



Jersey Financial
Services Commission

Circulation in Jersey of offers to retail investors by foreign domiciled personsⁱ

Last revised: April 2026

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1 Introduction

- 1.1 The circulation in Jersey of offers for subscription, sale or exchange of securities (including units in a unit trust) to Retail Investors (as defined in the Control of Borrowing (Jersey) Amendment Order 2026) by a person that is not incorporated or established in Jersey is governed by the Control of Borrowing (Jersey) Order 1958 as amended (the **COBO**).
- 1.2 The COBO restricts the circulation of such prospectuses to Retail Investors in the island without the consent of the JFSC but the COBO does provide wide exceptions. If the criteria for the exceptions are met then there is no need to obtain any permission for the circulation of such prospectuses. If they are not, the prior consent of the JFSC must be obtained.
- 1.3 The circulation of such prospectuses can also be subject to Article 14 (Prospectuses) of the Collective Investment Funds (Jersey) Law 1988 (the **Law**). In particular under paragraph (1) of that Article the Jersey Financial Services Commission (the **JFSC**) may, by Order, prohibit, restrict or control the promotion by or on behalf of any person, of collective investment funds, or any class of such funds. The only Order is the Collective Investment Funds (Certified Funds - Prospectuses) (Jersey) Order 2012 (the **Prospectus Order**). In general, the Prospectus Order applies to Jersey certified funds.
- 1.4 Furthermore, under Article 16 (Offences and Penalties) of the Law and under Article 2 (Fraudulent inducement to invest money) of the Investors (Prevention of Fraud) (Jersey) Law 1967 there are criminal sanctions in relation to misleading statements and practices.

2 When a consent is required

- 2.1 Article 8 of the COBO prohibits, other than with the consent of the JFSC, the circulation in Jersey to Retail Investors of any offer for subscription, sale or exchange (**offers**) of any government securities, other than such securities issued by Her Majesty's Government in the United Kingdom or the States of any of the Channel Islands, or of any securities of anybody corporate (**company**) not incorporated under the law of Jersey or any units under any unit trust scheme not governed by the law of Jersey.
- 2.2 Articles 10(1)(c), 11(1)(c) and 11A(1)(c) contain similar prohibitions on the circulation of offers to Retail Investors in Jersey relating to interests created under a limited partnership (**LP**), a limited liability partnership (**LLP**), and a limited liability company (**LLC**) not formed/registered under Jersey law.

3 Exemptions from the requirement

- 3.1 Present position as to exemptions under Article 8 is that:
 - 3.1.1 for any securities of any government (other than Her Majesty's Government in the United Kingdom or the States of any of the Channel Islands) exemption is provided if:
 - 3.1.1.1 the offer does not constitute an offer to the public
 - 3.1.1.2 the offer is valid in the United Kingdom or the Bailiwick of Guernsey
 - 3.1.2 for the securities of any company not incorporated under the law of the Island and units under a unit trust scheme not governed by the law of the Island exemption is provided if:

- 3.1.2.1 the offer does not constitute an offer to the public
 - 3.1.2.2 the offer is valid in the United Kingdom or in the Bailiwick of Guernsey and is mutatis mutandis circulated in Jersey only to persons similar to those to whom and in a manner similar to that in which it is for the time being circulated in the United Kingdom or in the Bailiwick of Guernsey
- 3.2 Definitions of what constitute offers to the public and valid offers in the United Kingdom and in Guernsey are contained in Article 8.
- 3.3 The exemptions in 2 above are disallowed if there is a "relevant connection with the Island". A relevant connection arises where, for example:
 - 3.3.1 the management or administration of the company or of the unit trust or a distributor or trustee of the unit trust exists in the Island; or
 - 3.3.2 control of any such company is exercised from within the Island; or
 - 3.3.3 if one or more of every three members of the Board of Directors of the company is a resident in the Island; or
 - 3.3.4 such a company has entered into or is about to enter into an agreement with a person resident in the Island material to the offer; or
 - 3.3.5 a business material to the offer is carried on directly or indirectly by such company in or from within the Island; or
 - 3.3.6 the offer is an offer for exchange of securities of such company for securities of a company incorporated under the law of the Island, or for units of a unit trust scheme if either the scheme is governed by the law of the Island or the units are to be registered in the island.
- 3.4 At present there are no exemptions from the requirements of Article 10(1)(c).

