grounds.</p>	<ul style="list-style-type: none"> > Regulation 3 of the LLCWUR (under Article 60 of the LLCL) provides satisfactory grounds.
LLCGPR	<ul style="list-style-type: none"> > Various powers to refuse mergers, demergers and continuance on administrative grounds or entity otherwise not meeting requirements of LLCL. <p>Given cross-referral to LLCL (and as a subordinate instrument to that law) if the amendments to the LLCL are made, further amendment may not be required.</p> <p>However, for clarity, an amendment to each of Regulations 62 (Decisions and appeals – in respect of merger), 80 (Registration of notices as to demerger – in respect of demerger), and 86 (Restrictions on continuance – in respect of continuance) may be required.</p>	<ul style="list-style-type: none"> > n/a as subordinate to LLCL
LLPL	<ul style="list-style-type: none"> > Art.6(3) where name is misleading or undesirable. > Art 7(3) where registered office not authorised. 	<ul style="list-style-type: none"> > There are no provisions to provide for the winding up/dissolution of a limited liability partnership on the application of the JFSC if the Royal Court is satisfied that it is just and

	Article 18 might be extended to enable the registrar to refuse registration on "public interest" grounds.	equitable to do so or if it is in the public interest to do so. Article 6 of the LLPWUR (Power of Court to order dissolution) might be amended or extended to provide for the JFSC to apply to the Court for winding up on just and equitable or public interest grounds.
LPL	<ul style="list-style-type: none"> > Art.4(6A) where registered office not authorised. > Art.7(3) where name is misleading or undesirable. <p>Article 4 might be extended to enable the registrar to refuse registration on "public interest" grounds.</p>	<ul style="list-style-type: none"> > Art.25(1A) of LPL provides the Court may, on the application of the registrar, order the winding up of a limited partnership if satisfied that the activities of the limited partnership are bringing the reputation of Jersey into disrepute. <p>Article 25 might be amended or extended to provide for the Registrar (or JFSC) to apply to the Court for winding up on just and equitable or public interest grounds.</p>
LPCR	<ul style="list-style-type: none"> > Reg.4(5) refusal where not in public interest. <p>Given this power already provides for refusal on public interest grounds no amendment would appear necessary and noting that the LPCR is subordinate to the LPL should amendments be made to that law then this would reinforce this position.</p>	<ul style="list-style-type: none"> > n/a as subordinate to LLCL
SLPL	<ul style="list-style-type: none"> > Art.4(7) where registered office not authorised. > Art.7(5) where name is misleading or undesirable. <p>Article 4 might be extended to enable the registrar to refuse registration on "public interest" grounds.</p>	<ul style="list-style-type: none"> > There are no provisions to provide for the winding up/dissolution of a separate limited partnership on the application of the JFSC if the Royal Court is satisfied that it is just and equitable to do so or if it is in the public interest to do so. <p>Article 27 (Power of Court to order dissolution, or part 2 generally) might be amended or extended to provide for the JFSC to apply to the Court for winding up on just and equitable or public interest grounds.</p>
TJL (unit trusts)	<ul style="list-style-type: none"> > Only via COBO. <p>Refer to H above – no amendments proposed.</p>	<ul style="list-style-type: none"> > n/a refer to H above
FDL	<ul style="list-style-type: none"> > Art.27(1)(a) registrar not satisfied objects are lawful > Art.27(1)(b) where name is misleading or undesirable <p>Article 4 might be extended to enable the registrar to refuse registration on "public interest" grounds.</p>	<ul style="list-style-type: none"> > Regulation 34(b) provides satisfactory grounds

M. Consultation Questions: Locus of refusal powers

23) Do you have any observations about the potential locus of refusal powers?

17. List of consultation questions

17.1 Responding to the consultation

- 17.1.1 As noted in the foreword, this consultation is necessarily quite detailed, as reforming such a long running framework requires careful and detailed consideration. We are confident the long-term simplification that will result merits careful analysis at this stage and we are grateful for your input which is vital to ensure the final outcome meets the needs of all stakeholders.
- 17.1.2 Further detail on how to respond is provided in Section 3.6 above. You may respond in relation only to particular questions if you wish as we appreciate the COB Framework impacts different stakeholders in different ways.

