

# STATES OF JERSEY



## DRAFT DEBT REMISSION (INDIVIDUALS) (JERSEY) LAW 201-

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Lodged au Greffe on 9th December 2015  
by the Chief Minister

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STATES GREFFE





Jersey

## **DRAFT DEBT REMISSION (INDIVIDUALS) (JERSEY) LAW 201-**

### **European Convention on Human Rights**

In accordance with the provisions of Article 16 of the Human Rights (Jersey) Law 2000, the Chief Minister has made the following statement –

In the view of the Chief Minister, the provisions of the Draft Debt Remission (Individuals) (Jersey) Law 201- are compatible with the Convention Rights.

Signed: **Senator I.J. Gorst**

*Chief Minister*

Dated: 4th December 2015

## REPORT

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### Introductory

1. On 23rd January 2013, the Council of Ministers presented a Consultation Paper<sup>1</sup> to the States entitled: *Bankruptcy (Désastre) (Jersey) Law 1990: 'Social Désastre' – Consultation Paper*. The introduction to that Paper recited that: “A new form of relief for debtors who find themselves in a never-ending cycle of debt is being proposed. The new Law would give the Viscount discretionary power, on the recommendation of an authorised intermediary, to freeze all debts that have been specified in a document ... to be called a Viscount’s remission order... .”
2. This initiative of the Council of Ministers followed an analysis by the Legislation Advisory Panel of the Report of the Jersey Law Commission of March 2011 (Topic Report No. 1/2011/TR) entitled “Social Désastre”. The Law Commission’s Report had raised the possibility of introducing a new form of bankruptcy to confer a wider discretion to make orders for bankruptcy, a discretion that would enable the court to consider “not only the economic but also the social implications of the case”. The existing legislation governing applications for *désastre* generally provides that the debtor must have realisable assets; and the purpose of the proceedings is to ensure fairness as between creditors in realising those assets. Their purpose is not to give respite to individual debtors who have fallen on hard times through no fault of their own. The position of such debtors with negligible assets is therefore uncertain, although the Royal Court has occasionally permitted declarations of *désastre* in such cases.<sup>2</sup> The Court has, however, stated that such declarations should be granted only exceptionally. Even when they are, they are made in the context of full-blown Royal Court proceedings which can be challenging, if not intimidating, for an impecunious debtor. It is against this background that a draft Law was proposed in the 2013 Consultation Paper, that would provide a measure of respite to individual debtors who had fallen on hard times through no fault of their own.
3. Respondents to the Consultation Paper were overwhelmingly supportive of the proposal, although the view was expressed by some respondents that there should be a safeguard in the Law against abuse by debtors simply trying to exploit the availability of a remission order to run up debts, deliberately or recklessly, and then evade payment.
4. This draft Law is intended to implement the proposal contained in the Consultation Paper, having taken those responses into account.<sup>3</sup>

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<sup>1</sup> R.6/2013 <http://www.statesassembly.gov.je/AssemblyReports/2013/R.006-2013.pdf>

<sup>2</sup> *Désastre Russell* (5th August 1994), in ‘*re applications for désastre Roach & Lamy*’ (25th October 2005)

<sup>3</sup> On a point of detail, the expression ‘*Viscount’s Remission Order*’ has given way in the draft Law to the expression ‘*debt remission order*’ – but still with the same meaning, and still being an order that would be made by the Viscount.

### *Eligibility*

5. Relief is to be available to a debtor<sup>4</sup> who cannot pay his or her debts and who meets a test of good faith (*see paragraph 10 below*). The applicant debtor –
  - must be over 18
  - must have been ordinarily resident in Jersey for the last 5 years
  - must not have been granted a debt remission order in the previous 5 years
  - must not already be bankrupt.
6. The amount owed must be less than £20,000.
7. The assets of the debtor must not exceed £5,000 (but this excludes a motor vehicle worth no more than £2,000).
8. After the deduction of tax, social security contributions and normal household expenses, the applicant's monthly disposable income has to be less than £100.
9. Each of the above figures – £20,000, £5,000, £2,000 and £100 – will be able to be altered by Order of the Chief Minister.
10. The test of good faith is expressed<sup>5</sup> as follows: “A *debtor shall not be eligible for a debt remission order unless the debtor acts in good faith.*”.
11. It will be for the Viscount to assess the application in this respect, but certain conduct on the part of the debtor will be taken to indicate an absence of good faith.<sup>6</sup> Such conduct may consist of the following (in summary form) –
  - within last 2 years –
    - failing to keep/produce records of loss of property
    - transacting at an undervalue
  - within last 12 months, giving someone a preference
  - incurring debt knowing won't be able to pay (or doing so recklessly)
  - not accounting for loss/insufficiency of property
  - gambling/rash/hazardous speculation/unreasonable extravagance
  - careless neglect of business affairs
  - fraud
  - non-co-operation with intermediary/Viscount.
12. The reference above to transacting at an undervalue refers to giving property (of any sort) away, or selling it for significantly less than it is worth. The reference to giving someone a preference refers to doing something which puts a particular creditor in a better position than he or she would have been in otherwise.

### *Qualifying/excluded debts*

13. Not every debt owed by the debtor will be caught by a debt remission order.
14. A “qualifying debt” must be for a liquidated sum payable either immediately or at some certain future time. The Chief Minister will also make an Order prescribing which categories of debt rank as an “excluded debt” – and which will remain payable whether or not a debt remission order is made by the

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<sup>4</sup> See Article 4

<sup>5</sup> See Article 4(2)

<sup>6</sup> See Article 4(3)

Viscount. Whilst the draft Law does not set out the various categories of excluded debt, the 2013 Consultation Paper contemplated that such excluded debts would in general terms be<sup>7</sup> –

- (a) any fine/compensation order;
- (b) payments ordered in family proceedings/maintenance, *etc.*;
- (c) sums payable to –
  - (i) Health Insurance/Social Security Funds,
  - (ii) Comptroller of Taxes;
- (d) payments resulting from confiscation orders;
- (e) damages ordered in civil proceedings (for negligence, breach of statutory, contractual, *etc.* duty);
- (f) any debt incurred as a result of fraud.

