STATES OF JERSEY

DRAFT COMPANIES (JERSEY) AMENDMENT No. 2 LAW 202-

Lodged au Greffe on 17th February 2026
by the Minister for External Relations
Earliest date for debate: 14th July 2026

STATES GREFFE

Jersey

DRAFT COMPANIES (JERSEY) AMENDMENT No. 2 LAW 202-

European Convention on Human Rights

In accordance with the provisions of Article 16 of the Human Rights (Jersey) Law 2000, the Minister for External Relations has made the following statement –

In the view of the Minister for External Relations, the provisions of the Draft Companies (Jersey) Amendment No. 2 Law 202- are compatible with the Convention Rights.

Signed: **Deputy I.J. Gorst of St. Mary, St. Ouen and St. Peter**

Minister for External Relations

Dated: 17th February 2026

REPORT

Background and purpose

The Draft Law proposes amendments to the Companies (Jersey) Law 1991 (the "Law") to insert new provisions which enable a distressed company to apply to the Royal Court for an Administration Order and the appointment of an 'Administrator', where there is a likelihood that the company can be rescued or that there could be a more advantageous realisation of the company's assets than would be achieved in a winding up.

Such a process can mean that a company is rescued or that there is a better outcome and higher returns for creditors than would otherwise be achieved in a liquidation (albeit that it might still lead to the disposal of all or part of the business, or its winding up). In addition, benefit is seen in permitting the continuation of businesses, even if insolvency is in prospect, when under the eye of a court-appointed officer who can enhance the prospects of trading out of the difficulties. There may also be societal benefits such as the potential to encourage entrepreneurs and to support the economy. Importantly, the proposals respect the position of Jersey as an international finance centre which recognises and protects the interests of creditors: secured creditors will be able to continue to enforce their security notwithstanding the making of an administration order, thereby ensuring that the island's reputation as a creditor friendly jurisdiction is unaffected.

Similar schemes have been implemented in other jurisdictions and have been seen to work well with other remedies to offer a comprehensive regime striking an appropriate balance between creditor and debtor. As with previous amendments to the Law in this area, this builds on the existing regime and, by following established concepts and processes, the scheme will be familiar to practitioners and is based on tried and tested and widely understood procedures.

A draft Order will also be prepared which will complement this work and set out requirements as to notice provisions to specified categories of persons particularly to secured creditors, who will have the opportunity to make representations to the court as to the making of the Order and the appointment of the administrator.

The proposed process

In summary, the process is as follows:

Step 1 Application: The company itself, a creditor (save where they have agreed not to issue an application), or any liquidator of the company, (or the Minister in certain circumstances) can apply to the Royal Court for an administration order. The form of application is likely to be by way of a Representation accompanied by a supporting affidavit sworn by the applicant and exhibiting a statement from the prospective administrator confirming that in their opinion the purpose of the administration is reasonably likely to be achieved (with the grounds for such a conclusion) and the benefits of granting an administration order particularly when contrasted with a winding up order.

A creditor must have a liquidated claim for not less than the prescribed minimum liquidated sum (currently £3,000).

Notice of the application must be given to various parties – which will include the secured creditors – and they will have the opportunity to make representations to the court before any order is made. This could be, for example, as to whether or not an order should be made or as to the identity of the administrator. As noted above, the precise details of this will be set out in an Order to come into force at the same time as the Law. This will enable minor adjustments to be made if necessary once it is seen how this works in practice.

Step 2 Court consideration: The court has a discretion as to whether or not to grant or dismiss the application. The court must be satisfied that the company is, or is likely to become, insolvent *and* that making an administration order may achieve either or both of (a) the rescuing of the company or the whole or any part of its undertaking, as a going concern; and/or (b) a more advantageous realisation for the company's assets than would be achieved by a winding up.

The Court cannot make an Order if the company is already *en désastre*. However, there are some circumstances where it would be preferable for a company which has gone into a winding up to convert to an administration given the different purposes of each procedure (termination as opposed to rescue) and so the Court may make an administration order even if the company is in a winding up.

If the application is unsuccessful, the court will dismiss the application and the issue of costs will be at the discretion of the court. Depending upon the circumstances, it may well be the case that an unsuccessful applicant will be required to pay the company's costs of and associated with defending the administration application. In addition, if it is subsequently found that an application is not brought reasonably and in good faith, the company can seek damages for losses arising from the application.

Step 3 Effect of Administration Order: If the court makes the order it will appoint one or more administrators to manage the affairs, business and property of the company. The administrator(s) must be listed on the (renamed) List of Approved Liquidators and Administrators which is maintained already by the Viscount in respect of liquidators. This ensures that the proposed administrator is a regulated professional with the necessary qualifications and expertise. A non-resident administrator may be appointed jointly with a resident administrator (and both must be on the approved list).

