

Jersey Law 7/1999

COMPANIES (AMENDMENT No. 5) (JERSEY) LAW 1999

A LAW to amend further the Companies (Jersey) Law 1991, sanctioned by Order of Her Majesty in Council of the

10th day of MARCH 1999

(Registered on the 9th day of April 1999)

STATES OF JERSEY

The 20th day of October 1998

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

ARTICLE 1

(1) In paragraph (1) of Article 38 of the Companies (Jersey) Law 1991,¹ as amended (hereinafter referred to as “the principal Law”) –

- (a) for the word “; and” in sub-paragraph (e) there shall be substituted a semicolon;
- (b) after sub-paragraph (e) there shall be inserted the following sub-paragraph –

“(ea) in the case to which paragraph (1A) refers, denominate the nominal amount of its issued or unissued shares in units of the currency into which they have been converted;”.

¹ Volume 1990–1991, page 916.

(2) After paragraph (1) of Article 38 of the principal Law there shall be inserted the following paragraph –

“(1A) Sub-paragraph (ea) of paragraph (1) refers to the case in which –

- (a) the nominal amount of the shares concerned is expressed in one currency;
- (b) those shares are then converted (whether under subparagraph (e) of that paragraph or otherwise) into shares of a nominal amount of another currency; and
- (c) they nevertheless remain denominated in the former currency.”.

ARTICLE 2

(1) For the word “A” in Article 51 of the principal Law² there shall be substituted the words “(1) A”.

(2) After paragraph (1) of Article 51 of the principal Law (as amended by paragraph (1) of this Article) there shall be inserted the following paragraph –

“(2) Paragraph (1) applies notwithstanding any subsequent change of the currency in which the nominal amount of the shares to which the certificate relates is expressed.”.

ARTICLE 3

After paragraph (2) of Article 61 of the principal Law³ there shall be inserted the following paragraph –

² Volume 1990–1991, page 927.

³ Volume 1990–1991, page 938.

“(2A) Notwithstanding paragraph (1), a reduction of share capital shall not be subject to confirmation by the court if

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- (a) the reduction does not extinguish or reduce the liability on any share in respect of capital which is not paid up; and
- (b) the reduction does not reduce the net assets of the company,

and the amount of the reduction is credited to a capital redemption reserve which may be applied only in paying up unissued shares which are to be allotted to members as fully paid bonus shares.”.

ARTICLE 4

This Law may be cited as the Companies (Amendment No. 5) (Jersey) Law 1999 and shall come into force on the seventh day following its registration.

G.H.C. COPPOCK

Greffier of the States.