*Application through authorized intermediary (JCAB)*

15. As mentioned in paragraph 2 *above*, the present bankruptcy (*désastre*) process involves the full panoply of Royal Court procedures, judges, legal profession, *etc.* and amounts to a formidable hurdle for an impecunious debtor. Under the draft Law, the debtor's first point of contact, for the purpose of making an application for a debt remission order, will be with an approved intermediary. Such an intermediary will be prescribed by Order of the Chief Minister, but the intention is that the Jersey Citizen's Advice Bureau Limited (**JCAB**) will be the prescribed intermediary. Hence JCAB will be the debtor's first point of contact for the purpose of making an application to the Viscount.
16. As the approved intermediary, JCAB will be required<sup>8</sup> to assist the debtor in making an application and check that the application is properly completed. JCAB will inform an intending applicant of the relevant requirements and, in particular, the eligibility conditions for the making of a debt remission order; and alert the intending applicant to the fact that checks may have to be made in connection with the application. S/he will also be informed of the consequences of making the application, including the potential criminal liability if false or misleading statements, information, *etc.* are given.
17. JCAB will assess all the circumstances and formally submit the application to the Viscount, offering its written conclusions to the Viscount on the application to assist him/her in determining the same.

*Determination by the Viscount*

18. The Law is intended to enable the Viscount to make a decision on the application without delay. This is essential to the underlying purpose of the Law.
19. In order to be able to act quickly on an application –
  - the Viscount will apply certain presumptions,<sup>9</sup> namely –
    - that the debtor is eligible for a debt remission order if that appears to be the case from the information supplied by JCAB, and there is no reason to believe that the information is inaccurate or incomplete, or that the debtor's circumstances have changed;

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<sup>7</sup> Similarly to the position in relation to debt relief orders in England and Wales

<sup>8</sup> under *Article 5*

<sup>9</sup> under *Article 6*

- that the debts specified at the date of the application are qualifying debts, unless the Viscount has reason to believe otherwise;
  - the Viscount will be at liberty to consider the application on the basis of the documents received and without oral arguments by parties; but equally the Viscount will be able to raise queries in connection with the application and stay consideration of it until answers to any such queries are received;
  - the Viscount will not have to adhere to rules about the admissibility of evidence in proceedings before a court.
20. In determining an application, the Viscount will have regard to the conclusion of JCAB. The Viscount will refuse a debt remission order if the debtor is not eligible, or if queries raised with the debtor have still not been answered to the satisfaction of the Viscount. The Viscount will grant a debt remission order if satisfied that the debtor is eligible for the grant of the order.
21. The making of a debt remission order will bring into play an immediate moratorium,<sup>10</sup> meaning that any creditor to whom a qualifying debt is owed has no remedy in respect of that debt, and may not apply for a declaration of *désastre* in reliance on it, or otherwise commence any proceedings against the debtor for that debt, except with the permission of the Royal Court.

*Notice to creditors/objection by creditor*

22. When a debt remission order is granted, the Viscount will be required, within 5 working days, to give written notice to each creditor affected by the order. The notice informs the creditor of –
- the making of the debt remission order and its effect;
  - the grounds on which he/she/it may object.
23. The creditor will be able to object<sup>11</sup> to –
- the making of the order *per se*; or
  - the inclusion of the debt among qualifying debts included in the order; or
  - the accuracy of the description of the debt specified in the order.
- Any such objection will have to be made within 28 days after the creditor has been notified of the making of the order; and be supported by such information and documents as may be prescribed (by Order of the Chief Minister).
24. The Viscount will consider any objection made by a creditor;<sup>12</sup> and will be able to carry out investigations for this purpose, and require any person to give information or assistance. Having considered an objection and in the light of any such investigation(s), the Viscount will be able to amend or revoke the debt remission order; or refer the matter to the Royal Court.
25. On such a reference the Royal Court will be able to give any direction or make any order as it thinks fit (including quashing a decision of the Viscount or revoking or amending the debt remission order).
26. There will be a right of appeal at all events<sup>13</sup> to the Royal Court by any person aggrieved by a decision of the Viscount on the ground that –

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<sup>10</sup> under Article 10

<sup>11</sup> under Article 8

<sup>12</sup> under Article 9

<sup>13</sup> under Article 13

- (a) an applicant did/didn't meet the eligibility criteria;<sup>14</sup>
  - (b) a debt remission order should not have been made;
  - (c) a debt should not have been included as a qualifying debt;
  - (d) the debt specified in the order was not accurate.
27. On an appeal the Royal Court will be able to make such order as it thinks fit, and confirm, reverse or vary the decision of the Viscount, or remit the matter with its opinion thereon to the Viscount.

#### *The moratorium*

28. Mention has already been made<sup>15</sup> of the moratorium brought into play by the making of a debt remission order. It continues<sup>16</sup> for a period of one year, unless –
- the debt remission order is revoked, in which case the moratorium terminates; or
  - it is extended (by the Viscount or the Royal Court).
- Any extension of the moratorium cannot be for more than 3 months; although the extension may be renewed – but any extension must be notified to the debtor and any affected creditor.
29. The debtor who benefits from the moratorium will be under a strict duty to keep the Viscount informed of relevant events, and to attend before the Viscount whenever reasonably required to do so.<sup>17</sup> In particular, the debtor must notify the Viscount whenever the debtor becomes aware of any change in his or her circumstances, whether by reason of an increase in his or her income, assets, *etc.* or by the acquisition/inheritance of any property. The debtor must not obtain credit during the moratorium period without informing the intending creditor of the debt remission order. Contravention of this requirement is an offence carrying a fine and/or imprisonment not exceeding 6 months.
30. As previously mentioned,<sup>18</sup> a creditor affected by a debt remission order has no remedy in respect of that debt and may not commence proceedings for the debt concerned (except with the permission of the Royal Court). However, this does not prevent a secured creditor of a debtor enforcing his/her/its security during the moratorium period.<sup>19</sup>

#### *Discharge from qualifying debts*

31. On the expiry of the moratorium period, the debtor becomes discharged from all the qualifying debts specified in the debt remission order.<sup>20</sup> This includes any interest, penalties and other sums which may have become payable in relation to those debts since the application was made.
32. The discharge of the debtor will not release any other person from any liability, *e.g.* as a partner, joint owner, *etc.* of the debtor; or as guarantor for the debtor.

#### *Offences*

33. *Part 3* of the draft Law provides for offences relating to –

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<sup>14</sup> see paragraphs 5–12 above

<sup>15</sup> see paragraph 21 above

<sup>16</sup> under Article 10

<sup>17</sup> See Article 11

<sup>18</sup> in paragraph 21 above

<sup>19</sup> Article 10(5)

<sup>20</sup> see Article 12



- giving false or misleading information<sup>21</sup>
- concealment or falsification of documents<sup>22</sup>
- fraudulent dealing with property obtained on credit.<sup>23</sup>

The maximum penalties in each of the above cases will be an unlimited fine and/or 7 years' imprisonment.

