



Jersey Financial
Services Commission

Feedback and Further Consultation

(Feedback on Consultation Paper No. 8 2019)

**(Further consultation - Consultation Paper No. 12
2020)**

Proposals regarding legislative enhancements to the investment business regime:

Financial Services (Jersey) Law 1998; and

Financial Services (Investment Business (Client Assets))(Jersey) Order 2001

Issued: November 2020

Feedback and Further Consultation Paper

This paper reports on responses received by the Jersey Financial Services Commission (**JFSC**) and Jersey Finance Limited (**JFL**) to Consultation Paper No.8 2019: a consultation on legislative proposals to enhance Jersey's Investment Business regime; and then seeks further consultation on three amendments in response to the feedback. The further consultation period closes on 26th February 2021.

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Alternatively, Lisa Springate at Jersey Finance Limited (**JFL**) is coordinating an Industry response that will incorporate any matters raised by local businesses. Comments should be submitted to JFL by the 26th February 2021.

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It is the policy of the JFSC to summarise or make the content of responses available for public inspection (unless specifically requested otherwise by the respondent).

It is the policy of JFL (unless otherwise requested or agreed) to collate all responses and share them verbatim with the JFSC on an anonymised basis (with reference made only to the type of respondent, e.g. individual, law firm, trust company etc.). This collated, anonymised response will, typically, be placed in JFL's permanent electronic archive which is currently open to all JFL members.

Glossary of Terms

Defined terms are indicated throughout this document as follows:

Abbreviation	Full Name
CAO	Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001
CP	Consultation Paper
FCA	Financial Conduct Authority (UK)
FSJL	Financial Services (Jersey) Law 1998
IB	Investment Business
IB Code	Code of Practice for Investment Business
IOSCO	International Organisation of Securities Commissions
JFSC	Jersey Financial Services Commission
MiFID II	Markets in Financial Instruments Directive (MIFID - 2014/65/EU) and the Markets in Financial Instruments Regulation (MiFIR - 600/2014/EU)
registered person	a person who is registered by the JFSC under Article 9 of the FSJL to carry on Investment Business as defined in Article 2 (2) of the FSJL

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1 Executive Summary

1.1 Overview

The JFSC is committed to enhancing the Investment Business (**IB**) regime; there have been a number of changes to regulation both at European and international level and the JFSC is committed to maintaining international standards where applicable and proportionate for Jersey.

Following prior consultations and feedback, the JFSC approved the conceptual legislative proposals in March 2019, and requested through Government the Law Drafters to prepare amended legislation accordingly.

A consultation paper (**CP**) was published in December 2019 in relation to that draft legislation with an extended response period due to Covid-19.

This paper provides feedback on the proposals set out in the CP and is also a further consultation on three amended legislative proposals as a consequence of the feedback and other factors. Rather than provide feedback and then consult again we worked with the Law Drafting Office to bring about the further consultation alongside the feedback.

1.2 Who would be affected?

The proposals in this feedback and consultation paper have the potential to affect:

- › all registered persons licensed to carry on IB in accordance with the FSJL;
- › all registered persons within the scope of the CAO;
- › any business that arranges or brings about arrangements for another person to buy, sell, subscribe for or underwrite a particular investment; and
- › any business carrying on exchange business.

1.3 Costs & Benefits

The JFSC recognises the potential costs to industry when amending legislation and has considered this in the scope and approach of the proposals. The proposals in this paper will, in aggregate, improve the clarity of the IB legislation for registered persons, enhance consumer protection and contribute towards the Island meeting international regulatory standards.

2 Consultation

2.1 Basis for consultation

- 2.1.1 The JFSC has issued this CP in accordance with Article 8(3) of the Financial Services Commission (Jersey) Law 1998, as amended (**Commission Law**) under which the JFSC “may, in connection with the carrying out of its functions ...consult and seek the advice of such persons or bodies whether inside or outside Jersey as it considers appropriate”.

