

Consultation response and policy paper:

# Amendments to Jersey's company prospectus regime

SEPTEMBER 2021

## **BACKGROUND**

In 2014, following public consultation, an amendment was made to the Companies (Jersey) Law 1991 (the “Companies Law”) to permit the definition of “prospectus” in the Companies Law to be amended by way of Ministerial Order.

The Government of Jersey has recently been working closely with the Jersey Financial Services Commission (“Commission”), Jersey Finance Limited (“JFL”) and a working group comprising of representatives from the finance industry with specialist interest and knowledge in this area.

On 10 August 2021, the Government of Jersey launched a public consultation on a proposed amendment to the definition of “prospectus”, together with a draft Ministerial Order.

Feedback was sought on the content of the draft Ministerial Order.

The consultation period closed on 7 September 2021. The Government of Jersey received 2 responses to the consultation, one from JFL and one from a law firm. A Sub-Committee of a trade association also responded informally, acknowledging the consultation but offering no additional comments.

This paper sets out the Government’s response and policy paper following the period of consultation.

Further questions or comments relating to this consultation response and policy paper can be directed to:

Helen De La Cour  
Associate Director, Financial Services  
Government of Jersey

T: +44 (0)1534 440435

E: [H.DeLaCour@gov.je](mailto:H.DeLaCour@gov.je)

## **Consultation responses**

The Consultation posed five questions. The responses received did not provide answers to the questions, however the questions are repeated below for completeness.

1. Do you agree with the proposal to exempt offers to professional and qualified investors from the need to prepare a prospectus? Please provide any comments.
2. Do you agree with the intention to raise the limit on international invitations to 150 persons while maintaining a limit of 50 persons locally, excluding in both instances professional and sophisticated investors? Please provide any comments.
3. Do you consider it helpful to align the monetary values with those adopted by the EU and UK? Please provide any comments.
4. Do you agree that it is appropriate to exempt the offers of scrip dividends from the need to prepare a prospectus? Please provide any comments.
5. Do you agree it is helpful to include all relevant exemptions in one place?

The responses to the Consultation Paper are summarised below.

### *Law firm response*

The law firm advised that the proposed amendments to the definition of “prospectus” were wholeheartedly supported and that they agreed to the questions posed in the Consultation Paper. The law firm considered that the amendments were overdue and essential to strengthening the competitiveness of Jersey’s regime while also maintaining its integrity and protecting investors.

### *JFL response*

JFL advised in its response that it maintains a high level of engagement with its members in relation to consultations. The Consultation Paper was highlighted to members through its weekly “Industry Insight” publication, its monthly “Legal and Technical Update” and attention was also drawn to the Consultation Paper during Trade Association meetings.

JFL confirmed that it received one response to the consultation, which was the law firm response noted above and sent directly to Government.

## **NEXT STEPS**

Given the support received to the proposed changes to the definition of “prospectus” the Minister intends to make the Order in the form consulted on, during the second half of 2021.

## **CONCLUSION**

Government would like to take this opportunity to thank consultation respondents, the Commission, JFL and the working group for their invaluable input into this process. We look forward to continuing to work with stakeholders in the future.