

Jersey Law 30/1998

COMPANIES (AMENDMENT No. 4) (JERSEY) LAW 1998

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

21st day of OCTOBER 1998

Registered on the 20th day of November 1998)

STATES OF JERSEY

The 21st day of April 1998

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

ARTICLE 1

(1) For the definition “the court” in paragraph (1) of Article 1 of the Companies (Jersey) Law 1991,¹ as amended (hereinafter referred to as “the principal Law”), there shall be substituted the following definition –

“ ‘the court’ means the Royal Court;”.

(2) For the definition “securities” in paragraph (1) of Article 1 of the principal Law there shall be substituted the following definition –

“ ‘securities’ –

¹ Volume 1990–1991, page 887.

Jersey Law 30/1998 *Companies (Amendment No. 4) (Jersey) Law 1998*

- (a) in Article 51A, has the meaning assigned to it by paragraph (4) of that Article; and
- (b) except as provided in sub-paragraph (a) of this definition, has the meaning assigned to it by sub-paragraph (b) of paragraph (4) of Article 29;”.

ARTICLE 2

Article 42 of the principal Law² is amended –

- (a) by substituting for paragraph (1) the following paragraph –

“(1) Notwithstanding anything in its articles, a company shall not register a transfer of shares in the company unless –

- (a) an instrument of transfer in writing has been delivered to it;
- (b) the transfer is exempted from the provisions of this paragraph pursuant to paragraph (6); or
- (c) the transfer is made in accordance with an Order made under Article 51A.”;

- (b) by substituting for paragraph (6) the following paragraph –

“(6) The Committee may by Order provide for exemptions from the provisions of paragraph (1), either as regards specified companies or classes of companies or as regards specified shares or classes of shares.”.

² Volume 1990–1991, page 920.

ARTICLE 3

Paragraph (1) of Article 50 of the principal Law is amended by inserting after the words “this Article” the words “and Article 51A”.

ARTICLE 4

After Article 51 of the principal Law, but before Part X of the principal Law, there shall be inserted the following Article –

“ARTICLE 51A

Uncertificated securities

(1) Notwithstanding any other provision in this Law, the Committee may by Order provide in accordance with this Article for title to securities or to any specified class or description of securities to be evidenced and transferred without a written instrument.

(2) An Order under this Article may provide for any of the following matters –

- (a) procedures for recording and transferring title to securities, and with respect to the keeping of the register of members in relation to such securities;
- (b) the regulation of those procedures and the persons responsible for or involved in their operation;
- (c) provision with respect to the rights and obligations of persons in relation to securities dealt with under such procedures;
- (d) the giving of effect to –
 - (i) the transmission of title to securities by operation of law;

- (ii) any restriction on the transfer of title to securities arising by virtue of the provisions of any enactment, instrument, court order or agreement; and
 - (iii) any power conferred on a person, by any provision to which clause (ii) refers, to deal with securities on behalf of the person entitled;
- (e) in relation to the persons responsible for or involved in the operation of the procedures to which sub-paragraph (a) refers, provision as to –
 - (i) the consequences of their insolvency, bankruptcy or incapacity; and
 - (ii) the transfer by or from them to other persons of their functions in relation to those procedures; and
- (f) for any of the purposes in sub-paragraphs (a) to (e) –
 - (i) the modification or exclusion of any provisions of any enactment or rule of law;
 - (ii) the application (with such modifications, if any, as the Committee may think appropriate) of any provisions of this Law creating criminal offences;
 - (iii) the application (with such modifications, if any, as the Committee may think appropriate) of any other provisions of any enactment (not being provisions creating criminal offences);
 - (iv) the requiring of the payment of fees of such amounts as are specified in the Order or are determined in accordance with the Order, or the

enabling of persons specified in the Order to require payment of such fees; and

- (v) the empowering of the Committee to delegate to any person willing to discharge them any of its functions under the Order.

(3) An Order made under this Article shall contain such safeguards as appear to the Committee to be appropriate for the protection of investors.

(4) In this Article –

(a) ‘securities’ means –

- (i) shares, stock, debentures, debenture stock, loan stock and bonds;
- (ii) warrants entitling the holders to subscribe for any securities specified in clause (i);
- (iii) units in a collective investment fund within the meaning of the Collective Investment Funds (Jersey) Law 1988; and

(iv) other securities of any description;

(b) references to title to securities include any legal, equitable or other interest in securities; and

(c) references to a transfer of title include a transfer by way of security.”.

ARTICLE 5

This Law may be cited as the Companies (Amendment No. 4) (Jersey) Law 1998 and shall come into force on the day following its registration.

Jersey Law 30/1998

*Companies (Amendment No. 4) (Jersey) Law
1998*

G.H.C. COPPOCK

Greffier of the States.