2.2 Responding to the consultation

- 2.2.1 The JFSC invites comments in writing from interested parties on the proposals included in this CP. Where comments are made by an industry body or association, that body or association should also provide a summary of the type of individuals and/or institutions that it represents.
- 2.2.2 A response form has been published alongside this consultation, available at www.jerseyfsc.org
- 2.2.3 Respondents are requested to use this form when providing feedback, either directly or via JFL.
- 2.2.4 Comments should be received by the JFSC no later than 26th February 2021.

2.3 Next steps

- 2.3.1 The JFSC will seek to publish feedback in Q2 2021.

3 The JFSC

3.1 Overview

- 3.1.1 The JFSC is a statutory body corporate established under the Commission Law. It is responsible for the supervision and development of financial services provided in or from within Jersey.

3.2 The JFSC's functions

- 3.2.1 Article 5 of the Commission Law prescribes that the JFSC shall be responsible for:
- 3.2.1.1 the supervision and development of financial services provided in or from within Jersey;
 - 3.2.1.2 providing the States of Jersey, any Minister of any other public body with reports, advice, assistance and information in relation to any matter connected with financial services;
 - 3.2.1.3 preparing and submitting to the Minister recommendations for the introduction, amendment or replacement of legislation appertaining to financial services, companies and other forms of business structure;
 - 3.2.1.4 such functions in relation to financial services or such incidental or ancillary matters:
 - › as are required or authorised by or under any enactment, or
 - › as the States of Jersey may, by Regulations, transfer; and
 - 3.2.1.5 such other functions as are conferred on the JFSC by any other Law or enactment.

3.3 Guiding principles

- 3.3.1 Article 7 of the Commission Law sets out the JFSC's guiding principles which require the JFSC to have particular regard to:
- 3.3.1.1 the reduction of risk to the public of financial loss due to dishonesty, incompetence, malpractice, or the financial unsoundness of persons carrying on the business of financial services in or from within Jersey;
 - 3.3.1.2 the protection and enhancement of the reputation and integrity of Jersey in commercial and financial matters;
 - 3.3.1.3 the best economic interests of Jersey; and
 - 3.3.1.4 the need to counter financial crime in both Jersey and elsewhere.

