

STATES OF JERSEY



DRAFT COMPANIES (AMENDMENT No. 7) (JERSEY) REGULATIONS 201-

**Lodged au Greffe on 8th February 2013
by the Minister for Economic Development**

STATES GREFFE



Jersey

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REPORT

The concept of “corporate directors” was previously introduced into the Companies (Jersey) Law 1991. Under the terms of Article 73(4) of the Companies (Jersey) Law 1991, a body corporate shall not be a director of a company unless the body corporate is a company, is permitted under the Financial Services (Jersey) Law 1998 to act as a director and itself has no corporate directors.

As a matter of policy, it is considered that there is no reason why a foreign company should not act as a director of a Jersey company. This is comparable to the position regarding directors who are individuals and any person may be a director of a Jersey company regardless of their country of residence.

The Jersey Financial Services Commission are also willing to register foreign companies under the Financial Services Law for the conduct of trust company business (which includes acting as a director). Provided that the putative director can satisfy the Commission that it is a fit and proper person to perform this activity, a foreign company can satisfy the requirements for a corporate director set out in Article 73(4).

The purpose of the Regulations, therefore, is to enable foreign companies to act as directors of Jersey companies.

Financial and manpower implications

There are no financial or manpower implications for the States of Jersey that would arise from the adoption of these draft Regulations.

Explanatory Note

These Regulations make amendments to the Companies (Jersey) Law 1991 (by the definition in *Regulation 1*, the “Law” for the purposes of these Regulations) in certain respects concerning the application of the Law to corporate directors.

Regulation 2 amends Article 7 of the Law so as to require a statement delivered to the registrar on an application for formation of a company to contain certain specified particulars in relation to each corporate director.

Regulation 3 amends Article 73(4) of the Law so as to allow a Jersey company to have a corporate director which is a Jersey company or a foreign company permitted by the terms of its registration under the Financial Services (Jersey) Law 1998 to act as a director.

Regulation 4 amends Article 84 of the Law so that it applies only to directors who are natural persons, and *Regulation 5* inserts a new Article 84A into the Law to apply to corporate directors. Together these Articles prescribe the particulars which are to be kept with respect to directors, in the register kept by the company under Article 83 of the Law. *Regulation 6* makes amendments consequential upon these changes, to cross-references in Articles 71, 83 and 127K of the Law.

Regulation 7 gives the title to these Regulations and provides for their commencement.



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Arrangement

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Made [date to be inserted]
Coming into force [date to be inserted]

THE STATES, in pursuance of Articles 85A and 220 of the Companies (Jersey) Law 1991¹, have made the following Regulations –

1 Interpretation

In these Regulations, the “Law” means the Companies (Jersey) Law 1991².

2 Article 7 amended

In Article 7 of the Law –

- (a) in paragraph (3), after the word “director” in the first place in which it occurs, there shall be inserted the words “who is a natural person”;
- (b) after paragraph (3) there shall be inserted the following paragraphs –
 - “(3A) Where the company is a public company, the statement shall specify the following particulars with respect to each of its directors which is a corporate director –
 - (a) the name under which the corporate director is registered;
 - (b) the address of the corporate director’s registered office;
 - (c) where the corporate director is not a company registered in Jersey, the country or territory in which the corporate director is registered; and
 - (d) the registered number (if any) of the corporate director.
 - (3B) In paragraph (3A) –
 - (a) ‘corporate director’ means a body corporate fulfilling the requirements of Article 73(4); and
 - (b) with respect to a corporate director which is not a company registered in Jersey, ‘registered’ shall be construed as reference to registration, or an equivalent procedure, under the laws governing incorporation in the jurisdiction in which the corporate director is incorporated.”.

3 Article 73 amended

In Article 73 of the Law, in sub-paragraph (a) of paragraph (4) after the word “company” there shall be inserted the words “, wherever incorporated,”.

4 Article 84 amended

(1) For the heading to Article 84 of the Law there shall be substituted the following heading –

“Particulars of directors: natural persons”.

(2) For the words beginning “Subject to” and preceding sub-paragraph (a) in Article 84 of the Law, there shall be substituted the following words –

“The register kept by a company under Article 83 shall contain the following particulars with respect to each director who is a natural person –”.

5 Article 84A inserted

After Article 84 of the Law, there shall be inserted the following Article –

“84A Particulars of directors: corporate directors

(1) The register kept by a company under Article 83 shall contain the following particulars with respect to each corporate director –

- (a) in the case of a corporate director which is a company registered in Jersey, the company’s name and registered number and the address of its registered office;
- (b) in the case of any other corporate director, its corporate name, the place where it is incorporated, its registered number (if any) and the address of its registered office in that place; and
- (c) in either case, the date on which the corporate director became (and, where appropriate, the date on which it ceased to be) a director.

(2) In paragraph (1) –

- (a) ‘corporate director’ means a body corporate fulfilling the requirements of Article 73(4); and
- (b) with respect to a corporate director which is not a company registered in Jersey, ‘registered’ shall be construed as reference to registration, or an equivalent procedure, under the laws governing incorporation in the jurisdiction in which the corporate director is incorporated.”.

6 Consequential amendments

- (1) In Article 71(1)(e) of the Law, for the words “Article 84” there shall be substituted the words “Articles 84 and 84A”.
- (2) In Article 83(1) of the Law, for the words “Articles 84 and 85” there shall be substituted the words “Articles 84, 84A and 85”.
- (3) In Article 127K of the Law, in sub-paragraph (1)(e), for the words “, the particulars specified in Article 84(1)(a) to (f);” there shall be substituted the following words –

“ –

- (i) in the case of a director who is a natural person, the particulars specified in Article 84(a) to (f),
- (ii) in the case of a director which is a corporate director, the particulars specified in Article 84A(1)(a) and (b);”.

7 Citation and commencement

These Regulations may be cited as the Companies (Amendment No. 7) (Jersey) Regulations 201- and shall come into force 7 days after they are made.

¹ *chapter 13.125*
² *chapter 13.125*