

**DRAFT LIMITED LIABILITY PARTNERSHIPS (JERSEY)
LAW 1997 (APPOINTED DAY) ACT 199 (P.54/98):
AMENDMENT**

**Lodged au Greffe on 21st April 1998
by Deputy A.S. Crowcroft of St. Helier**



STATES OF JERSEY

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**LIMITED LIABILITY PARTNERSHIPS (JERSEY) LAW 1997
(APPOINTED DAY) ACT 199 (P.54/98): AMENDMENT**

In Article 1 for the words the first day of May 1998 substitute the words the ninth day of September 1998.

DEPUTY A.S. CROWCROFT OF ST. HELIER

Report

When the Limited Liability Partnerships (Jersey) Law was first debated in the States in 1996, several States members raised concerns about it, both because of the way in which the legislation appeared to have been prepared, and because of the effect the enactment of the Law - and, in particular, its application in the case of a major insolvency - might have on Jersey's reputation as an international finance centre.

Although the principle of the Law was agreed by the States, it must be admitted that concerns about the procedures followed in bringing it forward (concerns which were of sufficient seriousness to merit the setting up of a Committee of Inquiry) diverted attention away from the Law itself; it is for this reason that a further period of discussion and consultation is called for before the Law is brought into force. The wisdom of this course of action would appear to be borne out by the United Kingdom government's example, referred to in paragraph 13 of the report in P.53/98.

I would hope that, if the States agree to delay the commencement date of the Law, the Finance and Economics Committee will withdraw P.53/98, the Regulations relating to that Law. This would allow States members sufficient time to seek advice from professionals in the relevant disciplines as well as from informed members of the public, about how the interests of creditors - and the Island's reputation as a finance centre - may be fully protected in the event of the insolvency of a Jersey LLP, by bringing such amendments to P.53 as they may believe are necessary. Even if the Finance and Economics Committee is not willing to defer the debate on P.53, these good reasons for delaying the commencement of the Law through the Appointed Day Act still apply.