4 Summary of Amendments

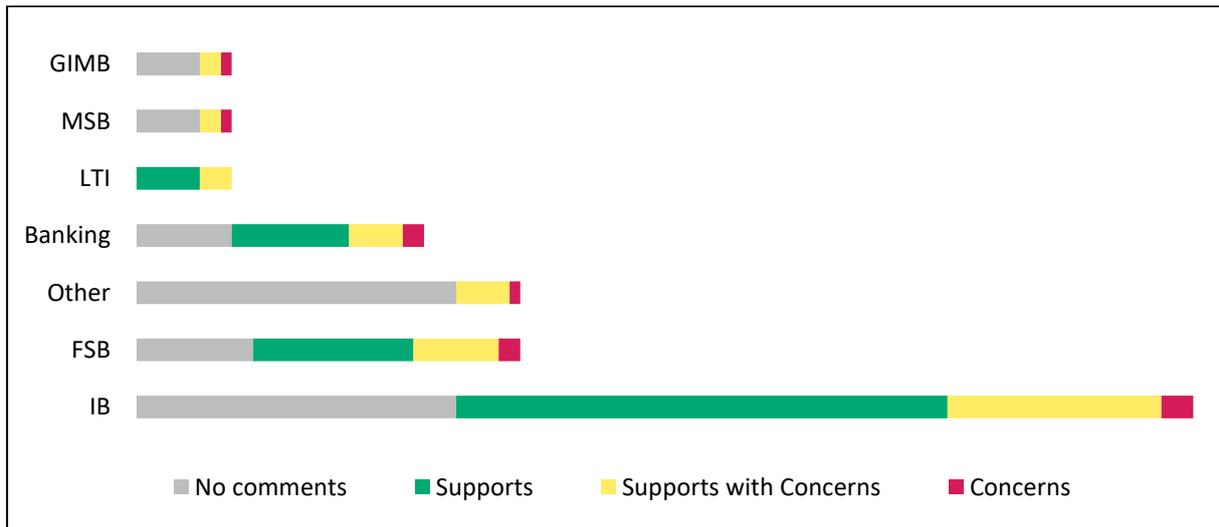
FSJL Changes		
Include Hold	Extend the provision of advice to include 'hold' as well as 'buy' and 'sell'.	Proposal will not be applied; legislation to remain unchanged. The current law captures the activity already.
Derivative Definitions	Update the definition of investments to include all financial derivatives.	<p>The JFSC has worked with the Law Drafter's Office to address the concerns raised. The new legislation proposal is included in this paper for consultation.</p> <p>We have created a clearer and tighter definition by:</p> <ul style="list-style-type: none"> › aligning the definitions more closely to FCA/MiFID › modifying the definition of contracts for differences for consistency
<i>Further Consultation Question 1</i>	Update the definition of 'Futures', when for commercial purposes.	
	Update the definition of 'Contracts for differences, etc' to align with the 'Financial derivatives' and 'Contracts for differences, etc' changes.	
Arranging	Include the activity of arranging as an IB activity.	<p>The JFSC has worked with the Law Drafter's Office to address the concerns raised. The new legislation proposal is included in this paper for consultation.</p> <p>We have addressed the concerns on scope by aligning the existing exemptions for dealing with arranging.</p>
<i>Further Consultation Question 2</i>		
Ban Products	Powers to ban the sale of certain products to retail clients.	The JFSC will work with the Law Drafter's Office for an appropriate legislative proposal to achieve this.
Exchange Business	Prepare to include the oversight of exchange business in the FSJL.	Legislation has now been drafted and consulted upon; the JFSC is now ready to apply the changes when required.
Advice on Pension Transfers	Include the oversight of advice on transfers from defined contribution schemes in the FSJL.	The proposed legislation will not be implemented by the JFSC. It will be incorporated within the Government phase 1 pension project.
CAO Changes		
3 rd Party Due Diligence & Disclosure	Enhance client asset protection related to 3 rd party due diligence and transparency on disclosure of protection in overseas regimes, in line with IOSCO recommendations.	<p>The JFSC has worked with the Law Drafter's Office to address the concerns raised. The new legislation proposal is included in this paper for consultation.</p> <p>We have addressed the concerns on scope by proposing an amendment to "Approved Custodians".</p>
<i>Further Consultation Question 3</i>		

5 Summary on feedback received

Below are two charts illustrating the feedback sentiment by type of respondent (Chart 1) and by proposal (Chart 2).

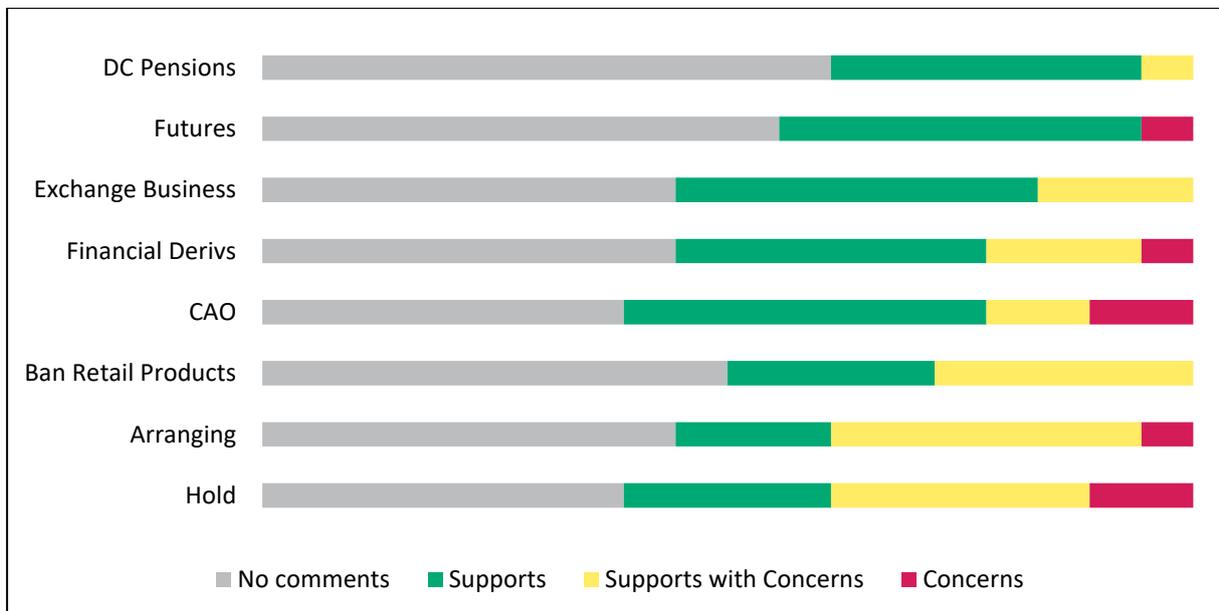
Overall, the charts illustrate conceptual support or neutrality regarding the majority of the proposals. Each of the proposals did raise concerns, more often in relation to application rather than the principle. It should also be noted that often the JFSC consults on proposals which would not be acceptable to all. Objections or concerns are not exclusively a reason for the JFSC to alter its position. That being said the concerns raised have been invaluable in helping us amend the proposals.