Moratorium: After the commencement of the administration, no action or legal proceeding can be commenced or continued against the company save with the consent of the administrator or leave of the court. Notwithstanding this, the rights of secured creditors are fully preserved including as to enforcement. This reflects the position as currently exists in Jersey in a creditor's winding up.

The moratorium provides a breathing space for the company so that the administrator can review the operation of the business and develop a plan to assist it. It also preserves equality between the unsecured creditors.

Step 4 Notice and Meeting: The administrator must notify specified persons, publicise the appointment, and call an initial meeting of the creditors. This gives the creditors an opportunity to engage with the administrator and perhaps bring matters of concern to the attention of the administrator. The administrator will explain the purpose and likely process of the administration.

The Administrator: The administrator is able to do what is necessary and expedient for the management of the company and there is a standard list of powers at Schedule A1. They can look to set aside certain transactions such as those at an undervalue. They must report any misconduct. They act as the agent of the company but are excused from personal liability save to the extent that they are fraudulent, reckless, grossly negligent or act in bad faith. Officers and employees of the company are expected to co-operate with the administrator. The administrator is entitled to fees and expenses which will be paid from the unsecured assets of the company (or by a third party if that is agreed).

Step 5: End of the administration

The administration comes to an end when the administrator applies to the Court for its discharge or variation. They *must* make an application if they consider that the purposes have either been achieved or are not possible to achieve. They *may* also apply at any time if they consider that they should do so. The administrator is required to report back to the creditors after 12 months (and if applicable every 12 months thereafter).

The court has the power to appoint and remove an administrator as may be required (e.g. on death or resignation of an administrator).

In addition, a creditor, member or director, as well as any person the court considers to be interested, can apply to the court if they think that the company's affairs, business and property are being managed by the administrator in a manner that is unfairly prejudicial to the interests of the creditors or members, or that it would be otherwise desirable or expedient for the court to make an order.

Qualifications of the Administrator

As noted above, it is proposed that the administrator should come from the Approved List of Approved Liquidators and Administrators which is maintained already by the Viscount in respect of liquidators (and is known as the Approved List of Liquidators). Practitioners will renew their registration annually for a fee and confirm that they still qualify for listing. To be accepted onto the list, the administrator must be licensed in the United Kingdom as an insolvency practitioner or be a member of one of the listed accountancy bodies. This ensures a sufficient nexus with the regulatory body and their particular requirements for a member to comply with appropriate codes of conduct. It is understood that the recognition process for non-UK qualified practitioners by the listed bodies is a relatively simple process provided the necessary qualifications and experience are evidenced. In addition, an individual will be required to have in place provisions as to bonds – generally and for each case – to protect against fraud and dishonesty by the administrator. The bond is in addition to any professional indemnity insurance that is held by the Approved Administrator and/or their employer. In order to enable the use of specialist skills that may not necessarily be available in the Island, it is proposed that a non-Jersey resident administrator may be appointed alongside a resident administrator (both of whom must be on the Approved List).

An administrator is an officer of the Court and the existing provisions relating to the oversight of the Viscount as to liquidators will apply to administrators so that the Viscount will have a role in relation to the receipt of complaints and consideration of the conduct of the administration.

The proposals in relation to the Approved List and oversight by the Viscount are found in the consequential amendments to the Companies (General Provisions) (Jersey) Order 2002.

Consequential amendments

Consequential amendments are made to certain other provisions in the Law to add references to an administrator, to adjust existing provisions for the new procedure or to make them clearer, and to make it clear which entities can be placed in an administration or a just and equitable winding up. Administration is also added to the definition of bankruptcy in the Interpretation (Jersey) Law 1954.

Consultation

A Consultation Paper was issued between October and December 2024 on both the administration procedure and other amendments to the Law. These latter amendments were advanced first as a Phase 1 and were approved by the Assembly on 21 January 2026 for commencement in or about June 2026. The responses to the Consultation on the administration procedure were broadly

supportive subject to there being appropriate protection for secured creditors. Responses were received from a number of law firms and insolvency/accountancy firms, the Jersey Association of Trust Companies (JATCo), the Law Society of Jersey, the Association of Restructuring and Insolvency Experts (ARIES), and members of the editorial board of the published work "Jersey Insolvency and Asset Tracking". Liaison has also taken place with the Viscount and his department as well as with the Jersey Financial Services Commission, the Registry and the Judicial Greffier. The proposals have also been discussed by the Companies Law Working Group comprising leading practitioners from local law firms and representatives from ARIES, the JFSC, Registry and the Viscount.

