

**Jersey R & O 42/2000**

**Collective Investment Funds (Jersey) Law 1988**

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**COLLECTIVE INVESTMENT FUNDS (RESTRICTION OF SCOPE) (JERSEY) ORDER 2000**

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**THE FINANCE AND ECONOMICS COMMITTEE**, in pursuance of Articles 2(7) and 17 of the Collective Investment Funds (Jersey) Law 1988,<sup>1</sup> as amended,<sup>2</sup> and on the recommendation of the Jersey Financial Services Commission, orders as follows –

**1.** In this Order –

“1958 Order” means the Control of Borrowing (Jersey) Order 1958, as amended;<sup>3</sup>

“investment scheme” includes any investment arrangement;

“Law” means the Collective Investment Funds (Jersey) Law 1988,<sup>4</sup> as amended;<sup>5</sup>

“relevant consent”, in respect of an investment scheme, means –

- (a) in the case of a body corporate, the consent of the Commission under Article 4B of the 1958 Order to the issue of securities in connection with the scheme or to the raising of money in Jersey by the issue of such securities;
- (b) in the case of a unit trust, the consent of the Commission under Article 7(1) of the 1958 Order to the issue of securities in connection with the scheme or to the raising of money in Jersey by the issue of such securities; or

<sup>1</sup> Recueil des Lois, Volume 1988–1989, pages 140 and 156.

<sup>2</sup> Recueil des Lois, Volume 1998, pages 262 and 389, and Volume 1999, page 525.

<sup>3</sup> Nos. 3943, 4175, 4361, 7364, 7739, 8027, 8149, 8776, 8840, 9264 and 9267.

<sup>4</sup> Recueil des Lois, Volume 1988–1989, page 133.

<sup>5</sup> Recueil des Lois, Volume 1990–1991, page 1091, Volume 1996–1997, page 550, Volume 1998, pages 261 and 385, Volume 1999, pages 419 and 525, and No. 8081.

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- (c) in the case of a limited partnership, the consent of the Commission under Article 8 of the 1958 Order to the creation of securities in connection with the scheme or to the raising of money in Jersey by the creation of such securities;

“securities” means bonds, notes, commercial paper, debentures, debenture stock, instruments creating or acknowledging indebtedness, units or interests under a limited partnership but does not mean shares;

“special purpose”, in respect of an investment scheme, means that the only or principal purpose of the scheme is the securitization or repackaging of assets that involves the issue of securities.

**2.** An investment scheme does not constitute a collective investment fund for the purposes of the Law if –

- (a) it was established for a special purpose;
- (b) the relevant consent has been issued in respect of the scheme; and
- (c) the listing particulars or offer document relating to the securities includes in bold type face –
  - (i) the text set out in the Schedule to this Order; or
  - (ii) such text as modified in accordance with the written agreement of the Commission,

and, in the case of a subscriber who is a natural person, that person has, at the time of subscribing for the securities, acknowledged in writing that he has read the text described in sub-paragraph (i) or (ii) of this paragraph.

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**3.**        This Order may be cited as the Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000 and shall come into force on the first day of June 2000.

By Order of the Finance and Economics Committee,

**C.M. NEWCOMBE**

*Deputy Greffier of the States.*

8th May 2000.

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*SCHEDULE*

**(Article 2(c))**

**Text to be included in listing particulars or offer document to which this  
Order applies**

**“The investments described in this document do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended, on the basis that they are investment products designed for financially sophisticated investors with specialist knowledge of, and experience of investing in, such investments, who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments. These investments are not regarded by the Jersey Financial Services Commission as suitable investments for any other type of investor.**

**Any individual intending to invest in any investment described in this document should consult his professional adviser and ensure that he fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.”.**