34. *Part 3* also provides for offences relating to –

- fraudulent disposal of property<sup>24</sup>
- obtaining credit or utilising a business name during the moratorium period without disclosing the existence of such an order.<sup>25</sup>

The maximum penalties in each of the above cases will be an unlimited fine and/or 2 years' imprisonment.

#### *Debt Remission Register*

35. The Viscount will be required<sup>26</sup> to establish and maintain a register to be known as the Debt Remission (Individuals) Register. The Register will be kept in such form as may be prescribed by Order of the Chief Minister; and the Viscount will enter on the Register such information as may be so prescribed.

36. The Viscount will make arrangements for public inspection of the Register and, subject to payment of an appropriate fee, the supply of certified or uncertified copies or extracts of entries in the Register.

#### *'Bankruptcy'*

37. The draft Law will amend the Interpretation (Jersey) Law 1954 to include the grant of a debt remission order among the proceedings that amount to 'a person becoming bankrupt'. The effect of this will be to extend certain disqualifications flowing from bankruptcy to persons in whose favour a debt remission order has been made, e.g. membership of the States within 5 years of the conclusion of bankruptcy proceedings.

#### *Conclusion*

As was stated in the 2013 Consultation Paper,<sup>27</sup> "... the main impact of this change is the discretionary nature of the [debt] remission order and the quick resolution to an individual's debt problems. It is designed for people without any reasonable prospect of repaying their debts. It does not mean debts are not taken seriously, and it will allow creditors to voice any concerns they may have during the ... process."

It is hoped that the draft Law now lodged strikes a proper balance between –

- on the one hand, affording a 'breathing space' to hard-pressed debtors who are in severe financial straits not of their own making (and for whom *désastre* is not an appropriate remedy); and
- on the other hand, affording a fair measure of protection for creditors against potential abuse of the right to release from certain debts for which the Law provides.

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<sup>21</sup> Article 14

<sup>22</sup> Article 15

<sup>23</sup> Article 17

<sup>24</sup> Article 16

<sup>25</sup> Article 18

<sup>26</sup> under Article 7

<sup>27</sup> R.6/2013 <http://www.statesassembly.gov.je/AssemblyReports/2013/R.006-2013.pdf>

**Financial and manpower implications**

The provision of this additional procedure will create new work for the Viscount. While it is intended that all new work will be absorbed within existing resources, it is likely to be the case that if take-up of the debt remission order is significant, some additional resource may be required

**Human Rights**

The notes on the human rights aspects of the draft Law in the Appendix have been prepared by the Law Officers' Department and are included for the information of States Members. They are not, and should not be taken as, legal advice.

**Human Rights Note on the Draft Debt Remission (Individuals) (Jersey) Law 201-**

1. This Note has been prepared in respect of the Draft Debt Remission (Individuals) (Jersey) Law 201- (“**the draft Law**”) by the Law Officers’ Department. It summarises the principal human rights issues arising from the contents of the draft Law and explains why, in the Law Officers’ opinion, the draft Law is compatible with the European Convention on Human Rights (“**ECHR**”).

**Article 1, Protocol 1 ECHR**

2. Article 1, Protocol 1 of the ECHR (“**A1P1**”), provides that –  
*“Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law ...”*
3. The draft Law engages A1P1 inasmuch as depriving a creditor of the right to enforce recovery of a debt may (subject to the analysis in paragraph 9 below) amount to a deprivation of his or her possessions: a creditor is entitled to the effective recovery of money lawfully due to him or her.
4. However, A1P1 is a qualified right and permits deprivation “*in the public interest and subject to the conditions provided for by law and by the general principles of international law.*”
5. The provisions in the draft Law that impose a moratorium on the enforcement of debts involve an order of the Viscount (a Debt Remission Order – “**DRO**”), against which the creditor has rights of appeal, ultimately, to the Royal Court. The moratorium following a DRO, or following an unsuccessful appeal to the Royal Court by a creditor, ends ordinarily with the cancellation of the debt concerned.
6. The draft Law sets out clearly defined criteria for the eligibility of a debtor for a DRO, including the maximum amounts of ‘qualifying’ debts (including a requirement of good faith on the part of the debtor), provision for notice to the affected creditors who have a right to object to the DRO, initially to the Viscount, or on appeal to the Royal Court.
7. Simply stated, the object of the scheme is to afford a ‘breathing space’ to debtors who are in severe financial straits and whose difficulties have not been brought upon their own heads by wrongdoing or profligacy.
8. Debt remission is a normal feature of modern personal insolvency laws. It is a way of freeing or discharging debtors from all or part of their debts when they become unsustainable and cannot be paid. If debt has become unsustainable, cancellation causes the creditor only limited loss because there is only so much (if anything at all) that a creditor can obtain in payment from an impecunious debtor: the creditor’s claim already has a below-par value in the event of an ordinary bankruptcy.

9. This economic fact of life was recognised by the European Court of Human Rights in 2005,<sup>28</sup> which held that debts in a sequestration cannot be considered as assets in the normal sense since their market value can be zero, and therefore A1P1 is not breached.
10. On the reasoning above, the scheme of the draft Law *is in the public interest and subject to the conditions provided for by law and by the general principles of international law* and **is therefore compatible with A1P1**.
11. No other provisions of the ECHR are engaged by the draft Law.

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<sup>28</sup> *Back v Finland* (2005) EHRR 48 at page 1187. It also recognises a wide margin of appreciation of member states in this field.

## Explanatory Note

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This Law makes provision for debt remission for individuals who are unable to pay their debts.

Part 1 of the Law comprises *Article 1* which defines certain terms used in the Law.

*Part 2* of the Law comprises *Articles 2 to 13* which make provision for debt remission.

*Article 2* empowers the Minister by Order to specify that a debt is an excluded debt for the purposes of the Law.

*Article 3* permits an individual who is a debtor who is unable to pay his or her debts to apply to the Viscount for an order to be made in respect of his or her qualifying debts. An application must be made in the form approved by the Viscount and must include a list of debts to which the debtor is subject at the date of the application, specifying the amount of each debt including any interest, penalty or other sum that has become payable in relation to that debt on or before that date, and the creditor to whom it is owed; details of security held in respect of any of those debts; and such other information about the debtor's affairs (including his or her creditors, debts, liabilities, income and assets) as may be prescribed.