Commencement

It is proposed that the Draft Law will come into force on the later of 1 June or 7 days after it is registered, (together with the Phase 1 changes to the Law already approved by the Assembly). This will permit the due consideration of the Privy Council but also provide time for any changes to be made to systems and forms at the Commission and Judicial Greffe.

Human Rights

The notes on the human rights aspects of the draft Law in the **Appendix** have been prepared by the Law Officers' Department and are included for the information of States Members. They are not, and should not be taken as, legal advice.

Financial and staffing implications

There are no additional financial or staffing implications for Government as a result of this proposition.

Children's Rights Impact Assessment

A Children's Rights Impact Assessment (CRIA) screener has been prepared in relation to this proposition and is available to read on the States Assembly website.

APPENDIX TO REPORT

Human Rights notes on the Draft Companies (Jersey) Amendment No. 2 Law 202-

These notes have been prepared in respect of the draft Companies (Jersey) Amendment No. 2 Law 202- (the "**draft Law**") by the Law Officers' Department. They summarize the principal human rights issues arising from the contents of the draft Law and explain why, in the Law Officers' opinion, the draft Law is compatible with the European Convention on Human Rights ("**ECHR**").

These notes are included for the information of States Members. They are not, and should not be taken as, legal advice.

Article 8 of the ECHR

Article 8 of the ECHR provides as follows:

> "*1. Everyone has the right to respect for his private and family life, his home and his correspondence.*
>
> *2. There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic wellbeing of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.*"

The draft Law inserts new Article 143J into the Principal Law. Article 143J requires that, where an administration order has been made, an administrator may require certain persons (for example, a person who is or was a director of a company) to submit a statement about the affairs of that company. Paragraph (10) of Article 143J provides as follows:

> "*A requirement imposed by an administrator under this Article has effect, despite any obligation about confidentiality or other restriction on the disclosure of information imposed by statute, contract or otherwise, and the obligation or restriction is not contravened by the making of a disclosure pursuant to a requirement imposed by an administrator.*"

The effect of the above paragraph is that an administrator could compel an individual to provide information that they would not otherwise be required to provide where the individual is required to maintain confidentiality in relation to that information.

Article 8 of the ECHR is engaged by paragraph (10) of Article 143J because the right to respect for private life encompasses the protection of personal data and confidential information.

Any interference with the Article 8(1) ECHR right must be justified under Article 8(2) of the ECHR, meaning it must be: (a) in accordance with the law; (b) in pursuit of one of the legitimate aims set out in Article 8(2); and (c) necessary in a democratic society. 'Necessity' requires the identification of a pressing social need and the existence of "relevant and sufficient" reasons to justify the interference at issue. A measure will only be proportionate to the legitimate aim if supported by sufficiently persuasive reasons.

The nature of any potential interference constituted by the requirement imposed by an administrator under Article143J would be deemed to be 'in accordance with the law'; that requirement is contained in a provision which will have a basis in domestic law and which can be viewed as sufficiently precise and accessible, therefore being foreseeable. The purpose of the Article 143J requirement is to ensure that an administrator is able to obtain from the relevant persons as much detail about the affairs of the relevant company as that person is able to provide, without that person being prevented from doing so, or unwilling to do so, due to confidentiality concerns. This will assist the administrator in undertaking an orderly administration of the relevant company and this will clearly be of benefit to the public. The rationale for the Article 143J requirement can reasonably be categorised within the "economic wellbeing of the country" qualification in Article 8(2) of the ECHR.

"Necessary in a democratic society" requires there to be a pressing social need for the interference in question and that the interference is proportionate to the legitimate aim pursued. In the present case, it is fair to conclude that an orderly company administration is likely to be "necessary" in the context of the "economic wellbeing" of any democratic society. Balanced against this legitimate aim, the interference with the Article 8 ECHR right constituted by the Article 143J requirement is proportionate, in principle.

An important aspect in determining what is 'necessary in a democratic society' is the identification of procedural safeguards which mitigate the exercise of powers interfering with the Article 8(1) right. Safeguards ensure that a state remains within its margin of appreciation in fixing the applicable regulatory framework. The European Court of Human Rights has enunciated a list of safeguards which provide adequate protection against abuse of the Article 8 right, one of which is the requirement for the law to contain explicit and detailed provisions about how the powers interfering with Article 8 ECHR should be exercised.