Chart 1: Respondents: Distribution and Sentiment



The majority of respondents held Investment Business licences and were largely supportive, with some concerns for how proposals were being applied and limited significant concerns.

Chart 2: Proposals: Respondent Sentiment



As expected, Arranging attracted a lot of feedback with concerns (mostly around application), whereas the amount of concern raised regarding advice on holding an investment was unexpected.

6 Feedback and Updated Proposals

6.1 FSJL

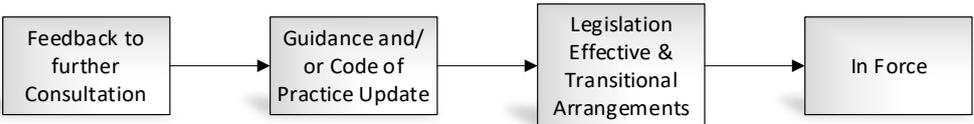
6.1.1 Advice on “holding” an investment	
Requirement	The class of IB which relates to the provision of advice be extended so that a registered person must also give advice on the merits of “holding” an investment in addition to providing advice on the purchase or sale of such an investment.
Support Distribution	 <p>■ No comments ■ Supports ■ Supports with Concerns ■ Concerns</p>
Response Summarised	<ul style="list-style-type: none"> › Agreement that advising on holding an investment is equivalent to advising on buying and selling an investment › Confusion and concern over proposed wording › This is already regulated and therefore an unnecessary change
JFSC Response	The JFSC has considered the feedback and agrees that the change is not necessary as advising on the merits of “holding” an investment is already a regulated activity – holding a security derives from decisions as to whether or not to buy/subscribe, and, having bought/subscribed, whether or not to sell”.
Outcome	Proposal will not be applied; legislation to remain unchanged.

6.1.2 Financial derivatives	
Requirement	<p>Amendment to the definition of Investments in Schedule 1 so that it includes all financial derivatives.</p> <p>Futures may be considered not to be investments if they are for commercial purposes even when they have a settlement period greater than 7 days.</p>
Support Distribution	<p>‘Financial Derivatives’</p>  <p>■ No comments ■ Supports ■ Supports with Concerns ■ Concerns</p> <p>‘Futures’</p>  <p>■ No comments ■ Supports ■ Supports with Concerns ■ Concerns</p>
Response Summarised	<ul style="list-style-type: none"> › The rationale for an enhanced definition was generally welcomed; clarity requested on scope › Similarly the Futures enhancement was generally welcomed for its improved clarity and consistency <ul style="list-style-type: none"> › Observation that the FCA has since adjusted their position