Topic	Question
A. Consultation Questions: Overall Scheme	1) Do you support the proposal to repeal the COB Framework in its entirety? Please indicate how the proposal will affect your business and your clients. 2) Do you foresee any gaps or unintended consequences arising from the proposals that are not addressed within the consultation?
B. Consultation Questions: Legal and regulatory powers	3) Do you agree that legal and regulatory powers are adequately provided elsewhere within Jersey's wider legal and regulatory framework?
C. Consultation Questions: Local impact	4) Do you have any observations regarding local impacts including the economic costs and benefits associated with the proposals?
D. Consultation Questions: Product laws to provide powers of refusal	5) Do you agree that the JFSC's powers of refusal should be retained within the proposed scheme within each product law?
	6) Do you agree with the approach in respect of criteria for refusal (e.g. illegality, misleading information, public interest)?
	7) Do you agree that the scheme should not include powers for the JFSC to revoke registrations without requiring an application to the Royal Court?
E. Consultation Questions: SBPP	8) Do you agree with the proposal to move from the current list-based approach towards a more flexible, principle-based framework?
	9) Do you agree with the proposed three-phase decision-making model (approve, request more information, refuse)?
	10) Do you consider that the proposed SBPP should be further modified, for example should it be removed in favour of other documents such as the Registry Processing Statement?
F. Consultation Questions: JPF and legacy funds	11) Do you agree that in repealing the COB Framework it is necessary to create a mechanism to ensure JPF and legacy funds remain within the regulatory perimeter in broadly the same way as today?
	12) Do you support the creation of a new class of financial services business (e.g. "Private Fund Services Business") under the FSL to capture JPF and legacy fund activity?
G. Consultation Questions: Certain digital products	13) Do you agree that a mechanism is required to ensure continued oversight of Digital Issuers?
	14) Do you support the proposed approach of using the TCB Code to formalise oversight of Digital Issuers through obligations on TCBs?
	15) Do you agree that it is premature to introduce a more comprehensive statutory regime for Digital Issuers at this time?

Topic	Question
H. Consultation Questions: Prospectuses	16) Do you agree that the repeal of the COB Framework in respect of prospectus oversight is appropriate?
	17) Do you foresee any scenarios where the removal of the COB Framework's provisions in respect of prospectus approval will expose Jersey to risks that are not addressed within other parts of the legal and regulatory framework?
I. Consultation Questions: Unit trusts	18) Do you support the proposal to withdraw the requirement for COBO Consent for unit trusts?
J. Consultation Questions: Other COBO Consents to be repealed	19) Do you support the proposal to withdraw the requirement for COBO Consent for securities issues generally?
	20) Do you agree that the need for requiring COBO Consent for NDS has been superseded by more modern and focussed requirements within the regulatory laws?
K. Consultation Questions: COB Framework interactions	21) Do you consider that there are other interactions that have not been summarised above and what would their impact be?
L. Consultation Questions: Repeal of the COB Framework	22) Do you consider that there are other amendments that have not been summarised above and what are they?
M. Consultation Questions: Locus of refusal powers	23) Do you have any observations about the potential locus of refusal powers?

18. Glossary (containing links to laws and other documents)

Term	Meaning
AIF Amendment Regulations	Financial Services (Amendment of Law) (No. 4) (Jersey) Regulations 2012
AIFR	Alternative Investment Funds (Jersey) Regulations 2012
AIFSB	Alternative Investment Fund Services Business
ARIES	Association of Restructuring and Insolvency Experts
BBL	Banking Business (Jersey) Law 1991
CGPO	Companies (General Provisions) (Jersey) Order 2002
Chamber	Jersey Chamber of Commerce
CFPO	Collective Investment Funds (Certified Funds – Prospectuses) (Jersey) Order 2012
CIFL	Collective Investment Funds (Jersey) Law 1988
CIFRSO	Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000
CIFUFO	Collective Investment Funds (Unregulated Funds) (Jersey) Order 2008
CJL	Companies (Jersey) Law 1991
COB Framework	COBL and COBO
COBL	Control of Borrowing (Jersey) Law 1947
COBO	Control of Borrowing (Jersey) Order 1958
COBO Conditions	Conditions attached to a COBO Consent requiring certain things to be done by the entity holding the COBO Consent
COBO Consent	A consent under COBO issued by the JFSC
COBO only fund	A fund established prior to the introduction of the JPF regime holding COBO Consent
COB Working Group	Working Group established to consider proposals within this consultation and ongoing COB Framework developments in depth with members from Government, Island Agencies and Industry representative bodies
CONJO	Guidance note on the Circulation of offers in Jersey of non-Jersey securities
Digital Issuers	Entities carrying on activities involving the issue of ICTO/TRWA
DNFBP	Designated Non-Financial Business or Profession
DSP	Designated Service Provider
EULIL	European Union Legislation (Implementation) (Jersey) Law 2014
FAQ	Frequently Asked Question
FCA	Financial Conduct Authority
FDL	Foundations (Jersey) Law 2009
FI	Financial Institution
FISBO	Financial Services (Financial Services Business) (Jersey) Order 2009
FRPS	Financial and Related Professional Services
FSB	Fund Services Business
FSCL	Financial Services Commission (Jersey) Law 1998
FSDPL	Financial Services (Disclosure and Provision of Information) (Jersey) Law 2020
FSG	Fiscal Strategy Group

