



Jersey

COLLECTIVE INVESTMENT FUNDS (CERTIFIED FUNDS – PROSPECTUSES) (JERSEY) ORDER 2012

Arrangement

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Collective Investment Funds (Certified Funds – Prospectuses)
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Jersey

COLLECTIVE INVESTMENT FUNDS (CERTIFIED FUNDS – PROSPECTUSES) (JERSEY) ORDER 2012

Made

Coming into force

THE MINISTER FOR ECONOMIC DEVELOPMENT, in pursuance of Articles 14 and 20 of the Collective Investment Funds (Jersey) Law 1988, Articles 29 and 219 of the Companies (Jersey) Law 1991 and Articles 31 and 42 of the Financial Services (Jersey) Law 1998, and on the recommendation of the Jersey Financial Services Commission, orders as follows –

1 Interpretation

(1) In this Order, unless the context otherwise requires –

“bearer certificate” means a certificate representing units of any class in a fund –

- (a) which contains a statement that the bearer of the certificate is entitled to the number of units of that class represented by the certificate; or
- (b) delivery of which is otherwise sufficient to transfer title to the units concerned;

“closed-ended fund” means a certified fund that is not an open-ended fund;

“documents constituting the fund” includes –

- (a) in the case of a certified fund constituted as a company, the memorandum and articles of association of that company;
- (b) in the case of a certified fund constituted as a unit trust, the trust instrument;
- (c) in the case of a certified fund constituted as an incorporated limited partnership, a limited liability partnership, a limited partnership or a separate limited partnership, the partnership agreement; and
- (d) in every case –
 - (i) any custodian agreement,
 - (ii) any management agreement,

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- (iii) any other contracts or documents that are material to the constitution or operation of the fund, and
 - (iv) any agreements, relating to the fund, entered into by persons carrying on fund services business in relation to the fund, with each other or with the fund;

“feeder fund” means a certified fund or separate part of an umbrella fund that is –

- (a) dedicated to a single fund; or
- (b) where the fund into which it feeds has more than one constituent part (or its equivalent), dedicated to a single constituent part (or its equivalent) or class of the fund;

“general partner” –

- (a) in relation to an incorporated limited partnership, has the same meaning as in the Incorporated Limited Partnerships (Jersey) Law 2011;
- (b) in relation to a limited liability partnership, means its designated partner, within the meaning of the Limited Liability Partnerships (Jersey) Law 1997;
- (c) in relation to a limited partnership, has the same meaning as in the Limited Partnerships (Jersey) Law 1994; and
- (d) in relation to a separate limited partnership, has the same meaning as in the Separate Limited Partnerships (Jersey) Law 2011;

“incorporated cell company” has the same meaning as in the Companies (Jersey) Law 1991;

“open-ended fund” shall be construed in accordance with paragraph (3);

“person carrying on fund services business” shall be construed in accordance with Article 2(10) of the Financial Services (Jersey) Law 1998;

“protected cell company” has the same meaning as in the Companies (Jersey) Law 1991;

“umbrella fund” means a certified fund where –

- (a) the contributions of the unit holders and the profits and income out of which payments are to be made to them are pooled; and
- (b) the documents constituting the fund provide that such pooling is to be accomplished separately in relation to separate parts of the property of the fund.

(2) In this Order any reference to –

- (a) the manager, registrar, investment manager or investment adviser; or
- (b) the trustee, custodian or depositary,

in relation to a certified fund is a reference to the person carrying on fund services business of that description in relation to the fund.

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- (3) For the purposes of this Order, a certified fund is open-ended if, under the documents constituting the fund, the unit holders are entitled to have units repurchased –
 - (a) out of the property of the fund or out of property provided by or at the instigation of the fund;
 - (b) at all times or from time to time; and
 - (c) at a price related to the net value of the property of the fund to which the units in question relate.