	› Concern raised over ‘commercial purposes’ definition		
JFSC Response	<p>The questions on scope demonstrated that the new proposal would inadvertently bring too much into scope.</p> <p>We have worked with the Law Drafter’s Office and are proposing clearer and tighter definitions by:</p> <ul style="list-style-type: none"> › aligning the definitions more closely to FCA/MiFID › modifying the definition of ‘Contracts for differences, etc’ for consistency › further clarifying the definition of ‘commercial purposes’ <p>For the avoidance of doubt the JFSC considers structured products to already be caught within the framework by virtue of the current definitions of ‘Debentures’ and ‘Contracts for differences, etc.’, and will continue to be caught in the proposed framework.</p>		
Proposed Legislation Summary	Unchanged text: black	New text: green	Deleted text: red strikethrough
	<p>7 Futures</p> <p>Rights under a contract for the sale of a commodity, or property of any other description which is entered into for investment, not commercial purposes, and under which delivery is to be made at a future date and at a price agreed upon when the contract is made.</p> <p>Notes:</p> <p>(1) A contract shall be regarded as made for investment purposes if it is made or traded on an investment exchange, or made otherwise but expressed to be as traded on such an exchange or on the same terms as those on which an equivalent contract would be made on such an exchange.</p> <p>(2) A contract not falling within Note (1) shall be regarded as made for commercial purposes if –</p> <p>(a) under the terms of the contract delivery is to be made within 7 days unless it can be shown that there existed an understanding that (notwithstanding the terms of the contract) delivery would not be made within 7 days;</p> <p>(b) it is a commodities future and the parties intend that the profit is to be obtained or the loss avoided by taking delivery of any property to which the contract relates; or</p> <p>(c) it is a foreign exchange future, and –</p> <p>(i) the parties intend that the profit is to be obtained or the loss avoided by taking delivery of the currencies, and</p> <p>(ii) the purpose of the trade is to facilitate a means of payment for identifiable goods and services.”.</p> <p>8 Contracts for differences, etc.</p> <p>Rights under a contract for differences, or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the value or price of property of any description or in an index or other factor designated for that purpose in the contract.</p> <p>Notes:</p> <p>(1) This paragraph shall not apply to a contract where the parties intend that the profit is to be obtained or the loss avoided by taking delivery of any property to which the contract relates.</p>		

	<p>(2) This paragraph shall not apply to rights under any contract under which money is received by the Director of Savings as deposits or otherwise in connection with the business of the National Savings Bank or in respect of money raised under the National Loans Act 1968 of the United Kingdom under the auspices of the Director of Savings or under which money raised is treated as having been so raised by virtue of section 11(3) of the National Debt Act 1972 of the United Kingdom.</p> <p>8A Financial derivatives</p> <p>Rights under any contract, except an option, future or contract for differences, the purpose or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the value or price of property of any description or in an index or other factor designated for that purpose in the contract.</p> <p>Notes:</p> <p>(1) This paragraph includes any contract made or traded on an investment exchange, or made otherwise but expressed to be as traded on such an exchange or on the same terms as those on which an equivalent contract would be made on such an exchange.</p> <p>(2) This paragraph does not apply to a contract not falling within Note 1 where the parties intend that the profit is to be obtained or the loss avoided by taking delivery of any property to which the contract relates.</p> <p>(3) This paragraph does not apply to rights under any contract under which money is received by the Director of Savings as deposits or otherwise in connection with the business of the National Savings Bank or in respect of money raised under the National Loans Act 1968 of the United Kingdom under the auspices of the Director of Savings or under which money raised is treated as having been so raised by virtue of section 11(3) of the National Debt Act 1972 of the United Kingdom.”.</p>
<p>JFSC Comments</p>	<p>Schedule 6 is accordingly updated to reflect changes to Schedule 1. Full details are available in the appendix.</p>
<p>Next Steps</p>	 <pre> graph LR A[Feedback to further Consultation] --> B[Legislation Effective] B --> C[In Force] </pre>
<p>Question 1</p>	<p>Do you have any observations on, or concerns about, the amended proposed legislation to enhance the derivative definitions?</p> <p>If you do, please state in detail what your observation or concern is and the reason for it.</p>