*Article 4* provides that a debtor is not eligible for a debt remission order unless –

- (a) the debtor is the least 18 years of age on the date on which the application is made;
- (b) the debtor has been ordinarily resident in Jersey during the 5 years immediately preceding the date the application is made;
- (c) the debtor has not been the subject of a debt remission order within the 5 years immediately preceding the date the application is made;
- (d) the debtor is not a bankrupt within the meaning of the Interpretation (Jersey) Law 1954;
- (e) the amount the debtor owes in qualifying debts is less than £20,000 or such amount other amount as may be prescribed;
- (f) the value of assets of the debtor (excluding a motor car with a value not more than £2,000 or such other amount as may be prescribed), does not exceed £5,000 or such other amount as may be prescribed; and
- (g) after the deduction of tax, social security contributions and normal household expenses, the debtor's monthly disposable income is less than £100 or such other amount as may be prescribed.

Under *Article 4*, a debtor is not eligible to apply for a debt remission order unless the debtor acts in good faith which does not include failing to keep or produce records; entering into a transaction at undervalue, giving a preference; trading or incurring a debt that the debtor knows he or she would be unable to pay; failing to account satisfactorily for loss of property or for insufficiency of property to meet debts; carrying on any gambling, rash and hazardous speculation or unreasonable extravagance which may have materially contributed to or increased the debtor's ability to pay his or her debts; careless neglect of business affairs materially contributing to or increasing the debtor's inability to pay his or her debts, fraud or fraudulent breach of trust and failing to co-operate with the approved intermediary or with the Viscount.

*Article 5* provides for the Minister by Order to approve a person to be an intermediary and for an application for a debt remission order to be made to the Viscount through an

approved intermediary. An approved intermediary is required to assist a debtor in making an application and to check that an application is properly completed and must inform the debtor of all the conditions to which an application for, and making of, a debt remission order is subject to. An approved intermediary is required to assess the application having regard to the eligibility criteria and must offer its conclusion to the Viscount to assist the Viscount in determining the application. An approved intermediary must submit the application to the Viscount together with notice in writing of its conclusion.

*Article 6* provides for the determination of an application for a debt remission order by the Viscount who is required to apply certain presumptions when determining an application for a debt remission order. The Viscount has the power to stay consideration of an application for a debt remission order until the Viscount has received answers to any queries raised with the debtor or the approved intermediary in relation to anything connected with the application. The Viscount also has the power to make such enquiries of the applicant, the approved intermediary or any other person as the Viscount considers appropriate in relation to the application and is not bound by any enactment or rule of law relating to the admissibility of evidence in proceedings before the courts. In determining an application for a debt remission order, the Viscount is required to have regard to the conclusion of the approved intermediary and must refuse to grant the debt remission order if the Viscount is satisfied that the debtor is not eligible for the grant of a debt remission order under *Article 4*, the debtor has no qualifying debts or if any queries raised with the debtor have not been answered to the satisfaction of the Viscount within such time as the Viscount may specify when they are raised. The Viscount must grant a debt remission order in relation to the debts that the Viscount is satisfied were qualifying debts of the debtor at the application date if satisfied that the debtor is eligible for the grant of the debt remission order.

Under *Article 6(6)*, the Viscount is required to give notice of his or her decision to grant or refuse a debt remission order within 5 working days of the decision and to make the appropriate entry in the Register (the Debt Remission Register established and maintained under *Article 7*). Where a debt remission order is refused the Viscount must give reasons for the refusal and inform the applicant of the applicant's right of appeal (*Article 6(8)*). Under *Article 6(12)*, the Minister is empowered by Order to specify any additional action to be taken by the Viscount or the debtor on the making of a debt remission order.

*Article 7* provides for the Viscount to establish and maintain a register to be known as the Debt Remission Register. The Register must be kept in the form prescribed and the Viscount must enter in the Register such information as may be prescribed relating to a debt remission order. The Viscount is under a duty to make arrangements for a public inspection of the Register and subject to payment of the prescribed fee, the supply of certified or uncertified copies or extracts of entries in the Register. The Register is part of the public records of Jersey and the Viscount must make public the days on which and hours during which the Viscount's office is open for inspecting the Register.

*Article 8* provides that a creditor to whom a qualifying debt included in the list of the debtor's qualifying in a debt remission order is owed is entitled to object to the debt remission order being made, the inclusion of the debt in the list of the debtor's qualifying debts or the accuracy of the debt specified in the debt remission order.

*Article 9* provides for the Viscount to consider an objection made under *Article 8* and gives the Viscount power, as part of his or her consideration of an objection or on his or her own initiative, to carry out such investigation as the Viscount thinks fit and, as part of the investigation, require any person to give the Viscount such information and assistance as the Viscount may reasonably require in connection with such

investigation. Under *Article 9(5)*, a person who fails to comply with the requirement for information is guilty of an offence and liable to imprisonment for a term of 6 months and a fine. The Viscount has the power based on his or her findings to amend or revoke the debt remission order (in which case the moratorium terminates) or refer the matter to the Royal Court for directions or an order relating to the matter. Upon a matter being referred to the Royal Court, it may make any order as it thinks fit including an order quashing a decision of the Viscount or revoking or amending the debt remission order.

*Article 10* provides for a moratorium to commence on the date of entry of the debt remission order in the Register under Article 6 and to continue for a period of one year beginning on the date of commencement unless the debt remission order is revoked (in which case the moratorium terminates) or the moratorium period is extended by the Viscount or the Royal Court. The Viscount or the Royal Court may, for the purpose of carrying out or completing an investigation or taking any action the Viscount considers necessary in relation to the debt remission order, extend the moratorium period for a maximum of 3 months beginning after the end of the initial moratorium period of one year. A moratorium period may be extended more than once, but any extension made must be made before the moratorium period ends. During a moratorium period, the creditor to whom a qualifying debt is owed has no remedy in respect of the qualifying debt and is prohibited from applying for a declaration of *désastre* in reliance on the debt or otherwise commence any action or other legal proceedings against the debtor for the debt, except with the permission of the Royal Court and on such terms as the Court may impose. However, a secured creditor of a debtor may enforce his, her or its security during a moratorium period.

