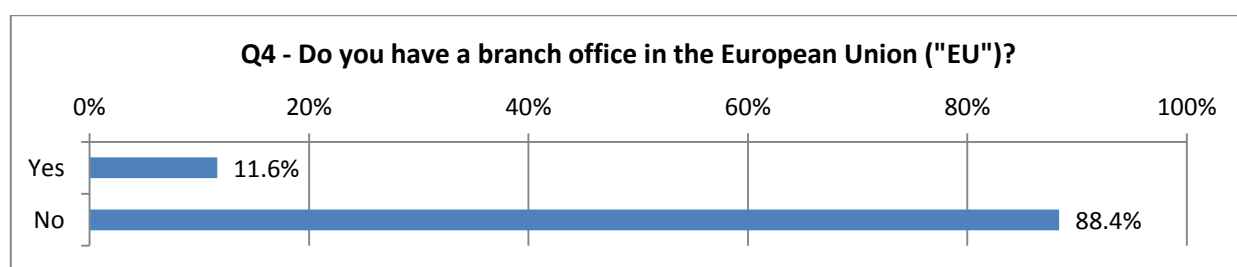
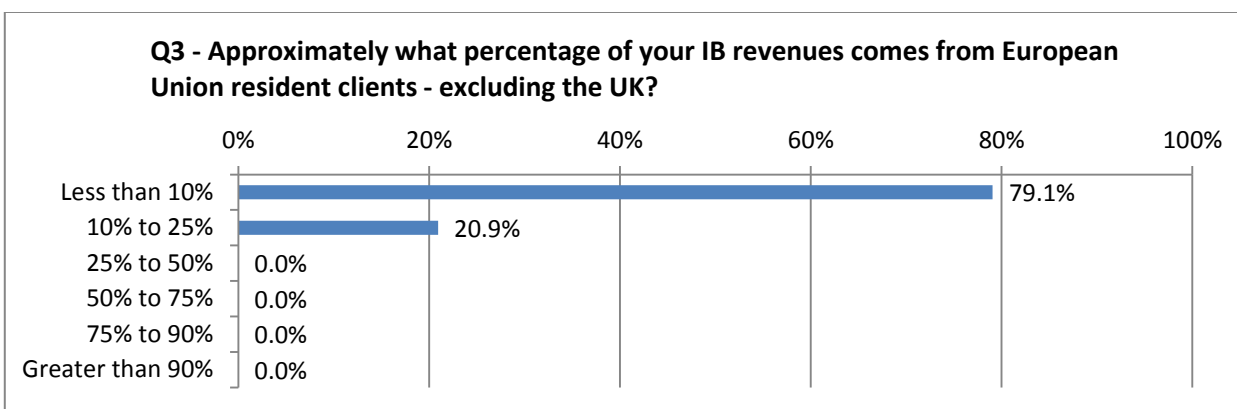
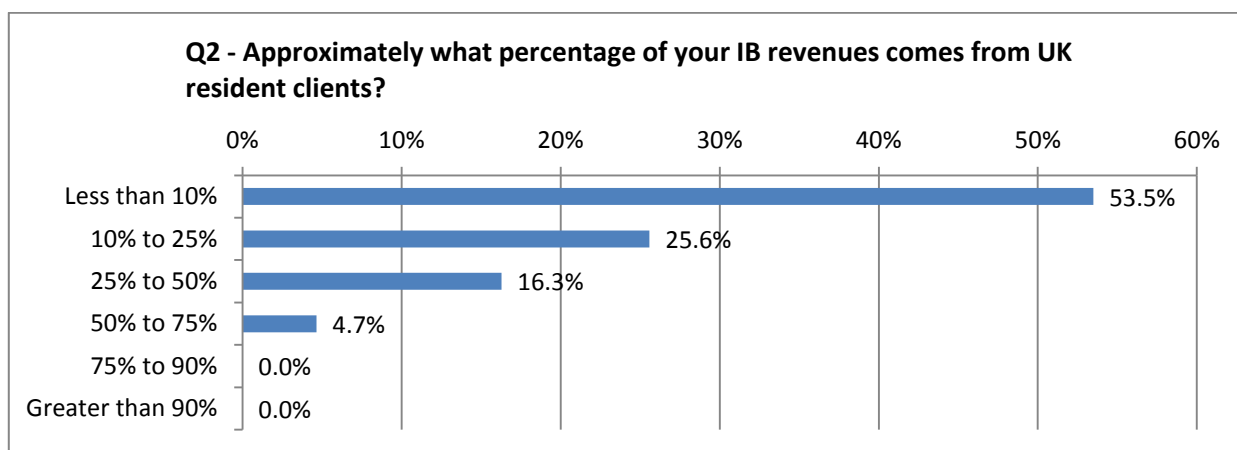
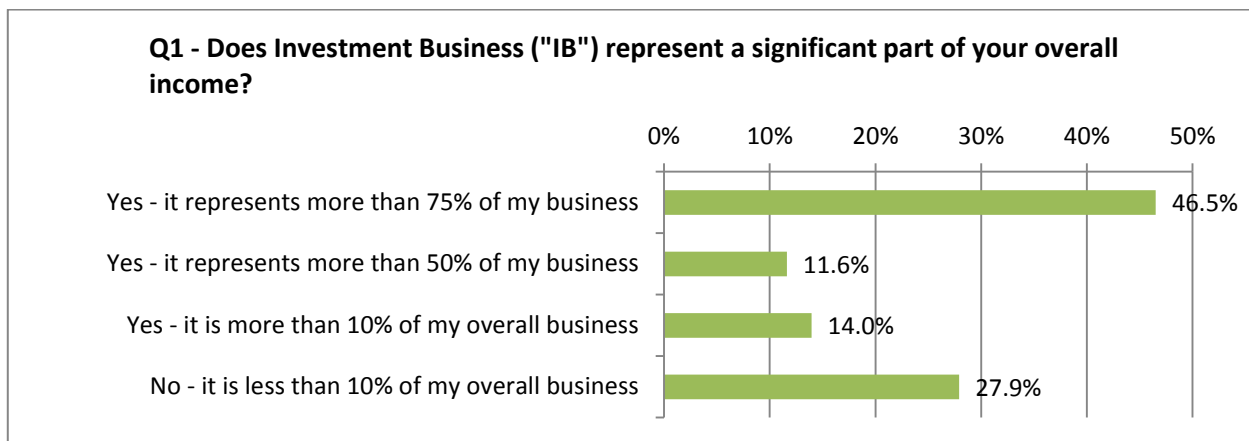


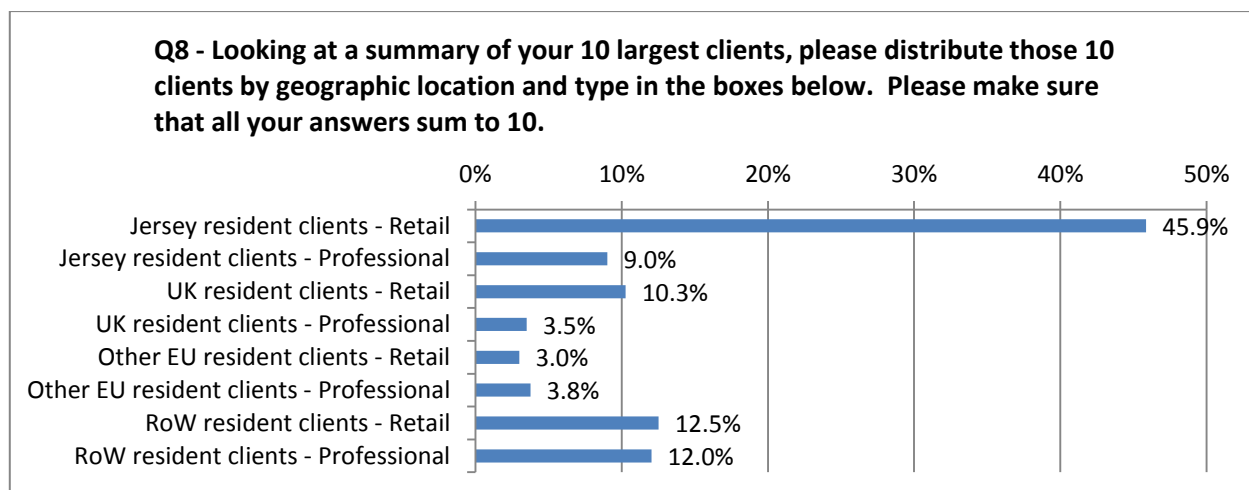
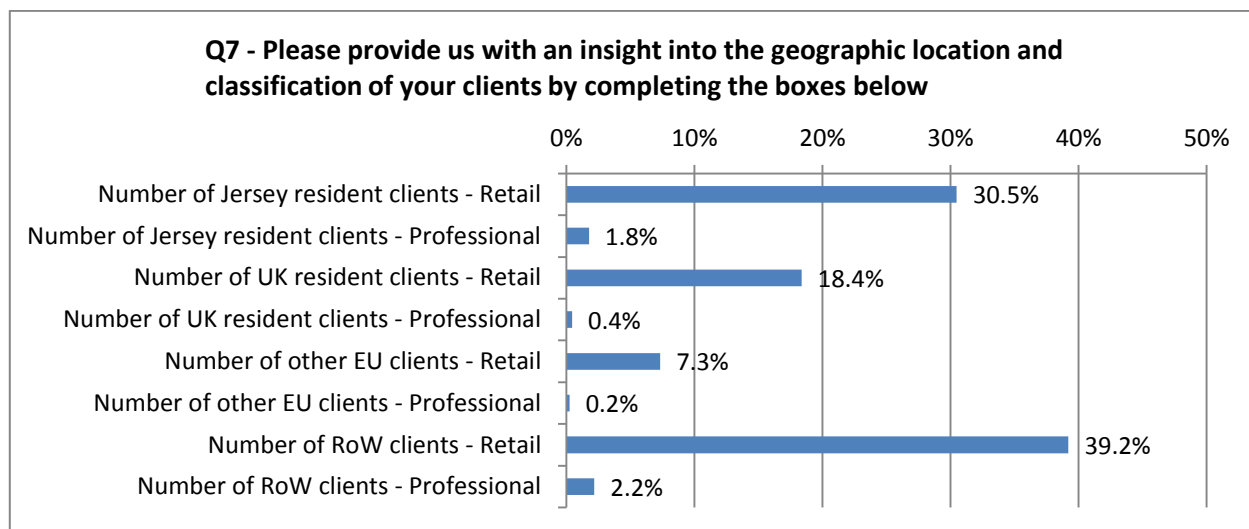
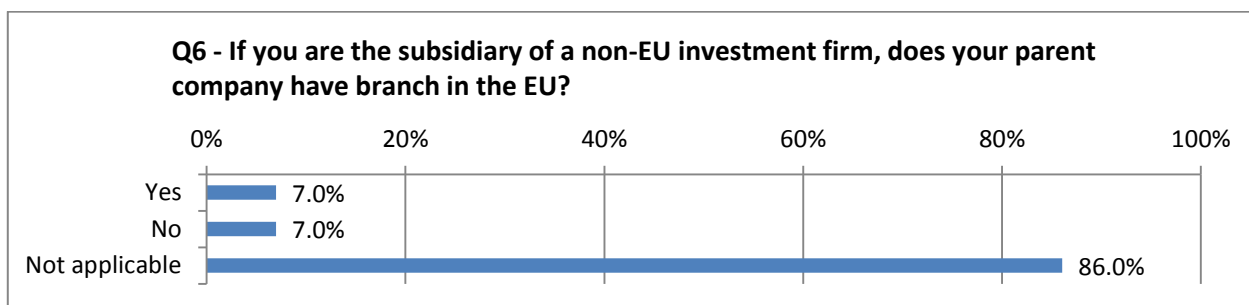
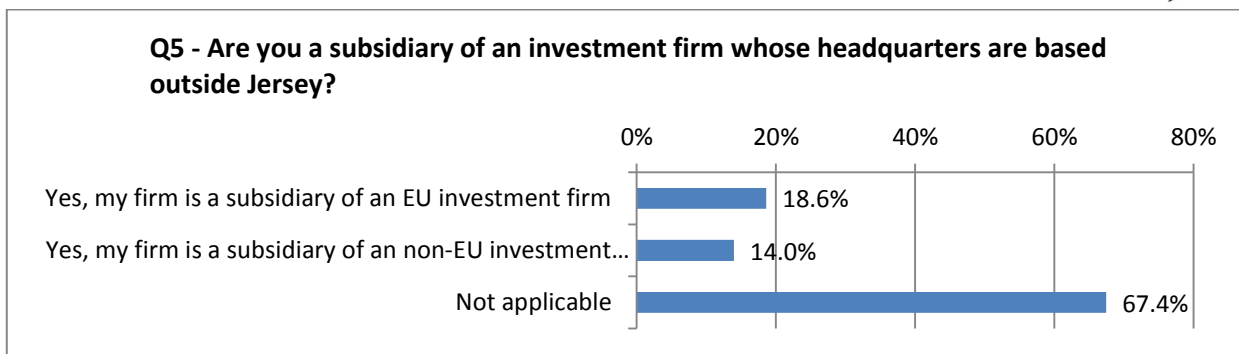
Figure 1

<b>MiFID 2 - third-country equivalence</b>				
<b>Considers - Prudential and Business Conduct Framework (MiFIR, CRD IV and MiFID) (MiFIR Recital 41)</b>				
<p><b>Consistent regulatory framework the substantial result of which is similar to EU requirements (MiFIR Recital 44)</b></p>	<p><b>Approx. location</b></p>	<p><b>MiFID 2 - specific equivalence requirements</b></p>	<p><b>Has regard to the IOSCO objectives and principles of securities regulation (MiFIR Recital 41)</b></p>	<p><b>Conforms to the general regulatory goals and standards set out by the G20 in September 2009 (MiFIR Recitals 41 &amp; 44)</b>                       (improving derivative markets transparency, mitigating systemic risk and protecting against market abuse)</p>