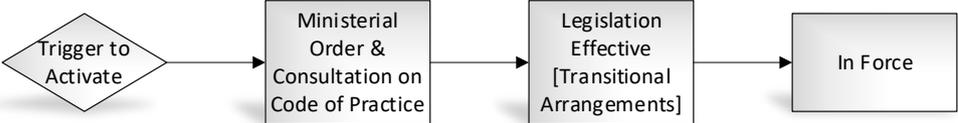
6.1.3 Arranging	
<p>Requirement</p>	<p>The activity of “arranging” to be added as a new class of IB.</p>
<p>Support Distribution</p>	 <p style="text-align: center;"> No comments Supports Supports with Concerns Concerns </p>

Response Summarised	<ul style="list-style-type: none"> › The rationale for the inclusion of arranging was generally welcomed › Guidance was requested regarding scope, conduct expectations, and licensing › Where concern was raised it was predominately related to the scope. In addition concern was raised about equivalent jurisdictions, and it was commented that Jersey’s retail market is comparatively small compared to the UK. 		
JFSC Response	<p>The JFSC acknowledges the comments, and as indicated in the consultation, further guidance and clarification is required and will be provided in advance of bringing arranging into force.</p> <p>Some of the high-level scope concerns can be addressed here in advance of further more detailed guidance:</p> <ul style="list-style-type: none"> › the intention is to capture investment activity that otherwise would not have taken place without the arranger › we do not intend to capture introducing <p>We do not intend to create a new class of licence.</p> <p>We acknowledge that the Jersey retail investment business sector is comparatively smaller than the UK but do not consider the market size to be material when considering if arranging should be adopted within investment business.</p> <p>A review of comparable jurisdictions has been undertaken and arranging is incorporated within these regimes.</p> <p>The questions on scope demonstrated that the exemptions for dealing needed to include the activity of arranging; we have worked with the Law Drafter’s Office and are proposing an amendment to achieve this.</p>		
Proposed Legislation Summary	<table border="1" data-bbox="391 1108 699 1160"> <tr> <td>Unchanged text: black</td> <td>New text: green</td> </tr> </table> <p>2 “Financial service business” defined</p> <p>(2) A person carries on investment business if the person –</p> <p>(a) deals in investments, that is, the person –</p> <p>(i) buys, sells, subscribes for or underwrites investments, either as principal or as agent, or</p> <p>(ii) makes arrangements with a view to another person acquiring, disposing of, subscribing for or underwriting investments;</p>	Unchanged text: black	New text: green
Unchanged text: black	New text: green		
JFSC Comments	<p>Full details including consequential amendments and transitional arrangements are available in the appendix.</p> <p>The effective date of the change is the date the regulation comes into force; a 6 month relief (plus additional provision for application purposes) is available only if a person was engaged in the activity at any time in the 6 months prior to the effective date.</p>		
Next Steps	 <pre> graph LR A[Feedback to further Consultation] --> B[Guidance and/or Code of Practice Update] B --> C[Legislation Effective & Transitional Arrangements] C --> D[In Force] </pre>		
Question 2	Do you have any observations on, or concerns about, the amended proposed legislation to introduce the activity of arranging within the activity of dealing?		

If you do, please state in detail what your observation or concern is and the reason for it.

6.1.4 Powers to Ban Products for Retail Clients	
Requirement	Legislation for powers to ban the sale of certain products to retail clients.
Support Distribution (Ban Provision)	 <p>■ No comments ■ Supports ■ Supports with Concerns ■ Concerns</p>
Response Summarised	<ul style="list-style-type: none"> › The rationale for the power to ban certain products for retail investors was generally welcomed › There were concerns raised about the application of banning certain products for example: <ul style="list-style-type: none"> › Prior consultation excepting for instances of most blatant risk to retail clients › Products available on certain exchanges should be exempt
JFSC Response	The JFSC welcomes the feedback on the powers to ban certain products for retail investors, and agrees that the scope of products to which this can be applied needs to be carefully considered, and that where possible prior consultation should occur.
JFSC Comments & Next Steps	The JFSC will work with the Law Drafter's Office for an appropriate legislative proposal to achieve this.