*Article 11* provides for the debtor's obligations where a debt remission order is made. The debtor is required to give to the Viscount such information, attend before the Viscount at such times and do all such other things, as the Viscount may reasonably require for the purpose of carrying out his or her functions in relation to the application or the debt remission order made as a result of the application. The debtor must notify the Viscount as soon as is reasonably practicable if the debtor becomes aware of any error in, or omission from, the information supplied to the Viscount, in or in support of, an application for a debt remission order and any change in his or her circumstances between the application was made and the date of determination of the application that would affect, or would have affected, the application. The debtor must notify the Viscount, as soon as is reasonably practicable, if there is an increase in his or her income during the moratorium period applicable to the debt remission order; if the debtor acquires any property or any property is devolved upon him or her during that period or if the debtor becomes aware of any error in, or omission from, any information supplied by him or her to the Viscount after the determination date. Where the Viscount becomes aware or is notified of such a matter, the Viscount has the power to amend or revoke the debt remission order (in which case the moratorium terminates) or refer the matter to the Royal Court for directions or an order relating to the matter.

*Article 11* also prohibits the debtor from obtaining credit during the moratorium period unless the debtor informs the intending creditor of the debt remission order.

*Article 12* provides that on the expiry of the moratorium applicable to a debt remission order, the debtor is discharged from all qualifying debts specified in the debt remission order, including any interest penalties and other sums which may have become payable in relation to those debts since the date on which the application was made. This does not apply where the moratorium terminates earlier than on the date of its expiry or where the qualifying debt which the debtor incurred was actually incurred as a result of fraud or fraudulent breach of trust to which the debtor was a party. The discharge of the debtor does not release any other person from any liability from which the debtor is released

by the discharge or any liability as guarantor for the debtor or as a person in the nature of such a guarantor.

*Article 13* gives a debtor or creditor the right of appeal to the Royal Court against a decision of the Viscount.

*Part 3* of the Law comprises *Articles 14 to 18* which deal with offences.

*Article 14* creates an offence for false and misleading information so that a person who makes a statement in any document, material, evidence or information which is required to be provided to the Viscount that, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or that omits to state any material fact the omission of which makes the statement false or misleading, is guilty of an offence and liable to imprisonment for a term of 7 years and to a fine. A person is not guilty of the offence if the person did not know that the statement was false or misleading and with the exercise of all due diligence could not have known that the statement was false or misleading.

*Article 15* creates an offence for concealment or falsification of documents. The offence applies regardless of whether the debt remission order was revoked after the commission of the offence. A person is not guilty of the offence if the person proves that he or she had no intention of concealing facts disclosed by the information or documents.

*Article 16* creates an offence for fraudulent disposal of property so that a debtor in respect of whom a debt remission has been made and who fraudulently disposes of any property during the 3 years immediately preceding the application date or during the moratorium period applicable to the debt remission order is guilty of an offence and liable to imprisonment for a term of 2 years and a fine. The offence applies regardless of whether the debt remission order was revoked after the commission of the offence.

*Article 17* creates an offence for fraudulent dealing with property obtained on credit during the moratorium period. A debtor is not guilty of an offence if the disposal or acquisition was in the ordinary course of the debtor's business, having regard to the price paid for the property.

*Article 18* creates an offence for obtaining credit or engaging in trade other than in the debtor's own name without declaring the debtor's status during the course of a moratorium period.

*Article 61* sets out the circumstances in which partners, directors and officers of a body corporate, a separate limited partnership or a limited liability partnership or other partnership with separate legal identity may be criminally liable where an offence under the Law is proved against such a body corporate or partnership.

*Part 4* of the Law which comprises *Articles 20 to 23* contains miscellaneous provisions.

*Article 20* empowers the States to make Regulations to amend any provision of the Law and to make such consequential, incidental, supplementary and transitional provision as appear to the States to be necessary or expedient for the purposes of the Regulations.

*Article 21* empowers the Minister to make Orders to make provision for any matter which may be prescribed under the Law.

*Article 22* specifies that the power to make Rules of Court under the Royal Court (Jersey) Law 1948 includes the power to make Rules for the purposes of the Law.

*Article 23* amends Article 8 of the Interpretation (Jersey) Law 1954 to include in the definition "bankrupt" the grant by the Viscount of a debt remission order in respect of that person's qualifying debts under this Law.



*Article 24* provides for the citation of the Law and provides for it to come into force 7 days after it is registered.





Jersey

## DRAFT DEBT REMISSION (INDIVIDUALS) (JERSEY) LAW 201-

### Arrangement

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Jersey

## **DRAFT DEBT REMISSION (INDIVIDUALS) (JERSEY) LAW 201-**

**A LAW** to provide for debt remission for individuals who are unable to pay their debts.

*Adopted by the States* [date to be inserted]

*Sanctioned by Order of Her Majesty in Council* [date to be inserted]

*Registered by the Royal Court* [date to be inserted]

**THE STATES**, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law –

### **PART 1**

#### **INTERPRETATION**

##### **1 Interpretation**

In this Law –

“approved intermediary” means a person approved as an intermediary under Article 5(1);

“debt remission order” means a debt remission order granted under Article 6(5)(b);

“excluded debt” means a debt specified as such in an Order made under Article 2;

“Minister” means the Chief Minister;

“moratorium period” means the period referred to in Article 10(1);

“obtaining credit” includes obtaining goods under a hire purchase agreement within the meaning of the Supply of Goods and Services (Jersey) Law 2009<sup>1</sup>;

“qualifying debt” means a debt that –

- (a) is for a liquidated sum payable either immediately or at some certain future time; and
- (b) is not an excluded debt,

but a debt is not a qualifying debt to the extent that it is secured;

“prescribed” means prescribed by Order made by the Minister;

“Register” means the Debt Remission Register established under Article 7;

“working day” means a weekday (within the meaning of Part 1 of the Schedule to the Public Holidays and Bank Holidays (Jersey) Act 2010<sup>2</sup>) other than –

- (a) a day specified in that Schedule as a day which is to be observed as a public holiday; or
- (b) a day noted in that Schedule as a day which is by custom observed as a general holiday.

## **PART 2**

### **DEBT REMISSION**

#### **2 Excluded debt**

The Minister may by Order specify that a debt is an excluded debt for the purposes of this Law.

#### **3 Application for debt remission order**

- (1) Subject to paragraphs (2) and (3) and Articles 4 and 5, an individual who is a debtor and who is unable to pay his or her debts may apply to the Viscount for a debt remission order to be granted in respect of his or her qualifying debts.
- (2) An application for a debt remission order must be made in the form approved by the Viscount and must include –
  - (a) a list of all debts to which the debtor is subject at the date of the application specifying –
    - (i) the amount of each debt including any interest, penalty or other sum that has become payable in relation to that debt on or before that date, and
    - (ii) the creditor to whom it is owed;
  - (b) details of security held in respect of any of those debts; and
  - (c) such other information about the debtor’s affairs (including his or her creditors, debts, liabilities, income and assets) as may be prescribed.
- (3) An application shall not be regarded as being made until –
  - (a) the application has been submitted to the Viscount;
  - (b) any fee payable to the Viscount in respect of the application has been paid; and
  - (c) any prescribed fee payable to an approved intermediary has been paid.