	<p>MiFID Articles 5 to 8</p>	<p>Investment firms – must be authorised, effectively supervised and enforced, on an ongoing basis</p>		
	<p>MiFID Articles 9 to 30</p>	<p>Investment firms must have sufficient capital</p>		
		<p>Requirements on investment firm shareholders</p>		
		<p>Requirements on the members of the management body at the investment firm</p>		
		<p>Organisational requirements on investment firms</p>		
		<p>Internal control functions on investment firms</p>		
		<p>Conduct of business rules on investment firms</p>		
	<p>MiFID Articles 31 to 32</p>	<p>Market transparency and integrity to prevent market abuse</p>		
	<p>MiFIR Articles 28 to 30</p>	<p>Transparency – obligations to trade on regulated markets, MTFs or OTF and when trading OTC. Plus investment firms to observe EMIR (OTC Derivative transactions)</p>		

Figure 2

**Results – Investment Business sensitivity to MiFID2 (high-level summary) via SurveyMonkey**  
**Sample 43, Population 90**





# IB stakeholder briefing hand out 30<sup>th</sup> April 2015



JFSC

		Sample =	43	90% Confidence	95% Confidence
<b>Q1</b>	<b>Does Investment Business ("IB") represent a significant part of your overall income?</b>			1.65	1.96
				+/-	+/-
	A Yes - it represents more than 75% of my business	46.5%		9.1%	10.8%
	B Yes - it represents more than 50% of my business	11.6%		5.8%	7.0%
	C Yes - it is more than 10% of my overall business	14.0%		6.3%	7.5%
	D No - it is less than 10% of my overall business	27.9%		8.2%	9.7%
<b>Q2</b>	<b>Approximately what percentage of your IB revenues comes from UK resident clients?</b>			+/-	+/-
	A Less than 10%	53.5%		9.1%	10.8%
	B 10% to 25%	25.6%		8.0%	9.5%
	C 25% to 50%	16.3%		6.7%	8.0%
	D 50% to 75%	4.7%		3.8%	4.6%
	E 75% to 90%	0.0%		0.0%	0.0%
	F Greater than 90%	0.0%		0.0%	0.0%
<b>Q3</b>	<b>Approximately what percentage of your IB revenues comes from European Union resident clients - excluding the UK?</b>			+/-	+/-
	A Less than 10%	79.1%		7.4%	8.8%
	B 10% to 25%	20.9%		7.4%	8.8%
	C 25% to 50%	0.0%		0.0%	0.0%
	D 50% to 75%	0.0%		0.0%	0.0%
	E 75% to 90%	0.0%		0.0%	0.0%
	F Greater than 90%	0.0%		0.0%	0.0%
