

STATES OF JERSEY

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DRAFT PROCEEDS OF CRIME (SUPERVISORY BODIES) (AMENDMENT OF LAW) (JERSEY) REGULATIONS 200- (P.121/2008): AMENDMENTS

**Lodged au Greffe on 26th August 2008
by the Minister for Economic Development**

STATES GREFFE

DRAFT PROCEEDS OF CRIME (SUPERVISORY BODIES) (AMENDMENT OF LAW) (JERSEY)
REGULATIONS 200- (P.121/2008): AMENDMENTS

1 PAGE 6, REGULATION 1 –

(1) For paragraph (c) of the inserted definition of “regulated person” substitute the following paragraph –

- “(c) business to which paragraph 7(1) of Part B of Schedule 2 to the Proceeds of Crime (Jersey) Law 1999 applies, where –
- (i) the person is registered under the Financial Services (Jersey) Law 1998 to carry on trust company business; or
 - (ii) the person –
 - (A) is provided with any service that falls within Article 2(3) and (4) of the Financial Services (Jersey) Law 1998 by a person registered under that Law to carry on trust company business or is provided with any service within fund services business (within the meaning of that Law) by a person who is registered under that Law to carry on fund services business, and
 - (B) has no established place of business in Jersey other than a place of business provided by a person who is registered under the Financial Services (Jersey) Law 1998 to carry on trust company business or fund services business; or”.

(2) For paragraph (d) of the inserted definition of “regulated person” substitute the following paragraph –

- “(d) the business of an unregulated fund within the meaning of the Collective Investment Funds (Unregulated Funds) (Jersey) Order 2008;”.

2 PAGE 6, REGULATION 2 –

For paragraph (1) substitute the following paragraphs and renumber the remaining paragraph accordingly–

“(1) For item 1 of the Schedule to the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 there shall be substituted the following item –

‘1	1	Business to which any of sub-paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (k), (l) and (n) of paragraph 7(1) of Part B applies, except where – <ul style="list-style-type: none">(a) the person carrying on the business is registered under the Financial Services (Jersey) Law 1998 to carry on trust company business; or(b) the person carrying on the business –<ul style="list-style-type: none">(i) is provided with any service that falls within Article 2(3) and (4) of the Financial Services (Jersey) Law 1998 by a person registered under that Law to carry on trust company business or is provided with any service within fund services business (within the meaning of that Law) by a person who is registered under that Law to carry on fund services business, and(ii) has no established place of business in Jersey other than a place of business provided by a person who is registered under the Financial Services (Jersey)
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		Law 1998 to carry on trust company business or fund services business. A business to which paragraph 8 of Part B applies.’.
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- (2) Item 3 of the Schedule to the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 shall be deleted.
- (3) For item 7 of the Schedule to the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 there shall be substituted the following item –

‘7	2	Business to which any of sub-paragraphs (i), (j), and (m) of paragraph 7(1) of Part B applies, except where- <ul style="list-style-type: none"> (a) the person carrying on the business is registered under the Financial Services (Jersey) Law 1998 to carry on trust company business; or (b) the person carrying on the business – <ul style="list-style-type: none"> (i) is provided with any service that falls within Article 2(3) and (4) of the Financial Services (Jersey) Law 1998 by a person registered under that Law to carry on trust company business or is provided with any service within fund services business (within the meaning of that Law) by a person who is registered under that Law to carry on fund services business, and (ii) has no established place of business in Jersey other than a place of business provided by a person who is registered under the Financial Services (Jersey) Law 1998 to carry on trust company business or fund services business.’.”.
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MINISTER FOR ECONOMIC DEVELOPMENT

REPORT

These amendments arise as a result of submissions made by Jersey Finance Limited and the Jersey Funds Association (together “**Industry**”) subsequent to the lodging of P.121/2008 and are intended to further clarify the application of registration requirements to collective investment funds and other investment vehicles.

The amendments

- Update the Schedule to the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 (the “**Supervisory Bodies Law**”) so that it is consistent with Schedule 2 of the Proceeds of Crime (Jersey) Law 1999.
- Exclude from the requirement to register with, or give a notice to, the Jersey Financial Services Commission (“**JFSC**”) under the provisions of the Supervisory Bodies Law persons carrying on certain activities. In each case, the person would be relieved from the registration/notification obligation but would remain subject to anti-money laundering measures under the Money Laundering (Jersey) Order 2008 and remain otherwise subject to the Supervisory Bodies Law. In order to be exempt from registration/notification, the person must either itself be prudentially supervised by the JFSC (and therefore already known to the JFSC) or administered by a person that is prudentially supervised by the JFSC (and who, as administrator, can provide details to the JFSC of the businesses it administers).

These amendments are an essential part of the changes to the Island’s legislative framework in time for the International Monetary Fund assessment in October 2008.

Financial and manpower implications

There are no financial or manpower implications for the States arising from these amendments.