2 Interpretation: marketing of and transactions in units

- (1) In this Order, unless the context otherwise requires, a reference to units in a certified fund being marketed is a reference to their being offered for sale –
 - (a) by the certificate holder; or
 - (b) as principal or agent for the certificate holder, by a person carrying on fund services business in relation to the fund.
- (2) In this Order, unless the context otherwise requires, “issue”, in relation to units in a certified fund, means their issue or creation, as the case requires –
 - (a) by the certificate holder; or
 - (b) as principal or agent for the certificate holder, by a person carrying on fund services business in relation to the fund.
- (3) In this Order, unless the context otherwise requires, “sale”, in relation to units in a certified fund, means the sale of units, whether on their issue or subsequent to their issue –
 - (a) by the certificate holder; or
 - (b) as principal or agent for the certificate holder, by a person carrying on fund services business in relation to the fund,and “sale price” and the verb “sell” shall be construed accordingly.
- (4) In this Order, unless the context otherwise requires, “purchaser” means the purchaser in a sale of units in a certified fund, and the verb “purchase” shall be construed accordingly.
- (5) In this Order, unless the context otherwise requires, “repurchase”, in relation to units in a certified fund, means the purchase or redemption of units –
 - (a) by the certificate holder; or
 - (b) as principal or agent for the certificate holder, by a person carrying on fund services business in relation to the fund,and “repurchase price” and the verb “repurchase” shall be construed accordingly.
- (6) In this Order, unless the context otherwise requires, “cancellation” means the cancellation of units in a certified fund on the winding up of the fund or the termination date (if any) for the fund.

3 Preparation of prospectus

- (1) A prospectus for a certified fund shall –
 - (a) be prepared by the certificate holder;
 - (b) be in the English language;
 - (c) contain the information required by the Schedule and, having regard to the type of prospective purchaser of units in the fund, present that information in a format that is designed to be easy for such persons to understand; and
 - (d) include –
 - (i) a copy of the latest annual report and of any subsequent half-yearly report for the fund, and
 - (ii) a copy of the latest audited accounts for the fund and of the report by the fund’s auditors.
- (2) Paragraph (1)(d) shall not be read as requiring the publication of the documents referred to in it and the information required by paragraph (1)(c) in a single document.
- (3) A prospectus shall be revised by the certificate holder if –
 - (a) a new issue of units in the fund is marketed; or
 - (b) at any time when units in the fund are being marketed –
 - (i) any significant change occurs in the matters stated in it, or
 - (ii) any significant new matter arises which ought to be stated in it.
- (4) A revision required by paragraph (3) may be published as a document that supplements the prospectus.
- (5) A reference in this Article to the preparation or revision of a prospectus by the certificate holder does not preclude the prospectus being prepared or revised by another person on behalf of the certificate holder.

4 Conditions for marketing of units

- (1) Units in a certified fund shall not be marketed unless –
 - (a) a prospectus has been prepared –
 - (i) that complies with Article 3(1), or
 - (ii) for which the Commission’s consent has been obtained under paragraph (2); and
 - (b) a copy of the prospectus has been given to the Commission and to any trustee, custodian or depositary in relation to the fund.
- (2) The Commission may consent to the marketing of units in a fund by means of a prospectus which does not comply in every respect with the requirements of Article 3(1) if it is satisfied that the deviation from those requirements –
 - (a) does not materially affect the substance of the prospectus; and
 - (b) is not calculated to mislead.

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- (3) This Article applies to a revision of a prospectus required by Article 3(3) as it applies to the original prospectus.

5 Provision of prospectus to purchaser

- (1) Where a sale of units in a certified fund is to be effected in the course of a conversation conducted face-to-face or by telephone, the certificate holder shall ensure that the sale is not effected unless the purchaser has been offered a copy of the prospectus, free of charge.
- (2) Where a sale of units in a certified fund is effected other than in the course of a conversation conducted face-to-face or by telephone, the certificate holder shall, if the purchaser asks for it, send a copy of the prospectus to the purchaser, free of charge.

6 Inspection of prospectus by prospective investors

The certificate holder shall make a copy of the prospectus available for inspection by any prospective investor free of charge at all times during ordinary office hours at the certificate holder's principal place of business in Jersey.

7 Compensation for false or misleading prospectus

- (1) Subject to paragraphs (5) and (6), the following persons are, for the purposes of this Article, responsible for a prospectus for a certified fund –
- (a) the certificate holder in relation to the fund;
 - (b) the manager (where the manager has prepared the prospectus on behalf of the certificate holder);
 - (c) every person who has authorized the contents of the prospectus;
 - (d) where the certificate holder is a company, its directors; and
 - (e) where the certificate holder is a protected cell company in respect of a cell, the directors of the cell.
- (2) A person who has authorized the contents of part of a prospectus for a certified fund is responsible for that part of the prospectus.
- (3) A person who is responsible for a prospectus or part of a prospectus shall, subject to Article 8, be liable to pay compensation to a purchaser of units in the fund who has suffered loss as a result of any untrue or misleading statement in the prospectus or part of the prospectus, or the omission from the prospectus or part of the prospectus of any matter required by this Order to be included in it.
- (4) Where this Order requires a prospectus to include information as to any particular matter on the basis that the prospectus must include a statement either as to that matter or, if such be the case, that there is no such matter, the omission from the prospectus of the information or, as the case requires, the omission of the information from the part of the prospectus in which the information should have been included, shall be treated for the purposes of paragraph (3) as a statement that there is no such matter.

