

STATES OF JERSEY



DRAFT LIMITED LIABILITY PARTNERSHIPS (AMENDMENT OF LAW) (JERSEY) REGULATIONS 201-

Lodged au Greffe on 21st May 2018
by the Chief Minister

STATES GREFFE



Jersey

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REPORT

Background

The [Limited Liability Partnerships \(Jersey\) Law 2017](#) (“the Law”) replaces the [Limited Liability Partnerships \(Jersey\) Law 1997](#) (“the old framework”). It provides for the establishment, dissolution and winding-up of limited liability partnerships, for their registration and for connected purposes. The Law also provides that every limited liability partnership established under the Law must appoint a secretary.

The aim of replacing the old framework with the Law is to make the Jersey limited liability partnership more competitive, so that it is used as a vehicle of choice for local and international businesses. Specifically, the Law improves provisions relating to the specified solvency statement, provisions relating to the registry and its functions, and making the insolvency provisions clearer.

Subject to approval by the States Assembly of the Draft Limited Liability Partnerships (Jersey) Law 2017 (Appointed Day Act) 201- (*see* P.81/2018), the Law will come into force in its entirety on 1st July 2018. It is proposed that on the same day that the Law comes into force, the Limited Liability Partnerships (Amendment of Law) (Jersey) Regulations 201- (“the draft Regulations”) will also come into force.

Purpose of the draft Regulations

The draft Regulations provide for transitional arrangements to the Law for all limited liability partnerships that exist under the old framework. Upon the draft Regulations coming into force, any limited liability partnership that was established under the old framework will continue under the Law as if they had been registered and granted a certificate under the Law. In addition, all limited liability partnerships that have been established under the old framework will have a period of 6 months in which to appoint a secretary and notify the registrar of the same. Until such time that a secretary is appointed, the limited liability partnership’s designated partner (a concept that exists under the old framework) must carry out the secretary’s functions under the Law.

Collective responsibility under Standing Order 21(3A)

The Council of Ministers has a single policy position on this proposition, and as such, all Ministers, and the Assistant Ministers to the Chief Minister, are bound by the principle of collective responsibility to support the proposition, as outlined in the Code of Conduct and Practice for Ministers and Assistant Ministers ([R.11/2015](#) refers).

Financial and manpower implications

There are no additional financial or manpower implications for the States arising from the adoption of these draft Regulations.

Explanatory Note

These Regulations amend the Limited Liability Partnerships (Jersey) Law 2017 (the “principal Law” as defined in *Regulation 1*) to make provision for the continuation of limited liability partnerships that are registered and existing under the Limited Liability Partnerships (Jersey) Law 1997.

Regulation 2 amends Article 8 of the principal Law –

- (a) to give a limited liability partnership that is continued under new Article 18(6) of the principal Law a period of 6 months from the date of commencement of that Law within which the limited liability partnership must appoint a secretary and notify the registrar of the name and address of the secretary (*Regulation 2(a) and (b)*); and
- (b) to provide for the designated partner (within the meaning given by Article 1(1) of the Limited Liability Partnerships (Jersey) Law 1997) to carry out the secretary’s functions until the appointment of the secretary is made (*Regulation 2(b)*).

A limited liability partnership that is continued under new Article 18(6) of the principal Law that fails to comply with the requirement to appoint a secretary and notify the registrar of the name of the secretary would be guilty of an offence (*Regulation 2(c)*).

Regulation 3 amends Article 18 of the principal Law by adding new paragraph (6) which provides that despite any other provision of that Article, a limited liability partnership that is registered and existing under the Limited Liability Partnerships (Jersey) Law 1997 shall, from the date of commencement of the principal Law, continue as if it has been registered and granted a certificate under paragraph (4) of that Article and as a limited liability partnership to which the principal Law applies.

Regulation 4 provides the title of these Regulations and provides for them to come into force on the same day as the principal Law which would come into force by an Appointed Day Act.



Jersey

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

THE STATES, in pursuance of Article 38(6) of the Limited Liability Partnerships (Jersey) Law 2017¹, have made the following Regulations –

1 Interpretation

In this Law “principal Law” means the Limited Liability Partnerships (Jersey) Law 2017².

2 Article 8 amended

In the Article 8 of the principal Law –

(a) for paragraph (1) there shall be substituted the following paragraph –

“(1) Every limited liability partnership –

- (a) subject to paragraph (3A), must appoint a secretary from the date it is registered; and
- (b) may appoint a deputy secretary to carry out the secretary’s function when, for any reason, the secretary is unable to carry out that function.”;

(b) after paragraph (3) there shall be inserted the following paragraph –

“(3A) Paragraph (1)(a) shall not apply to a limited liability partnership continued under Article 18(6) but such a limited liability partnership shall, within 6 months after the date of commencement of the Limited Liability Partnership (Amendment of Law) (Jersey) Regulations 201-³ –

- (a) appoint a secretary; and
- (b) notify the registrar of the name and address of the secretary; in writing,

and until such appointment is made, the designated partner (within the meaning given by Article 1(1) of the Limited Liability

Partnerships (Jersey) Law 1997⁴) shall carry out the secretary's functions under this Law.”;

- (c) in paragraph (5), for the words “paragraphs (1)” there shall be substituted the words “paragraph (1), (3A)”.

3 Article 18 amended

In Article 18 of the principal Law, after paragraph (5), there shall be added the following paragraph –

“(6) Despite any other provision of this Law, a limited liability partnership that is registered and existing under the Limited Liability Partnerships (Jersey) Law 1997⁵ shall, from the date of commencement of this Law, continue –

- (a) as if it has been registered and granted a certificate under paragraph (4); and
- (b) as a limited liability partnership to which this Law applies.”.

4 Citation and commencement

These Regulations may be cited as the Limited Liability Partnerships (Amendment of Law) (Jersey) Regulations 201- and shall come into force on the same day as the Limited Liability Partnerships (Jersey) Law 2017⁶.

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- 1 *L.2/2017*
 - 2 *L.2/2017*
 - 3 *P.82/2018*
 - 4 *chapter 13.475*
 - 5 *chapter 13.475*
 - 6 *L.2/2017*