FSL	Financial Services (Jersey) Law 1998
FWUR	Foundations (Winding up) (Jersey) Regulations 2009
GFSC	Guernsey Financial services Commission
GNSI	Guidance Note on Securities Issues by Jersey Companies
Government	Government of Jersey
ICOJ	Government's 2017 statement on Initial Coin Offerings in Jersey
ICTO	Initial Coin and Token Offerings
ICTO Guidance	Application process for issuers of initial coin and token offerings (IC/TOs)
ILPL	Incorporated Limited Partnerships (Jersey) Law 2011
ILPR	Incorporated Limited Partnerships (Jersey) Regulations 2011
Insurance Law	Insurance Business (Jersey) Law 1996
IOD	Institute of Directors, Jersey Branch
JAEA	Jersey Estate Agents Association
JATCO	Jersey Association of Trust Company Officers
JBA	Jersey Bankers Association
JCOA	Jersey Compliance Officers Association
JFA	Jersey Funds Association
JFL	Jersey Finance Limited
JFSC	Jersey Financial Services Commission
JPA	Jersey Pensions Association
JPF	Jersey Private Fund
JPF Guide	Jersey Private Funds Guide
JPF Working Group	Working Group established to make ongoing enhancements to JPF with members from Government, JFSC and Industry bodies including the JFA, JFL, and JATCO
JSCCA	Jersey Society of Chartered and Certified Accountants
Law Society	Law Society of Jersey
Legacy fund	VPF, PPF, or COBO only fund
LLCGPR	Limited Liability Companies (General Provisions) (Jersey) Regulations 2022
LLCL	Limited Liability Companies (Jersey) Law 2018
LLCWUR	Limited Liability Companies (Winding Up and Dissolution) (Jersey) Regulations 2022
LLP	Limited Liability Partnership
LLPL	Limited Liability Partnerships (Jersey) Law 2017
LPCR	Limited Partnerships (Continuance) (Jersey) Regulations 2023
LPL	Limited Partnerships (Jersey) Law 1994
NDS	Non-Domiciled Structures
NPTO	Proceeds of Crime (Duties of Non-Professional Trustees) (Jersey) Order 2016
PFSB	Private Fund Services Business
POCL	Proceeds of Crime (Jersey) Law 1999
PPCEL	Police Procedures and Criminal Evidence (Jersey) Law 2003

PPF	Private placement fund
Product laws	In the context of this report the CJL, ILPL, LLCL, LLPL, LPL, LPCR, SLPL, and Trusts Law
Regulatory laws	In the context of this report the AIFR, BBL, CIFL, FSDPL, FSL, Insurance Law, and SBL
Regulatory sandbox	A formal mechanism that enables a regulator to provide specific consent to conduct activities that might be regulated in a flexible way – generally used for novel activities
RIBO	<u>Financial Services (Investment Business (Restricted Investment Business – Exemption)) (Jersey) Order 2001</u>
RPS	<u>Registry Processing Statement</u>
SBL	<u>Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008</u>
SBPP	<u>Sound Business Practice Policy</u>
SIL	<u>Security Interests (Jersey) Law 2012</u>
SIRMPO	<u>Security Interests (Registration and Miscellaneous Provisions) (Jersey) Order 2013</u>
SLPL	<u>Separate Limited Partnerships (Jersey) Law 2011</u>
SPIBO	<u>Financial Services (Investment Business (Special Purpose Investment Business – Exemption)) (Jersey) Order 2001</u>
STEP	<u>Society of Trust and Estate Practitioners</u>
TCB	Trust Company Businesses
TCB Code	<u>Code of Practice for Trust Company Business</u>
Threshold conditions	Conditions that must be adhered to in order for a registration to be granted and implicitly adhered to on an ongoing basis by a registered entity
Trusts Law	<u>Trusts (Jersey) Law 1984</u> – strictly in relation to unit trusts
TRWA Guidance	<u>Tokenisation of real world assets (RWAs)</u>
UFPO	<u>Collective Investment Funds (Unclassified Funds) (Prospectuses) (Jersey) Order 1995</u>
VASP	Virtual Asset Service Provider
VPF	Very Private Fund