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- (5) Where the certified fund is a unit trust for which a trustee is the certificate holder –
- (a) if –
- (i) one or more of the manager, the investment manager and the investment adviser in relation to the fund gives notice in writing to the Commission, no later than the time described in paragraph (6), that it accepts responsibility for the prospectus, and
- (ii) the prospectus contains the statement required by paragraph 20(7) of the Schedule,
- the certificate holder is not, by virtue of paragraph (1)(a), responsible for the prospectus and the person who gives the notice is, for the purposes of this Article, responsible for the prospectus;
- (b) if the trustee is a company or a cell of a protected cell company, the directors of the company or cell are not, by virtue of paragraph (1)(d) or (e), responsible for the prospectus.
- (6) The notice must be given to the Commission no later than the time when a copy of the prospectus is given to the Commission in compliance with Article 4(1)(b).
- (7) Nothing in this Article shall make a person responsible for a prospectus or part of a prospectus by reason only of his or her having given advice in a professional capacity as to the contents of the prospectus or part of it.

8 Exemption from liability to pay compensation

- (1) A person shall not incur any liability under Article 7 for any loss in respect of units in a certified fund caused by any such statement or omission as is there mentioned if he or she satisfies the court that, at the time when the prospectus was prepared or revised, or ought to have been revised as required by Article 3(3), he or she reasonably believed, having made such enquiries (if any) as were reasonable, that the statement was true and not misleading or that the matter the omission of which caused the loss was properly omitted and that –
- (a) he or she continued in that belief until the time when the units were purchased;
- (b) the units were purchased before it was reasonably practicable to bring a correction to the attention of persons likely to purchase units in the fund;
- (c) before the units were purchased he or she had taken all such steps as it was reasonable to have taken to secure that a correction was brought to the attention of persons likely to purchase units in the fund; or
- (d) the person who purchased the units was not materially influenced by that statement or omission in making his or her decision to purchase the units.
- (2) Without prejudice to paragraph (1), a person shall not incur any liability under Article 7 for any loss in respect of any units in a certified fund

caused by any such statement or omission as is there mentioned if he or she satisfies the court –

- (a) that before the units were purchased a correction had been published in a manner calculated to bring it to the attention of persons likely to purchase units in the fund; or
 - (b) that he or she took all reasonable steps to secure such publication and reasonably believed that it had taken place before the units were purchased.
- (3) A person shall not incur any liability under Article 7 if he or she satisfies the court that the person suffering the loss purchased the units in question with knowledge that the statement was false or misleading or of the omitted matter, as the case may be.
- (4) A person shall not incur any liability under Article 7 as a result of a failure to prepare a revised prospectus as required by Article 3(3)(b) if he or she satisfies the court that he or she reasonably believed that the change or new matter in question was not such as to call for a revision of the prospectus in compliance with that provision.

9 Revocation

The Collective Investment Funds (Unclassified Funds) (Prospectuses) (Jersey) Order 1995 is revoked.

10 Companies (General Provisions) (Jersey) Order 2002 amended

In Article 3(2) of the Companies (General Provisions) (Jersey) Order 2002 for sub-paragraph (a) there shall be substituted the following sub-paragraphs –

- “(a) if the company holds a permit as a functionary specified in Group 1 of Part 2 of the Schedule to the Collective Investment Funds (Jersey) Law 1988;
- (aa) if the company is a certificate holder, within the meaning of the Collective Investment Funds (Jersey) Law 1988;”.

11 Financial Services (Advertising) (Jersey) Order 2008 amended

In Article 2 of the Financial Services (Advertising) (Jersey) Order 2008 –

- (a) in paragraph (2) for sub-paragraph (c) there shall be substituted the following sub-paragraph –
- “(c) an advertisement that consists only of a prospectus –
 - (i) for an unregulated fund, within the meaning of the Collective Investment Funds (Unregulated Funds) (Jersey) Order 2008,
 - (ii) that satisfies the requirements in Article 4(1) of the 2012 Order,
 - (iii) that, in the case of a certified fund to which the Collective Investment Funds (Unclassified Funds) (Prospectuses) (Jersey) Order 1995 (the ‘1995 Order’)

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- continues to apply by virtue of Article 12(4) of the 2012 Order, complies with the Schedule to the 1995 Order,
- (iv) that, in the case of a certified fund to which Part 3 of the Companies (General Provisions) (Jersey) Order 2002 (the ‘2002 Order’) continues to apply by virtue of Article 12(5) of the 2012 Order, complies with Part 3 of the 2002 Order, or
 - (v) in relation to which, or the issue of which, the consent of the Commission has been obtained.”.
- (b) after paragraph (2) there shall be added the following paragraph –
- “(3) In paragraph (2), ‘2012 Order’ means the Collective Investment Funds (Certified Funds – Prospectuses) (Jersey) Order 2012.”.