#### 4 Eligibility

- (1) A debtor shall not be eligible for a debt remission order unless –
  - (a) the debtor is at least 18 years of age on the date on which the application is made;
  - (b) the debtor has been ordinarily resident in Jersey during the 5 years immediately preceding the date on which the application is made;
  - (c) the debtor has not been the subject of a debt remission order within the 5 years immediately preceding the date on which the application is made;
  - (d) the debtor is not bankrupt within the meaning of Article 8 of the Interpretation (Jersey) Law 1954<sup>3</sup>;
  - (e) the amount the debtor owes in qualifying debts is less than £20,000 or such other amount as may be prescribed;
  - (f) the value of the assets of the debtor (excluding a motor vehicle with a value not more than £2,000 or such other amount as may be prescribed), does not exceed £5,000 or such other amount as may be prescribed; and
  - (g) after the deduction of tax, social security contributions and normal household expenses, the debtor's monthly disposable income is less than £100 or such other amount as may be prescribed.
- (2) A debtor shall not be eligible for a debt remission order unless the debtor acts in good faith.
- (3) For the purposes of paragraph (2), good faith does not include any of the following conduct by the debtor –
  - (a) within 2 years prior to the date of the application –
    - (i) failing to keep or produce records relating to a loss of property by the debtor or by a business carried on by the debtor, or
    - (ii) entering into a transaction at undervalue;
  - (b) within one year prior to the application for the debt remission order, giving a preference to a person;
  - (c) incurring a debt knowing that he or she would be unable to pay the debt or being reckless as to such ability;
  - (d) failing to account satisfactorily for loss of property or for insufficiency of property to meet his or her debts;
  - (e) carrying on any gambling, rash and hazardous speculation or unreasonable extravagance which may have materially contributed to or increased his or her inability to pay his or her debts;
  - (f) careless neglect of business affairs materially contributing to or increasing his or her inability to pay his or her debts;
  - (g) fraud or fraudulent breach of trust; and
  - (h) failing to co-operate with the approved intermediary or with the Viscount.
- (4) For the purposes of this Article, a debtor enters into a transaction at undervalue if the debtor alienates property of any sort, either gratuitously or for significantly less than the property is worth.

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- (5) For the purposes of this Article, a debtor gives a preference to a person if –
- (a) the person is a creditor of the debtor or a surety or guarantor for a debt or other liability of the debtor; and
  - (b) the debtor –
    - (i) does anything, or
    - (ii) suffers anything to be done,that has the effect of putting the person into a position which, in the event of a debt remission order being granted in respect of that debtor's property, will be better than the position he or she would have been in if that thing had not been done.

## **5 Assistance and consideration by approved intermediary**

- (1) The Minister may by Order approve a person to be an intermediary.
- (2) An application under Article 3 must be made to the Viscount through an approved intermediary.
- (3) An approved intermediary shall assist a debtor in making an application and shall check that an application is properly completed and shall, before the application is made, inform the debtor of –
  - (a) all the conditions to which an application for, and making of, a debt remission order is subject, as follows –
    - (i) that checks may have to be made to verify that the debtor meets the eligibility criteria under Article 4, and
    - (ii) that the approved intermediary must give its conclusions on the application to the Viscount under paragraph (4) and that the debtor will be informed of such conclusions when the application is sent to the Viscount; and
  - (b) the consequences of making the application including the potential criminal liability of the debtor under Part 3.
- (4) An approved intermediary through which an application is made shall assess the application having regard to the eligibility criteria referred to in Article 4(1) and (2) and shall offer its conclusion to the Viscount to assist the Viscount in determining the application.
- (5) An approved intermediary through which an application is made shall submit the application to the Viscount together with notice in writing of its conclusion.
- (6) The Minister may by Order provide for fees to be payable to an approved intermediary who assists a debtor under this Article.

## **6 Grant or refusal of debt remission order**

- (1) The Viscount shall apply the following presumptions when determining an application for a debt remission order –
  - (a) that, subject to Article 4, the debtor is eligible for a debt remission order if such appears to be the case from the information supplied,



- and there is no reason to believe that the information is inaccurate or incomplete or that the debtor's circumstances have changed;
- (b) that the debts specified at the date of the application are qualifying debts, unless the Viscount has reason to believe otherwise.
- (2) The Viscount may consider an application for a debt remission order on the basis of the documents received and without oral arguments by the parties.
- (3) The Viscount may stay consideration of an application for a debt remission order until the Viscount has received answers to any queries raised with the debtor by the Viscount in relation to anything connected with the application.
- (4) Without prejudice to the generality of paragraph (3), the Viscount –
- (a) may, in relation to the application, make such enquiries of the debtor, the approved intermediary or any other person as the Viscount considers appropriate;
- (b) is not bound by any enactment or rule of law relating to the admissibility of evidence in proceedings before the courts.
- (5) The Viscount shall, in determining an application for a debt remission order, have regard to the conclusion of the approved intermediary and shall –
- (a) refuse to grant the debt remission order if the Viscount is satisfied that –
- (i) the debtor is not eligible for the grant of a debt remission order under Article 4,
- (ii) the debtor has no qualifying debts, or
- (iii) if any queries raised with the debtor have not been answered to the satisfaction of the Viscount within such time as the Viscount may specify; or
- (b) grant a debt remission order in relation to the debts that the Viscount is satisfied were qualifying debts of the debtor at the application date if satisfied that the debtor is eligible for the grant of the debt remission order.
- (6) The Viscount shall within 5 working days of granting a debt remission order or refusing to make a debt remission order give notice in writing to –
- (a) the debtor;
- (b) the approved intermediary; and
- (c) in the case of a grant of a debt remission order, each creditor to whom a debt included in the list of the debtor's qualifying debts under paragraph (10)(b) is owed.
- (7) Where the Viscount grants a debt remission order, the notice referred to in paragraph (6) shall include notice to the creditor of –
- (a) the making of the debt remission order and its effect;
- (b) the grounds on which a creditor may object; and
- (c) any information as may be prescribed.

