



Jersey

BANKING BUSINESS (GENERAL PROVISIONS) (AMENDMENT No. 3) (JERSEY) ORDER 2011

Arrangement

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Made

25th July 2011

Coming into force

25th January 2012

THE MINISTER FOR ECONOMIC DEVELOPMENT, in pursuance of Articles 8, 9, 20 and 51 of the Banking Business (Jersey) Law 1991¹, orders as follows –

1 Interpretation

In this Order, “principal Order” means the Banking Business (General Provisions) (Jersey) Order 2002².

2 Article 1 amended

For Article 1(1) of the principal Order, there shall be substituted the following paragraph –

“(1) In this Order –

‘deposit’, in relation to a deposit advertisement, means the deposit in relation to which the advertisement contains –

- (a) an invitation to make such a deposit; or
- (b) information that is intended or might reasonably be presumed to be intended to lead directly or indirectly to the making of such a deposit;

‘deposit-taker’ means, in relation to a deposit, the person carrying on the deposit-taking business taking the deposit;

‘the Law’ means the Banking Business (Jersey) Law 1991³.”.

3 Article 6 amended

In Article 6(2)(c) of the principal Order, for the words “Collective Investments Funds (Recognized Funds) (General Provisions) (Jersey) Order 1988” there

shall be substituted the words “Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003⁴”.

4 Article 7 amended

In Article 7(a) of the principal Order for the words “deposit taking” there shall be substituted the words “deposit-taking”.

5 Article 9 amended

In Article 9(1) of the principal Order, the words “, in duplicate,” shall be deleted.

6 Article 11 amended

In Article 11(3)(b) of the principal Order for the words “deposit taking” there shall be substituted the words “deposit-taking”.

7 Schedule 1 amended

In paragraph 1.3 of Schedule 1 to the principal Order for the words “deposit taking” there shall be substituted the words “deposit-taking”.

8 Schedule 2 amended

In Schedule 2 to the principal Order –

- (a) in paragraph 1(1) and (2), for the words “deposit taker” wherever they occur there shall be substituted the words “deposit-taker”;
- (b) in paragraph 1(2)(b), for the words “deposit taker’s” there shall be substituted the words “deposit-taker’s”;
- (c) in paragraph 1(3), for the words “Paragraph (2)(b)” there shall be substituted the words “Sub-paragraph (2)(b)”;
- (d) for paragraph 4, there shall be substituted the following paragraph –

“4 Deposit protection

- (1) A deposit advertisement must state in relation to a deposit –
 - (a) in every case, whether or not the repayment of the deposit, or the payment of any interest on the deposit, would (to any extent) be covered under a scheme for compensating depositors, being a scheme established under Article 37 of the Law; and
 - (b) in the case where the repayment of the deposit, or the payment of any interest on the deposit, would (to any extent) be covered under a scheme for compensating depositors established by law (and not merely by agreement) outside Jersey, that fact.

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- (2) Nothing in sub-paragraph (1) prevents the inclusion in a deposit advertisement of matter relating or apparently relating to any other scheme, or an arrangement, for covering, guaranteeing, securing or otherwise protecting (to any extent) deposits, the interest on them, the repayment of deposits, or the payment of the interest on them.
 - (3) If a deposit advertisement states or implies that the repayment of the deposit, or the payment of any interest on the deposit, would be covered under a scheme referred to in sub-paragraph (1) (or includes matter as described in sub-paragraph (2) relating or apparently relating to any other scheme or an arrangement) the advertisement must state –
 - (a) if, under one or more such schemes or arrangements, the repayment or payment is guaranteed (or the advertisement represents that it is guaranteed), the name of the provider of that guarantee;
 - (b) in every case, the nature and extent of the cover, guarantee, security, or protection, afforded by each scheme or arrangement; and
 - (c) in the case of any scheme referred to in sub-paragraph (1), the maxima that apply under the scheme as to repayment and payment in respect of as many of the following as the maxima are applicable to –
 - (i) an individual deposit, in the case of any one default by the deposit-taker,
 - (ii) an individual depositor, in the case of any one default by the deposit-taker,
 - (iii) the aggregate of deposits covered by the scheme, in relation to all deposit-takers to which the scheme applies.
 - (4) In the case of a scheme referred to in sub-paragraph (1), it is sufficient compliance with clause (a) or (b) of sub-paragraph (3) if a deposit advertisement that refers to the scheme states the address of a website that sets out the matters specified in that clause.”.

9 Citation and commencement

- (1) This Order may be cited as the Banking Business (General Provisions) (Amendment No. 3) (Jersey) Order 2011.
- (2) This Order shall come into force 6 months after it is made.

SENATOR A.J.H. MACLEAN

Minister for Economic Development

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- ¹ *chapter 13.075*
 - ² *chapter 13.075.50*
 - ³ *chapter 13.075*
 - ⁴ *chapter 13.100.75*