12 Citation, commencement and saving

- (1) This Order may be cited as the Collective Investment Funds (Certified Funds – Prospectuses) (Jersey) Order 2012.
- (2) Subject to the following provisions of this Article, this Order shall come into force on the day that is 6 months after the day this Order is made (referred to in this Article as the “commencement date”).
- (3) This Order shall not apply to a fund certified before the commencement date and to which neither paragraph (4) or (5) applies, until whichever is the earlier of –
 - (a) the occurrence of any event described in Article 3(3)(b); or
 - (b) the expiry of one year following the commencement date.
- (4) In the case of a certified fund to which, immediately before the commencement date, the Collective Investment Funds (Unclassified Funds) (Prospectuses) (Jersey) Order 1995 (the “1995 Order”) applied, this Order shall not apply and the 1995 Order shall continue to apply in the case of the fund until whichever is the earlier of –
 - (a) a requirement arising under Article 2 of the 1995 Order to revise the prospectus for the fund; or
 - (b) the expiry of one year following the commencement date.

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- (5) In the case of a certified fund to which, immediately before the commencement date, Part 3 of the Companies (General Provisions) (Jersey) Order 2002 applied, this Order shall not apply and that Part of that Order shall continue to apply in the case of the fund until the marketing of a new issue of units in the fund.

Signed.....

Date.....

Minister for Economic Development

SCHEDULE

(Article 3(1)(c))

INFORMATION TO BE CONTAINED IN A PROSPECTUS**1 The constitution and objectives of the fund**

- (1) The following shall be stated in respect of the certified fund –
 - (a) the name of the fund, and previous names in the past 5 years;
 - (b) the date on which the fund was established;
 - (c) if the fund is a closed-ended fund, the date on which it will terminate;
 - (d) in relation to investment policy, full particulars of the investment policy and investment restrictions to be adopted;
 - (e) so far as is material, the extent to which the property of the fund may be invested in the units of funds which are managed by a person who carries on fund services business in relation to the fund or by an associate of such a person;
 - (f) the circumstances in which the winding-up of the fund can be decided on, a description of the procedure to be followed in a winding-up and what the rights of unit holders would be in a winding-up;
 - (g) the accounting dates;
 - (h) if the fund is constituted as a company, particulars of its capital structure.
- (2) In the case of a feeder fund, the information required by subparagraph (1) shall also be stated in respect of the fund or, as the case requires, the constituent part of a fund, to which the feeder fund is dedicated, unless the prospectus of that other fund or constituent part of a fund gives the same information and is attached to the prospectus of the feeder fund.
- (3) In the case of an umbrella fund, the information required by subparagraph (1) shall also be stated in respect of each constituent part, being each of the parts into which the property of the fund is pooled separately.

2 Particulars of certificate holder

The following particulars of the certificate holder shall be stated –

- (a) its name;
- (b) what kind of legal entity it is;
- (c) its place of incorporation, establishment or formation, as the case requires;

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- (d) the date of its incorporation, establishment or formation, as the case requires;
 - (e) the following addresses –
 - (i) if it is a body corporate, an incorporated limited partnership, a limited liability partnership, a limited partnership or a separate limited partnership, the address of its registered office or, in the case of any other entity, the address of its principal place of business,
 - (ii) the address of its head office if that is different from the address given in clause (i);
 - (f) the nature and extent of any business other than management of collective investment funds engaged in by it;
 - (g) if it is a company, the names of the directors and, in each case, any significant activities of the directors not connected with the business of the certified fund;
 - (h) if it is a company that is a subsidiary, the name of its ultimate holding company and the country or territory in which that holding company is incorporated;
 - (i) if it is a company that is a closed-ended fund, the amount of its issued share capital and how much of it is paid up;
 - (j) if it is a cell of a protected cell company, the names of the directors of the cell and, in each case, any significant activities of the directors not connected with the business of the fund.

3 Particulars of manager

The following particulars of the manager (if any) in relation to the certified fund shall be stated –

- (a) the particulars described in paragraph 2; and
- (b) if the manager is also the registrar, that fact.