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- (8) Where a debt remission order is refused, the Viscount shall, in the notice referred to in paragraph (6), give reasons for the refusal and inform the applicant of the applicant's right of appeal under Article 13.
  - (9) Subject to paragraph (10), the Viscount shall within 5 working days of making a debt remission order issue a copy of the debt remission order to the debtor.
  - (10) A debt remission order shall –
    - (a) be in the form determined by the Viscount; and
    - (b) include a list of the debts which the Viscount is satisfied were qualifying debts of the debtor at the application date, specifying the description of the debt, amount of the debt at that time and the creditor to whom it was then owed.
  - (11) Where a debt remission order is made the Viscount shall make the appropriate entry in the Register.
  - (12) The Minister may by Order specify any additional action to be taken by the Viscount or the debtor on the making of a debt remission order.

## **7 Debt Remission Register**

- (1) The Viscount shall establish and maintain a register to be known as the Debt Remission Register.
- (2) The Register shall be kept in such form as may be prescribed and the Viscount shall enter in the Register such information as may be prescribed relating to a debt remission order.
- (3) The Viscount shall make arrangements for –
  - (a) public inspection of the Register; and
  - (b) subject to payment of the prescribed fee, the supply of certified or uncertified copies or extracts of entries in the Register.

## **8 Creditor's objection**

- (1) Subject to paragraph (2), a creditor in relation to whom a debt included in the list of a debtor's qualifying debts under Article 6(10)(b) is owed may object –
  - (a) to the making of the debt remission order;
  - (b) to the inclusion of the debt in the list; or
  - (c) to the accuracy of the description or the amount of the debt specified in the debt remission order.
- (2) An objection under paragraph (1) shall –
  - (a) be submitted within such time as may be prescribed but in any event not more than 28 days after the creditor has been notified of the making of the debt remission order;
  - (b) be made in writing; and
  - (c) be supported by such information and documents as may be prescribed.

**9 Review by Viscount**

- (1) The Viscount shall consider an objection made under Article 8.
- (2) The Viscount may –
  - (a) as part of his or her consideration of an objection under paragraph (1) or on his or her own initiative, carry out such investigation in respect of the debt remission order as he or she thinks fit; and
  - (b) as part of the investigation referred to in paragraph (a), require any person to give the Viscount such information and assistance as the Viscount may reasonably require in connection with such investigation.
- (3) The Viscount shall, having considered the objection and having regard to any finding on an investigation under paragraph (2) –
  - (a) affirm the debt remission order;
  - (b) revoke the debt remission order (in which case the moratorium referred to in Article 10(1) terminates) or amend the debt remission order; or
  - (c) refer the matter to the Royal Court for directions or an order relating to the matter.
- (4) Upon a matter being referred to the Royal Court under paragraph (3)(c), the Royal Court may give any direction or make any order as it thinks fit including an order quashing a decision of the Viscount or revoking or amending the debt remission order.
- (5) A person who fails to comply with a requirement under paragraph (2)(b) shall be guilty of an offence and liable to imprisonment for a term of 6 months and a fine.

**10 Moratorium**

- (1) A moratorium shall commence on the date of entry of the debt remission order in the Register under Article 6 and shall continue for a period of one year beginning on the date of commencement unless the debt remission order is revoked under Article 9(3) or (4) or Article 11(7) or (8) (in which case the moratorium terminates) or the moratorium period is extended by the Viscount or the Royal Court under paragraph (2).
- (2) Subject to paragraph (3), the Viscount or the Royal Court may, for the purpose of –
  - (a) carrying out or completing an investigation under Article 9; or
  - (b) taking any action the Viscount or the Royal Court considers necessary (whether as a result of an investigation or otherwise) in relation to the debt remission order,extend the moratorium period for a maximum of 3 months beginning after the end of the initial moratorium period of one year referred to in paragraph (1).
- (3) Under paragraph (2), a moratorium period may be extended more than once, but any extension (including the first extension) must, before the

moratorium period ends, be notified to the debtor and every creditor to whom a debt included in list of the debtor's qualifying debts under Article 6(10)(b) is owed.

- (4) Subject to paragraph (5), during a moratorium period, a creditor to whom a debt included in list of the debtor's qualifying debts in the debt remission order under Article 6(10) is owed –
  - (a) has no remedy in respect of the qualifying debt; and
  - (b) shall not –
    - (i) apply for a declaration of *désastre* in reliance on the qualifying debt, or
    - (ii) otherwise commence any action or other legal proceedings against the debtor for the qualifying debt, except with the permission of the Royal Court and on such terms as the Royal Court may impose.
- (5) A secured creditor of a debtor may enforce his or her security during a moratorium period.

## 11 Debtor's duties

- (1) If an application for a debt remission order is made, the debtor shall –
  - (a) give to the Viscount such information;
  - (b) attend before the Viscount at such times; and
  - (c) do all such other things,as the Viscount may reasonably require for the purpose of carrying out his or her functions in relation to the application or the debt remission order made as a result of the application.
- (2) The debtor shall, in writing, notify the Viscount as soon as is reasonably practicable if the debtor becomes aware of –
  - (a) any error in, or omission from, the information supplied to the Viscount in, or in support of, an application for a debt remission order; and
  - (b) any change in his or her circumstances between the date the application was made and the date of determination of the application that would affect, or would have affected, the application.
- (3) Paragraphs (1) and (2) shall apply before and after the determination of an application and for as long as the Viscount is able to exercise his or her functions under this Law.
- (4) Where a debt remission order is made, the debtor shall notify the Viscount as soon as is reasonably practicable if –
  - (a) there is an increase in his or her income during the moratorium period applicable to the debt remission order;
  - (b) the debtor acquires any property or any property is devolved upon him or her during that period; or

- 
- (c) the debtor becomes aware of any error in or omission from any information supplied by him or her to the Viscount after the determination date.
  - (5) A debtor shall not obtain credit during the moratorium period unless the debtor informs the intending creditor of the debt remission order.
  - (6) A debtor who contravenes paragraph (5) shall be guilty of an offence and liable to imprisonment for a term of 6 months and to a fine.
  - (7) Where the Viscount becomes aware or is notified of any matter mentioned in paragraph (2) or (4), the Viscount may –
    - (a) revoke the debt remission order (in which case the moratorium referred to in Article 10(1) terminates) or amend the debt remission order; or
    - (b) refer the matter to the Royal Court for directions or an order relating to the matter.
  - (8) Upon a matter being referred to the Royal Court under paragraph (7)(b), the Royal Court may give any direction or make any order as it thinks fit including an order or revoking or amending the debt remission order.