<b>Q4</b>	<b>Do you have a branch office in the European Union ("EU")?</b>			+/-	+/-
	A Yes	11.6%		5.8%	7.0%
	B No	88.4%		5.8%	7.0%
<b>Q5</b>	<b>Are you a subsidiary of an investment firm whose headquarters are based outside Jersey?</b>			+/-	+/-
	A Yes, my firm is a subsidiary of an EU investment firm	18.6%		7.1%	8.5%
	B Yes, my firm is a subsidiary of a non-EU investment firm	14.0%		6.3%	7.5%
	C Not applicable	67.4%		8.5%	10.2%
<b>Q6</b>	<b>If you are the subsidiary of a non-EU investment firm, does your parent company have branch in the EU?</b>			+/-	+/-
	A Yes	7.0%		4.6%	5.5%
	B No	7.0%		4.6%	5.5%
	C Not applicable	86.0%		6.3%	7.5%
<b>Q7</b>	<b>Please provide us with an insight into the geographic location and classification of your clients by completing the boxes below</b>			+/-	+/-
	A Number of Jersey resident clients - Retail	30.5%		7.2%	8.6%
	B Number of Jersey resident clients - Professional	1.8%		4.1%	4.9%
	C Number of UK resident clients - Retail	18.4%		2.6%	3.1%
	D Number of UK resident clients - Professional	0.4%		1.7%	2.0%