4 Particulars of trustee, custodian or depositary

The following particulars of any trustee, custodian or depositary in relation to the certified fund shall be stated –

- (a) the particulars described in paragraph 2(a) to (e);
- (b) the amount of its issued share capital and how much of it is paid up;
- (c) a description of its principal business activity;
- (d) the extent (if any) to which it is not independent of the manager (if any) in relation to the fund;
- (e) if the trustee, custodian or depositary is also the registrar, that fact.

5 Particulars of investment manager or adviser

The following particulars of the investment manager or investment adviser (if any) in relation to the certified fund shall be stated –

- (a) its name;
- (b) if it is a body corporate, an incorporated limited partnership, a limited liability partnership, a limited partnership or a separate limited partnership, the address of its registered office or, in the case of any other entity, the address of its principal place of business;
- (c) if it is a body corporate in a group of which any other person carrying on fund services business in relation to the fund is a member, that fact;
- (d) if its principal activity is other than providing services as an investment manager or adviser, what that principal activity is;
- (e) the main terms of any agreement or arrangement, relating to the fund, between it and the certificate holder or any other person carrying on fund services business in relation to the fund (except, in the case of a commercial agreement or arrangement between it and the manager, terms relating to its remuneration);
- (f) if it has the authority of the certificate holder to make decisions on the certificate holder's behalf, that fact and a description of the matters in relation to which it has that authority.

6 Particulars of registrar

The name and address of the registrar (if any) in relation to the certified fund shall be stated.

7 Particulars of promoter

The following particulars of the promoter (if any) of the certified fund shall be stated –

- (a) the particulars described in paragraph 2(a) to (f); and
- (b) any amounts to be written off or provided in respect of goodwill or preliminary expenses, or of any other benefit given out of the property of the fund to the promoter in respect of the promoter's role in relation to the fund.

8 Particulars of other fund service providers and delegates

(1) The following particulars of a fund service provider in relation to the certified fund (other than a person to whom any of paragraphs 3 to 7 applies) shall be stated –

- (a) the name of the person and the nature of the person's fund services business in relation to the fund;
- (b) if the person is a body corporate, an incorporated limited partnership, a limited liability partnership, a limited partnership or a separate limited partnership, the address of the person's

registered office or, if the person is any other entity, the address of the person's principal place of business.

- (2) Where a fund service provider in relation to the certified fund has delegated, by any means, the provider's fund services in relation to the fund, the particulars described in sub-paragraph (1)(a) and (b) shall be stated for each delegate.

9 Particulars of auditor

The name and address of the auditor of the certified fund shall be stated.

10 Particulars of legal advisers

The name and address of each legal adviser to the certified fund shall be stated.

11 The register of unit holders

The address at which the register of unit holders in the certified fund can be inspected shall be stated.

12 Arrangements for safe keeping of fund property

- (1) The arrangements for safe keeping of the property of the certified fund shall be stated.
- (2) If the obligation or ability of the custodian (or if there is none of the person responsible for the safe keeping of the property of the certified fund) to ensure the safe keeping of the property of the fund is limited in any way, the limitation shall be stated.

13 The characteristics of units in the fund

The following shall be stated in respect of the certified fund –

- (a) in relation to each available type of unit in the fund –
- (i) the entitlement of the holder of that unit to participate in the property of the fund,
 - (ii) a statement of the nominal value (if any) of each type of unit, and
 - (iii) where there is more than one type of unit, the names given to each type and the characteristics of each type which distinguish it from the others;
- (b) if the title to the units or to some of the units will be evidenced by the issue of bearer certificates, that fact;
- (c) if the title to the units or to some of the units is to be evidenced by entries on a register of unit holders, whether or not certificates evidencing title to those units will be issued;
- (d) how meetings of unit holders are called or how ballots of unit holders are organized;

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- (e) what voting rights are exercisable by the holders of units and, if different rights attach to different classes of units, what those different rights are;
 - (f) in the case of a fund that is constituted as a company –
 - (i) whether persons other than unit holders can vote at meetings or in ballots of unit holders, and who those persons are, and
 - (ii) the fact that the nature of the right represented by units is that of an appropriately described share in that company;
 - (g) in the case of a fund that is constituted as a unit trust, the fact that the nature of the right represented by units is that of a beneficial interest under a trust;
 - (h) in the case of a fund that is constituted as an incorporated limited partnership, a limited partnership or a separate limited partnership, the fact that the nature of the right represented by units is that of a limited partner;
 - (i) in the case of a fund that is constituted as a limited liability partnership, the fact that the nature of the right represented by units is that of a partner.