6.1.5 Exchange business	
Requirement	Legislation for a supervisory regime and powers to write codes of practice regarding exchange business.
Support Distribution	 <p>■ No comments ■ Supports ■ Supports with Concerns ■ Concerns</p>
Response Summarised	<ul style="list-style-type: none"> › The rationale for a supervisory regime and powers to write codes of practice regarding exchange business was generally welcomed › Where responses raised concerns or questions they were all related to areas of scope and application
JFSC Response	<ul style="list-style-type: none"> › The JFSC acknowledges the comments and confirms that areas of scope and application would be consulted upon when code of practice requirements are written › Upon activating the law to regulate exchange business activity the investments caught would be those in Schedule 1 › The JFSC would amend the legislation, if required, to ensure that virtual assets were captured

Outcome	The legislation is made; a further Ministerial Order is required to bring this into force after the JFSC has recommended it is necessary to do so. In this eventuality we would undertake prior consultation on code of practice amendments.
JFSC Comments	Full details including transitional arrangements are available in the appendix. The effective date of the change is the date the regulation comes into force; a 6 month relief (plus additional provision for application purposes) is available only if a person was engaged in the activity at any time in the 6 months prior to the effective date.
Next Steps (when required)	 <pre> graph LR A{Trigger to Activate} --> B[Ministerial Order & Consultation on Code of Practice] B --> C[Legislation Effective [Transitional Arrangements]] C --> D[In Force] </pre>

6.1.6 Advice on Transfers from Defined Contribution Schemes	
Requirement	The activity of advice on transfers from pension schemes to be expanded to include defined contribution schemes (in the same manner as for defined benefit schemes).
Support Distribution	 <p>■ No comments ■ Supports ■ Supports with Concerns ■ Concerns</p>
Response Summarised	<ul style="list-style-type: none"> › The inclusion of advice on transfers from defined contribution schemes was broadly welcomed › One response suggested that scope should be more far reaching than just the provision of advice
JFSC Response	In light of the consultation process, the JFSC has liaised with Government to clarify its plans with regards to changes to the regulation of pensions in Jersey. The Government intends to legislate with regard to all Investment Business activity under the FSJ Law involving pension products, not just investment advice. Given the substantial plans Government are developing for change in this area, the JFSC has drawn the conclusion that any initiative by the JFSC at this time would only apply for a short period and would require industry to adapt twice to two regulatory initiatives in quick succession. This would be disproportionate and disorderly. For that reason, notwithstanding the desirability of regulating the provision of investment advice with regard to DC pensions, the JFSC has decided not to take an initiative in that regard at this time. In the event that Government were to notify us that they were unable to progress their wider plans or it was to be unduly delayed, for whatever reason, we would then revisit the question of regulating pension advice using the feedback from this consultation now complete to proceed to put a regime as set out in our original consultation in place.
Outcome	This proposal will not be implemented by the JFSC. It will be incorporated within the Government phase 1 pension project.

6.2 CAO

It is proposed that this Order be updated in response to IOSCO's 2017 thematic review of client asset protection recommendations.