4 Seeking the consent of the JFSC

- 4.1 If no exemption applies then application must be made to the JFSC to obtain consent to circulate the offer to Retail Investors in the island.
- 4.2 A copy of the JFSC's Policy Statement is attached. Beyond this there are no set requirements as to what the prospectus must contain.
- 4.3 In order to obtain consent it is required that the prospectus should meet the best international practice in providing information to prospective Retail Investors.
- 4.4 Applications for the **Circulation in Jersey to retail investors of offers for subscription, sale of exchange of securities by a person not incorporated or established in Jersey** should be submitted via the myJFSC portal.
- 4.5 Furthermore, the JFSC may call for additional information as to what is being offered. It is unlikely that the JFSC will permit prospectuses to be offered in Jersey in relation to schemes established outside the island unless such schemes would have been permitted to be established in Jersey.

- 4.6 While accepting that the prospectus may be in a form particular to the home territory of the scheme, it is expected that it will include a statement of responsibility on the part of the promoters of the scheme. The prospectus will also be expected to contain all material information which Retail Investors (including if it be the case, persons who cannot be expected to have any special knowledge of the nature of the type of investments being offered), and their professional advisers would reasonably require, and would reasonably be expected to find and to have brought fairly to their attention in the prospectus for the purpose of making an informed judgement about the merits of participating in the offer and which information is within the knowledge of the promoters of the scheme or which would have been obtained by their making reasonable enquiries.
- 4.7 Existing COBO consents issued in respect of the circulation of offers in Jersey have not been revoked by the amendments made to the COBO on 13th April 2026. Conditions in those consents – including the requirement for JFSC approval for material changes or further offers – therefore remain in force. However, where an offer is circulated in Jersey only to non-retail investors (i.e. in circumstances in which a COBO consent would no longer be required in respect of the offer following the amendments to the COBO) the JFSC's approval for any such changes may be taken as granted without notification to the JFSC. However, where an offer is being made to retail investors in Jersey, JFSC approval should continue to be obtained where relevant.

Appendix

1 Introduction

- 1.1 Article 8 of the COBO provides that a person shall not, without the consent of the JFSC, circulate to Retail Investors in the Island any offer for subscription, sale or exchange ("offer") of any:-
- 1.1.1 securities of any government other than Her Majesty's Government in the United Kingdom or the States of any of the Channel Islands;
 - 1.1.2 securities of any body corporate not incorporated under the law of the Island;
 - 1.1.3 units under a unit trust scheme not governed by the law of the Island.
- 1.2 In each of the above cases Article 8 also provides certain exemptions from the general requirement.
- 1.3 Articles 10(1)(c), 11(1)(c) and 11A(1)(c) contain similar provisions in relation to offers to Retail Investors relating to interests created under a limited partnership (**LP**), a limited liability partnership (**LLP**), and a limited liability company (**LLC**) not incorporated or established in Jersey. There is no exemption to the requirements of these Articles. For the purposes of this policy statement, any document, or combination of documents which constitutes such an offer will be referred to as a "prospectus". The issuers of such documents may however make use of other terms such as explanatory memorandum or scheme particulars to refer to them.

2 General Policy

- 2.1 The JFSC will normally give consent under Articles 8, 10(1)(c), 11(1)(c) or 11A(1)(c) of COBO to the circulation of a prospectus to Retail Investors if it is satisfied:-
- 2.1.1 that the purpose for which the offer is being made is in accordance with the need to protect the integrity of the Island in commercial and financial matters and is in the best economic interests of the Island; and

- 2.1.2 that this issuer of the securities or units and all other entities associated with the offer are acceptable to the JFSC. To that end the JFSC will apply the same criteria as would have been applied to the grant of any permission, approval or consent which would have been necessary if the securities or units which are the subject of the offer were being issued in Jersey.
- 2.2 The JFSC will require that the prospectus meets generally accepted international practice in providing information to prospective investors, and to that end:

- 2.2.1 in the case of a collective investment scheme (whether or not it is a collective investment fund as defined in the Collective Investment Funds (Jersey) Law, 1988), the JFSC will have regard to the Schedule to the Collective Investment Funds (Certified Funds - Prospectuses) (Jersey) Order 2012 in determining what is an acceptable standard for the provision of the information; and
- 2.2.2 in all other cases concerning the issue of securities, the JFSC will have regard to the Schedule to the Companies (General Provisions) (Jersey) Order 2002.

Endnote

ⁱ 'Securities' includes units in a unit trust and interests in a limited partnership.