14 Valuation of property, charges and distributions

- (1) The following shall be stated in respect of the certified fund –
 - (a) in relation to each purpose for which the property of the fund will be required to be valued, a description of the methodology used to make the valuation;
 - (b) if the price at which units may be sold on their issue may include a charge, a statement of the amount of that charge, expressed as a percentage of the sale price of those units, which is permitted by the documents constituting the fund;
 - (c) if and to the extent that any of the following remuneration or expenses are payable out of the property of the fund, how they will be determined –
 - (i) the remuneration of the manager (if any),
 - (ii) the remuneration of the trustee, custodian or depositary (if any),
 - (iii) the remuneration and expenses of the registrar (if any),
 - (iv) the remuneration and expenses of the investment manager or investment adviser (if any),
 - (v) where the fund is constituted as a company or as a protected cell of a company, the remuneration and expenses of the directors,
 - (vi) where the fund is constituted as a unit trust, the remuneration and expenses of the trustees,
 - (vii) where the fund is constituted as an incorporated limited partnership, a limited liability partnership, a limited partnership or a separate limited partnership, the remuneration and expenses of the general partner;

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- (d) the nature of any other expenses or charges payable out of the property of the fund and how their amounts will be determined;
 - (e) if charges are levied when distributions are reinvested, that fact;
 - (f) the anticipated date and forecast amount of the first distribution or dividend to be paid to unit holders;
 - (g) the dates in each calendar year on which subsequent distributions or dividends are expected to be paid to unit holders;
 - (h) how unit holders who are the holders of bearer certificates are to identify themselves for the purposes of receiving distributions or dividends;
 - (i) if there is to be income equalisation in relation to the fund, that fact together with an explanation of its meaning and its method of operation.
- (2) The following shall be stated only for certified funds that are open-ended –
- (a) how frequently the property of the fund will be valued for the purpose of determining prices at which units in the fund may be sold, subsequent to their issue, or repurchased;
 - (b) if the price at which units may be sold subsequent to their issue may include a charge, a statement of the amount of that charge, expressed as a percentage of the sale price of those units, which is permitted by the documents constituting the fund and, if different, the amount currently charged and how it may be altered.

15 Transactions in units in the fund

- (1) The following shall be stated in respect of a certified fund that is closed-ended –
- (a) the days on which and times at which the certificate holder or, as principal or agent, a person carrying on fund services business in relation to the fund, will be available to receive requests for the sale, on their issue, of units;
 - (b) the procedures for effecting the issue or cancellation of units;
 - (c) how a unit holder to whom no certificate has been issued may produce evidence of title to his or her units;
 - (d) the amounts of the following minima (if they apply) for each type of unit in the fund –
 - (i) the minimum number of units which any one person may hold,
 - (ii) the minimum value of units which any one person may hold,
 - (iii) the minimum number of units which may be the subject of one transaction of sale on the issue of the units,
 - (iv) the minimum value of units which may be the subject of one transaction of sale on the issue of the units;

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- (e) where an offer of the issue of the units is contingent upon a specified number of units being subscribed to within a specified period –
- (i) the start date and end date for the specified period,
 - (ii) the specified number of units required to be subscribed to within that period,
 - (iii) when and how moneys will be returned to subscribers in the event that the specified number of units is not subscribed to within that period, and
 - (iv) how units will be allocated in the event that subscriptions received exceed the number of units to be issued and when and how moneys will be returned to unsuccessful subscribers;
- (f) the arrangements (if any) for fixed price offers subsequent to the initial offer;
- (g) the investment exchanges (if any) on which units in the fund are listed or dealt with.
- (2) The following shall be stated in respect of certified funds that are open-ended –
- (a) the days on which and times at which the certificate holder or, as principal or agent, a person carrying on fund services business in relation to the fund, will be available to receive requests for the sale, subsequent to their issue, or the repurchase, of units;
 - (b) where and when the most recent sale and repurchase prices of units will be published;
 - (c) whether the certificate holder or, as principal or agent, a person carrying on fund services business in relation to the fund, deals in units at forward or historic prices and a description of the methodology used to determine those prices;
 - (d) the amounts of the following minima (if they apply) for each type of unit in the fund –
 - (i) the minimum number of units which may be the subject of one transaction of sale subsequent to the issue of the units, or repurchase,
 - (ii) the minimum value of units which may be the subject of one transaction of sale subsequent to the issue of the units, or repurchase;
 - (e) the procedures for effecting the sale or repurchase of units and the arrangements for settlements of transactions;
 - (f) the circumstances in which the sale or repurchase of units may be suspended.