	E Number of other EU clients - Retail	7.3%		1.3%	1.6%
	F Number of other EU clients - Professional	0.2%		2.3%	2.8%
	G Number of RoW clients - Retail	39.2%		3.4%	4.0%
	H Number of RoW clients - Professional	2.2%		2.4%	2.9%
<b>Q8</b>	<b>Looking at a summary of your 10 largest clients, please distribute those 10 clients by geographic location and type in the boxes below. Please make sure that all your answers sum to 10.</b>			+/-	+/-
	A Jersey resident clients - Retail	45.9%		7.2%	8.6%
	B Jersey resident clients - Professional	9.0%		3.7%	4.4%
	C UK resident clients - Retail	10.3%		3.1%	3.7%
	D UK resident clients - Professional	3.5%		2.1%	2.5%
	E Other EU resident clients - Retail	3.0%		1.2%	1.5%
	F Other EU resident clients - Professional	3.8%		2.2%	2.6%
	G RoW resident clients - Retail	12.5%		3.3%	3.9%
	H RoW resident clients - Professional	12.0%		4.5%	5.4%

Clients/IB Firm Summary			
High	33600	Mean	1947
Low	1	Medium	486
		Std Dev	5375
The largest firm has - 41.1% market share			
Top 5 firms have - 72.1% market share			
Top 10 firms have - 86.4% market share			