## **12 Discharge from qualifying debts**

- (1) On the expiry of the moratorium period applicable to a debt remission order, the debtor shall be discharged from all the debts included in the list of the debtor's qualifying debts under Article 6(10)(b), including any interest, penalties and other sums which may have become payable in relation to those debts since the date on which the application was made under Article 3.
- (2) Paragraph (1) shall not apply if the moratorium referred to in Article 10(1) terminates earlier than on the date of its expiry or in respect of a qualifying debt which the debtor incurred as a result of fraud or fraudulent breach of trust to which the debtor was a party.
- (3) The discharge of the debtor does not release any other person from –
  - (a) any liability (whether as a partner, joint owner or tenant of the debtor or otherwise) from which the debtor is released by the discharge; or
  - (b) any liability as guarantor for the debtor or as a person in the nature of such a guarantor.

## **13 Appeal**

- (1) A debtor may appeal to the Royal Court against a decision of the Viscount, within 28 days of the decision being made, on any of the grounds specified in paragraph (3).
- (2) A creditor may appeal to the Royal Court against a decision of the Viscount under Article 9(3)(a) or (b), within 28 days of the decision being made, on any of the grounds specified in paragraph (3).
- (3) The grounds are that –
  - (a) the Viscount was wrong to decide that –

- (i) the debtor met or did not meet the eligibility criteria referred to in Article 4, or
    - (ii) a particular debt should or should not have been included in the list of the debtor's qualifying debts in the debt remission order; or
  - (b) the amount or description of a debt included in the list of the debtor's qualifying debts in the debt remission order under Article 6(10) was not accurate.
- (4) On any appeal under paragraph (1) or (2) the Royal Court may make such order as it thinks fit, and may affirm, reverse or vary the decision of the Viscount, or remit the matter with its opinion thereon to the Viscount.

### **PART 3**

#### **OFFENCES**

##### **14 False and misleading information**

- (1) A person who makes a statement in any document, material, evidence or information that is required to be provided to the Viscount under this Law that –
- (a) at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact; or
  - (b) omits to state any material fact the omission of which makes the statement false or misleading,
- shall be guilty of an offence and liable to imprisonment for a term of 7 years and to a fine.
- (2) A person shall not be guilty of an offence under paragraph (1) if the person did not know that the statement was false or misleading and with the exercise of all due diligence could not have known that the statement was false or misleading.

##### **15 Concealment or falsification of documents**

- (1) A person who falsifies, conceals, destroys or otherwise disposes of, or causes or permits the falsification, concealment, destruction of or disposal of, information or documents which he or she knows or suspects are or would be required or relevant in relation a debt remission order, shall be guilty of an offence and liable to imprisonment for a term of 7 years and a fine.
- (2) Paragraph (1) applies regardless of whether the debt remission order was revoked after the commission of the offence.
- (3) A person shall not be guilty of an offence under paragraph (1) if the person proves that he or she had no intention of concealing facts disclosed by the information or documents.

**16 Fraudulent disposal of property**

- (1) A debtor in respect of whom a debt remission order has been made and who fraudulently disposes of any property during the 3 years immediately preceding the application date or during the moratorium period applicable to the debt remission order shall be guilty of an offence and liable to imprisonment for a term of 2 years and a fine.
- (2) Paragraph (1) applies regardless of whether the debt remission order was revoked after the commission of the offence.

**17 Fraudulent dealing with property obtained on credit**

- (1) A debtor who during the moratorium period applicable to a debt remission order made in relation to the debtor disposes of property that he or she acquires on credit for which he or she has not paid and any other person who knowingly receives such property shall be guilty of an offence and liable to imprisonment for a term of 7 years and a fine.
- (2) A debtor shall not be guilty of an offence under paragraph (1) if the disposal or acquisition was in the ordinary course of the debtor's business, having regard to the price paid for the property.

**18 Obtaining credit or engaging in business during the moratorium period**

- (1) A debtor who (whether alone or jointly with another person) during the moratorium period applicable to a debt remission order made in relation to the debtor –
  - (a) obtains credit in an amount greater than the amount prescribed for that purpose; or
  - (b) trades in a name other than that in which the debt remission order was made without disclosing the debtor's status to the person with whom the debtor is trading,shall be guilty of an offence and liable to imprisonment for a term of 2 years and a fine.
- (2) A person may be guilty of an offence committed under paragraph (1) notwithstanding that the conduct or transaction complained of was done or effected outside Jersey.

**19 Criminal liability of partners, directors and other officers**

- (1) Where an offence under this Law committed by a limited liability partnership, a separate limited partnership, any other partnership having separate legal personality or a body corporate is proved to have been committed with the consent or connivance of –
  - (a) a person who is a partner of the partnership, or director, manager, secretary or other similar officer of the body corporate; or
  - (b) any person purporting to act in any such capacity,the person is also guilty of the offence and liable in the same manner as the partnership or body corporate to the penalty provided for that offence.

- (2) Where the affairs of a body corporate are managed by its members, paragraph (1) applies in relation to acts and defaults of a member in connection with the member's functions of management as if he or she were a director of the body corporate.

## **PART 4**

### **MISCELLANEOUS PROVISIONS**

#### **20 Regulations**

The States may by Regulations –

- (a) amend any provision of this Law;
- (b) make such consequential, incidental, supplementary and transitional provision as appear to the States to be necessary or expedient for the purposes of the Law.

#### **21 Orders**

The Minister may, by Order, make provision for any matter which may be prescribed under this Law.

#### **22 Rules of Court**

The power to make Rules of Court under the Royal Court (Jersey) Law 1948<sup>4</sup> shall include the power to make Rules for the purposes of this Law.

#### **23 Amendment of Interpretation (Jersey) Law 1954**

In Article 8 of the Interpretation (Jersey) Law 1954<sup>5</sup> in the definition “bankrupt” after paragraph (b) there shall be inserted the following paragraph –

“(ba) the grant by the Viscount of a debt remission order in respect of that person's qualifying debts under the Debt Remission (Individuals) (Jersey) Law 201-<sup>6</sup>”.

#### **24 Citation and commencement**

This Law may be cited as the Debt Remission (Individuals) (Jersey) Law 201- and shall come into force 7 days after it is registered.



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- 1 *chapter 05.800*
  - 2 *chapter 15.560.20*
  - 3 *chapter 15.360*
  - 4 *chapter 07.770*
  - 5 *chapter 15.360*
  - 6 *P.153/2015*