16 Interests of directors

The following shall be stated in respect of the certified fund –

- (a) full particulars of the nature and extent of the direct or indirect interest in the fund or in any offer of units in the fund of –

-
- (i) where the fund is a company, every director of the company,
 - (ii) where the fund is a cell of a protected cell company, every director of the cell,
 - (iii) where the fund is a unit trust, every director of a trustee of the trust, or
 - (iv) where the fund is an incorporated limited partnership, a limited liability partnership a limited partnership or a separate limited partnership, every director of the general partner or, if the general partner is an incorporated limited partnership, a limited liability partnership, a limited partnership or a separate limited partnership, every director of the general partner of the partnership which is itself the general partner of the fund; and
- (b) details of all sums paid or agreed to be paid to any such director in cash, shares or otherwise, by any person –
- (i) to induce that director to become or qualify as such, or
 - (ii) for services rendered by that director in connection with the establishment or promotion of the fund.

17 General information

The following shall be stated in respect of the certified fund –

- (a) the dates of, parties to, and general nature of, every document constituting the fund;
- (b) when the annual reports and audited accounts and any half-yearly reports and accounts will be published;
- (c) the address at which the following documents may be inspected –
 - (i) the documents constituting the fund,
 - (ii) the most recent annual reports and audited accounts,
 - (iii) unless superseded by the documents described in clause (ii), the most recent half-yearly reports and accounts;
- (d) the name and address of the person from whom a copy may be obtained of any document that may be inspected under sub-paragraph (c);
- (e) details of any subscriptions, allotments or other options to be given, or already existing, in respect of any other securities of the fund, including any that, in a distribution of the property of the fund, would have a prior right over the units covered by the offer;
- (f) the rights and protections available for the benefit of unit holders (by classes, if relevant);
- (g) the means available to a unit holder to assert his or her rights;
- (h) any provision which would have the effect of exempting or limiting the liability for any failure to exercise due care and diligence in the discharge of the functions in respect of the fund of any of the following –
 - (i) the certificate holder,

-
- (ii) any person carrying on fund services business in relation to the fund,
 - (iii) in the case of a fund that is constituted as a company, any director of that company,
 - (iv) in the case of a fund that is constituted as a cell of a protected cell company, any director of the cell,
 - (v) in the case of a fund that is constituted as a unit trust, the trustees,
 - (vi) in the case of a fund that is constituted as an incorporated limited partnership, a limited liability partnership, a limited partnership or a separate limited partnership, the general partner;
- (i) any indemnities which the fund is permitted to grant;
 - (j) a reasonable assessment of the levels of risk, and reasonable information on the most common risks, involved in achieving the investment objectives of the fund;
 - (k) any conduct likely to give rise to a conflict of interest between the fund and –
 - (i) any person who carries on fund services business in relation to it, or
 - (ii) any associate of or party connected with, such a person;
 - (l) the extent to which and the circumstances in which –
 - (i) the fund is liable to pay or suffer tax on any appreciation in the value of the property of the fund or on the income of the property of the fund, and
 - (ii) deductions by way of withholding tax may be made from distributions of income to unit holders and payments made to unit holders on the repurchase (if relevant) or cancellation of units;
 - (m) if there is a serious possibility that the fund may encounter difficulty in repatriating income or capital, that fact;
 - (n) details of information to be included with any application if a printed form is not used;
 - (o) in the case of a fund that is constituted as a company or as a cell of a protected cell company, the role and rights of the directors of that company or cell;
 - (p) in the case of a fund that is constituted as a unit trust, how there will be published, for the benefit of unit holders whose units are evidenced by bearer certificates, notice –
 - (i) of the fact that reports and accounts are available for inspection,
 - (ii) that a distribution of income has been declared,
 - (iii) of the calling of a meeting of unit holders,
 - (iv) of the termination of the fund,
 - (v) that amendments have been made to the trust instrument, or
 - (vi) that the prospectus has been revised.

18 Additional material information

Any other material information in respect of the certified fund shall be included which –

- (a) purchasers and their professional advisers (if any) would reasonably require, and would reasonably expect to find and to have brought fairly to their attention in the prospectus for the purpose of making an informed judgment about –
 - (i) the merits of purchasing units in the fund, and
 - (ii) the nature and levels of the risks accepted by making such a purchase; and
- (b) is within the knowledge of the certificate holder or manager (if any) or, in the case of a fund constituted as a company or as a cell of a protected cell company, the directors, or which the certificate holder, manager or directors, as the case may be, would have obtained by the making of reasonable enquiries.

