



Jersey Financial Services Commission

Public Statement

Horizon Trustees (Jersey) Limited (in liquidation) (“HTJL”)

Financial Services (Jersey) Law 1998, as amended (the “Financial Services Law”)

Codes of Practice for Trust Company Business (the “Codes”)

The Jersey Financial Services Commission (the “**Commission**”) issues this public statement pursuant to Article 25 of the Financial Services Law.

The Commission’s actions support its objectives of reducing the risk to the public of financial loss and protecting and enhancing the reputation and integrity of Jersey in commercial and financial matters.

1. Introduction

- 1.1 HTJL was part of a small group of affiliated companies that offered a range of financial services and products to customers. In 2011, the Commission undertook two separate on-site examinations at HTJL. The findings of these examinations were such that HTJL was placed under heightened supervision. The Commission was required to devote significant time and resource to overseeing the administration and management of HTJL. HTJL’s inability to remedy the identified deficiencies ultimately resulted in HTJL being placed into liquidation in May 2012, with its book of business transferred to other service providers.

2 Scope of the Investigation

- 2.1 The investigation focussed on the period 1 January 2008 to 30 May 2012 and assessed HTJL’s compliance with the legal and regulatory regime in Jersey, including the Financial Services Law and the Codes.

3 Findings of the Investigation

- 3.1 The findings of the investigation are summarised below.

4 Breaches of the Financial Services Law

- 4.1 HTJL allowed strategic decisions to be made by a non-regulated company which also conducted unauthorised financial service business in contravention of the Financial Services Law.



5 Breaches of the Codes

5.1 HTJL breached each of the seven principles of the Codes. HTJL failed to:

- 5.1.1 conduct its business with integrity;
- 5.1.2 have the highest regard for the interests of customers;
- 5.1.3 organise and control its affairs effectively for the proper performance of its business activities and demonstrate the existence of adequate risk management systems;
- 5.1.4 be transparent in its business arrangements;
- 5.1.5 maintain, and demonstrate, the existence of adequate financial resources;
- 5.1.6 deal with the Commission in an open and co-operative manner; and
- 5.1.7 ensure statements were not misleading, false or deceptive.

The Commission regards this catalogue of failings to be most serious.

6 Liquidation

6.1 The Joint Liquidators are proceeding to wind up the affairs of HTJL and will progress to conclude the liquidation of HTJL pursuant to which its registration will be revoked.

7 On-going Investigations

7.1 The Commission is continuing its on-going associated investigations arising from the issues identified at HTJL.

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