6.2.1 Third party due diligence and transparency on disclosure of asset protection in overseas regimes				
Requirements	<ul style="list-style-type: none"> › apply appropriate due diligence on a selection of third parties on behalf of registered person; and › ensure that there is clarity and transparency in the disclosure of the relevant client asset protection regime(s) and arrangements and the consequent risks involved. 			
Support Distribution	 <p style="text-align: center;"> No comments Supports Supports with Concerns Concerns </p>			
Response Summarised	<ul style="list-style-type: none"> › There was support with some concern related to enhancing the CAO › The questions and concerns raised in the feedback were all in some way concerning the scope of the changes › Generally the proposal to better align with the IOSCO principles was supported › Concern was raised that the proposal had not fully mitigated the concerns raised by IOSCO 			
JFSC Response	<ul style="list-style-type: none"> › The JFSC acknowledges the general support › Regarding the scope questions, the changes proposed are related to conduct requirements and do not change the scope of the CAO › The JFSC agrees that the amendments should be expanded and have worked with the Law Drafter’s Office and are proposing an amendment to “Approved Custodians” to achieve this 			
Proposed Legislation Summary	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">Unchanged text: black</td> <td style="width: 33%;">New text: green</td> <td style="width: 33%;">Deleted text: red strikethrough</td> </tr> </table> <p>Article 1 (interpretation) amended</p> <p>“documents of title” includes certificates evidencing title;</p> <p>“foreign jurisdiction” means any jurisdiction outside Jersey;</p> <p>“intermediary” means</p> <p>Article 18 (safekeeping of documents held by an approved custodian who is not the registered person's own nominee) amended</p> <p>After Article 18(1)(b) there is inserted –</p> <p>(c) if the custodian is in a foreign jurisdiction, the registered person or custodian has disclosed to the client –</p> <p>(i) that the client’s protected property will be subject to the client protected property asset protection regime or the insolvency regime, as the case may be, of the foreign jurisdiction;</p> <p>(ii) the risks to the client arising from the client’s protected property being held in the foreign jurisdiction;</p> <p>(iii) the differences (if any) between the client protected property asset protection regime or the insolvency regime in Jersey and that of the foreign jurisdiction, and</p> <p>(iv) the potential consequences of those differences.</p> <p>22 Third parties</p>	Unchanged text: black	New text: green	Deleted text: red strikethrough
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	<p>(1) A registered person must not lend client's title documents protected property to a third party unless the client has given his or her written consent.</p> <p>(1A) A registered person must exercise all due skill, care and diligence when selecting, appointing or reviewing a third party to whom clients' protected property is lent.</p> <p>(1B) A registered person must not lend a client's protected property to a third party in a foreign jurisdiction, unless the registered person or third party has disclosed to the client –</p> <p>(a) that the client's protected property will be subject to the client protected property asset protection regime or the insolvency regime, as the case may be, of the foreign jurisdiction;</p> <p>(b) the risks to the client arising from the client's protected property being lent to a third party in the foreign jurisdiction;</p> <p>(c) the differences (if any) between the client protected property asset protection regime or the insolvency regime in Jersey and that of the foreign jurisdiction, and</p> <p>(d) the potential consequences of those differences.</p>
<p>JFSC Comments</p>	<p>Full details are available in the appendix.</p>
<p>Next Steps</p>	 <pre> graph LR A[Feedback to further Consultation] --> B[Legislation Effective] B --> C[In Force] </pre>
<p>Question 3</p>	<p>Do you have any observations on, or concerns about, the amended proposed legislation to update the CAO?</p> <p>If you do, please state in detail what your observation or concern is and the reason for it.</p>

7 Summary of Further Questions

Question 1	Do you have any observations on, or concerns about, the amended proposed legislation to enhance the derivative definitions? If you do, please state in detail what your observation or concern is and the reason for it.
Question 2	Do you have any observations on, or concerns about, the amended proposed legislation to introduce the activity of arranging within the activity of dealing? If you do, please state in detail what your observation or concern is and the reason for it.
Question 3	Do you have any observations on, or concerns about, the amended proposed legislation to update the CAO? If you do, please state in detail what your observation or concern is and the reason for it.

8 Appendices

Appendix A	Financial Services (Amendment of Law) (No. 6) (Jersey) Regulations 202-
Appendix B	Financial Services (Amendment of Schedules to Law) (No. 2) (Jersey) Order 202-
Appendix C	Financial Services (Investment Business (Client Assets)) (Amendment No. 2) (Jersey) Order 202-
Appendix D	<p><u>List of Respondents</u></p> <p>The Royal Bank of Scotland International TISE The Association of Investment Companies (AIC) Afex Offshore Limited Barclays Bank PLC, Jersey branch SG Kleinwort Hambros Bank (CI) Limited Simon Howard Consulting Standard Chartered Bank, Jersey Branch Digital assets working Group APW Investors Limited LGT Vestra (Jersey) Limited Jersey Funds Association Rossborouh Financial Services Ltd JFL: Bank JFL: Investment Business 3 Anonymous responses</p>