19 Umbrella funds: additional information

- (1) In the case of a certified fund which is an umbrella fund the prospectus shall also contain –
 - (a) a statement to the effect that an exchange of units in one part of the fund for units in another part of the fund may in some jurisdictions be a realisation for the purposes of capital gains taxation;
 - (b) a statement to the effect that except as may be specified in the statement a holder who exchanges units in one part of the fund for units in another part of the fund will not be given a right by law to reverse the transaction except as a new transaction; and
 - (c) a statement describing the arrangements made by the documents constituting the fund for charges in the case of an exchange of units in one part of the fund for units in another, including the amount of the charge and the minimum number of exchanges that will be permitted free of charge.
- (2) If any information required by this Schedule to be included in a prospectus is different for different parts of an umbrella fund, that information shall be given in relation to each part of the fund.

20 Statements to be included

- (1) Subject to sub-paragraph (10), statements to the following effect shall be included in every case –

“If you are in any doubt about the contents of this prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or financial adviser.”;

“It should be remembered that the price of units and the income from them can go down as well as up and that unit holders may not receive, on sale or the cancellation or redemption of their units, the amount that they invested.”;

- “This prospectus is prepared, and a copy of it has been sent to the Jersey Financial Services Commission, in accordance with the Collective Investment Funds (Certified Funds – Prospectuses) (Jersey) Order 2012.”;
- “The Jersey Financial Services Commission does not take any responsibility for the financial soundness of the fund or for the correctness of any statements made or expressed in this prospectus.”;
- “The applicant is strongly recommended to read and consider this prospectus before completing an application.”.
- (2) A statement to the following effect shall be included if any reference is made to any certificate having been granted by the Commission under the Law –
- “The Jersey Financial Services Commission is protected by the Collective Investment Funds (Jersey) Law 1988 against liability arising from the discharge of its functions under that Law.”.
- (3) A statement to the following effect shall be included if any reference is made to any entity as being registered under the Financial Services (Jersey) Law 1998 –
- “The Jersey Financial Services Commission is protected by the Financial Services (Jersey) Law 1998 against liability arising from the discharge of its functions under that Law.”.
- (4) Subject to sub-paragraph (5), a statement to the following effect shall be included in the case of a fund constituted as a company –
- “The certificate holder and its directors have taken all reasonable care to ensure that the facts stated in this prospectus are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement in this prospectus, whether of fact or opinion. The certificate holder and its directors accept responsibility accordingly.”.
- (5) A statement to the following effect shall be included in the case of a fund constituted as a cell of a protected cell company –
- “The certificate holder and its directors, and the directors of the cell, have taken all reasonable care to ensure that the facts stated in this prospectus are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement in this prospectus, whether of fact or opinion. The certificate holder and its directors, and the directors of the cell, accept responsibility accordingly.”.
- (6) Subject to sub-paragraph (7), a statement to the following effect shall be included in the case of a fund constituted as a unit trust, an incorporated limited partnership, a limited liability partnership, a limited partnership or a separate limited partnership –
- “The certificate holder has taken all reasonable care to ensure that the facts stated in this prospectus are true and accurate in all material respects and that there are no other material facts, the

- omission of which would make misleading any statement in this prospectus whether of fact or opinion.”.
- (7) A statement to the following effect shall be included in the case of a fund constituted as a unit trust in respect of which responsibility for the prospectus passes to all or any of the manager, investment manager and investment advisor by virtue of Article 7(5) and (6) –
- “The [manager/ investment manager/ investment advisor] has taken all reasonable care to ensure that the facts stated in this prospectus are true and accurate in all material respects and that there are no other material facts, the omission of which would make misleading any statement in this prospectus whether of fact or opinion.”.
- (8) A statement to the following effect shall be included, in addition to the statement in sub-paragraph (4) or (5), in the case of a fund constituted as a protected cell company or as a cell of a protected cell company –
- “This prospectus is issued in respect of [a cell of] a Jersey protected cell company, which is a specialised corporate vehicle. It is therefore recommended, if you are unfamiliar with the nature of Jersey protected cell companies, that you discuss this aspect of the fund with your usual adviser.”.
- (9) A statement to the following effect shall be included in the case of a fund constituted as a cell of an incorporated cell company –
- “This prospectus is issued in respect of a cell of a Jersey incorporated cell company, which is a specialised corporate vehicle. It is therefore recommended, if you are unfamiliar with the nature of Jersey incorporated cell companies and their cells, that you discuss this aspect of the fund with your usual adviser.”.
- (10) Every statement required by this paragraph to be included in a prospectus shall be prominently stated and, where the prospectus includes an application form, a statement to the following effect shall be included in the application form, instead of the fifth statement required by sub-paragraph (1) –
- “The applicant is strongly recommended to read and consider the prospectus of the fund before completing an application.”.

21 Date of publication

The date of publication of the prospectus or of its most recent revision.

