

## BACKGROUND INFORMATION

### Location and population

The Island of Jersey, also known as the Bailiwick of Jersey, is the largest of the Channel Islands with an area of 45 square miles. The Island is located approximately 160 kilometres south of England and 22 kilometres north of France in the bay of St. Malo. The population of Jersey according to the 2011 census is approximately 97,857. English is the official language of communication.

### Politics and government

Jersey is a self-governing parliamentary democracy under a constitutional monarchy, with its own financial, legal and judicial systems. It is not part of the United Kingdom but a self-governing Crown Dependency. Whilst not part of the European Union (EU), Jersey enjoys a special relationship with the EU based on the provisions of Protocol 3 of the Treaty of Accession of the United Kingdom to the European Community. Under this Protocol, Jersey complies with the EU Directives on trade in industrial and agricultural products but is not obliged to implement Directives or Regulations in other areas such as Taxation, Financial Services and the European Monetary Union.

The Jersey legal system is mainly based on English Common Law.

### Economy

The financial services sector is the backbone of the Jersey economy. Other important sectors are tourism, agriculture and fishing.

Jersey's financial services industry which includes banking, trust and fiduciary, fund management and administration, asset management and insurance provides services to customers across the globe. The well developed and flexible regulatory and legal system, tax neutrality, proximity to the City of London and Europe and high quality of service providers have made Jersey the premier offshore finance centre.

The island has excellent transport links with direct flights from Jersey to London and other UK airports as well as Europe.

### Currency

The Jersey Pound is on par with the UK Pound. There are no exchange controls.

### Taxation

Jersey is a tax neutral jurisdiction. A company resident in Jersey is charged to Jersey income tax at a rate of 0 per cent with exception of financial services, rental and property development companies and utility companies which are taxed at 10 per cent.

## COMPANY FORMATION

### Advantages of a Jersey company

- Jersey companies can be used in setting up both secure ownership structures as well as specialised investment platforms
- Can be used in structured finance, capital markets, banking, real estate and other financial transactions
- Jersey is a tax neutral jurisdiction
- Limited liability
- Share capital can be denominated in any currency
- Various classes of shares are permitted
- Ease of transfer of ownership
- No par value companies are permitted

## Direct Capital Solutions

### Jersey Companies and Structures

#### Primary Corporate Legislation

Companies (Jersey) Law, 1991 as amended.

#### Incorporation

The subscribers to the Memorandum and Articles of Association make the application to the Registrar of Companies at the Jersey Financial Services Commission. The Registrar will require:

- The Memorandum and Articles of Association
- The proposed name
- The proposed shareholders – names, addresses, nationalities plus KYC documentation
- The first directors - names, addresses, nationalities plus KYC documentation
- The authorised share capital
- The type of company
- Full description of the company's proposed activities
- The ultimate beneficial owners of the company - names, addresses, nationalities plus KYC documentation
- Character references for the ultimate beneficial owners

The Registry will process the application within one to two days. A fast track incorporation service that allows incorporation on the day of application is also available for an additional fee.

#### Summary information

<b>BASIC INFORMATION</b>	
Political stability	Good
British based legal system	Yes
Type of company	Ltd, Resident
Migration of domicile permitted	Yes
Tax on profits	Nil
<b>CORPORATE REQUIREMENTS</b>	
Minimum number of shareholders	1
Minimum number of directors	1
Corporate directors permitted	Yes
Secretary required	Yes
Usual authorised capital	£10,000
Minimum paid up	£1
Bearer shares permitted	No
Shelf companies	No
<b>LOCAL REQUIREMENTS</b>	
Registered office/agent	Yes
Company secretary	No
Local directors	No
Local meetings	No
<b>DUE DILIGENCE/DISCLOSURE</b>	
Due diligence required	Yes
Public disclosure of beneficial owner	No*
Filing of Register of Directors	No
Filing of Register of Members	Yes
<b>ANNUAL STATUTORY REPORTING</b>	
Annual return	Yes
Audited accounts	No

\* Disclosure to the registered agent

## Direct Capital Solutions Jersey Companies and Structures

### HOW DIRECT CAPITAL SOLUTIONS CAN HELP YOU

Direct Capital Solutions (DCS) is a specialised consultancy firm that works with owners and managers in industry, banking and real estate, investment managers as well as wealthy individuals and family offices who require tailor-made business development and asset protection solutions. Through our offices in Jersey, Cyprus and Moscow, our team of experienced professionals delivers turn-key solutions in the following five principal areas:

- Design and establishment of secure asset ownership structures;
- Design and establishment of specialised investment platforms;
- Corporate governance and architecture;
- Financial institutions advisory; and
- Transaction execution and operational support.

Jersey as a jurisdiction and Jersey companies specifically, are commonly used by our clients in the establishment of asset ownership structures and/or specialised investment platforms due to the advantages highlighted above.

Through our office in Jersey and our extensive network of service providers in the Jersey financial services industry, we help our clients through the incorporation and set up process of Jersey companies and structures.

For further information on Jersey companies and structures as well as our other services, please refer to your usual contact at DCS or:

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