In the draft Law, the purpose for the exercise of the Article 143J requirement is clearly stated as being, subject to an administration order having been made by the court, a requirement for a person to make out and submit to an administrator a statement about the affairs of a company. Article 143J(10) provides a safeguard in that a person who is subject to confidentiality requirements is permitted to make the relevant disclosure within the statement of affairs they provide **without** contravening the confidentiality obligation or restriction. The person is therefore required **by law** to provide such a statement which may contain confidential information. A further is provided in Article 143J(7) which gives the Royal Court of Jersey the power to exercise the power referred to in sub-paragraph (6) where the administrator has refused to do so. For example, the Court may release a person from an obligation imposed on them to provide a statement of affairs in the scenario where the administrator has refused to do so.

Overall, it is considered that the safeguard referred to in the above paragraph, which is provided in the draft Law, is appropriate in view of the extent of the requirement to provide a statement of affairs pursuant to Article 143J.

Article 1 of the First Protocol ("A1P1") of the ECHR

A1P1 of the ECHR provides as follows:

> "*Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except as provided for by law and by the general principles of international law.*
>
> *The preceding provisions shall not, however, in any way impair the right of a State to enforce such laws as it deems necessary to control the use of property in accordance with the general interest or to secure the payment of taxes or other contributions or penalties.*"

A1P1 provides for the protection of "possessions". Engagement of A1P1 arises because, in the context of a company administration, the shares, assets, contractual rights and business goodwill of a company are considered "possessions" under A1P1. It is worth nothing here that A1P1 expressly mentions "legal persons" so it will cover the property rights of companies and other incorporated bodies as well as individuals.

In A1P1 terms, a company administration regime, including, inter alia, the appointment of an administrator, the freezing of assets and/or the restriction of directors' powers may directly interfere with the "peaceful enjoyment of possessions" for both the company and its stakeholders (i.e., its directors, creditors and shareholders). The appointment of an administrator will limit the directors' and shareholders' control over company assets. For such measures to be justified, they must be in accordance with the law and for "the general interest". The measures must also be proportionate to the aim pursued.

In the context of A1P1, such measures are generally considered justified because they serve the public interest (for example, the potential rescuing of a company and the maximizing of creditor returns) and are provided for by law. It should be appreciated that, where property rights are concerned, states have a considerable margin of appreciation in determining the existence of a general public concern and in implementing measures designed to meet it, so in providing for a company administration regime which may amount to an interference with property rights, but which is required in pursuance of an identifiable public interest, the States would be afforded a degree of deference.

A further strand of justification for a 'control of use' under A1P1 is the need for measures to be in 'accordance with the law'. Again, this requires the law to be sufficiently precise and foreseeable, and it is fair to conclude that the draft Law would satisfy this requirement. The nature of the interferences that may arise in consequence of a company administration would be deemed to be 'in accordance with the law'; provisions relating to company administration will have a basis in domestic law and can be viewed as sufficiently precise and accessible, therefore being foreseeable.

Proportionality requires a fair balance to be struck between the means employed in furtherance of the general interest identified and the protection of fundamental rights. The requisite balance will not be struck if the person concerned has had to bear an "individual and excessive burden". In the present context, a company administration regime and its impact on the private interests of stakeholders (i.e., directors, creditors and shareholders) is considered entirely proportionate to the general interest of creditor protection and business rescue.

Safeguards are built into the administration regime in that the regime will be overseen by the Royal Court of Jersey throughout.

EXPLANATORY NOTE

This Law, if passed, will amend the Companies (Jersey) Law 1991 to enable a company to go into administration if it is, or is likely to become insolvent, and an administration order might achieve the rescuing of the company or the whole or any part of its undertaking as a going concern, or a more advantageous realisation of its assets than a winding up would achieve.

Article 1 states that the Companies (Jersey) Law 1991 ("the Law") is being amended.

Article 2 makes it clear that "officer" includes an administrator.

Article 3 amends the heading of Part 13 to avoid confusion with the new Part 20B.

Article 4 amends Article 108 to make provision for the delivery of accounts if a public company is in administration.

Article 5 amends Article 125 to extend the provisions in relation to the power to compromise with creditors to administrators.

Article 6 inserts a new Part 20B to provide for administration orders, the appointment of administrators and what must happen during the administration. New Article 143C sets out some definitions; new Article 143D sets out the circumstances in which an administration order may be made in relation to a company; new Article 143E sets out the qualifications for an administrator; new Article 143F sets out how an application for an administration order is made; new Article 143G sets out the effect of an administration order; new Article 143H sets out who must be told about an administration order; new Article 143I imposes requirements in relation to an initial meeting of creditors; new Article 143J requires a statement of affairs to be produced by specified people; new Article 143K requires details of an administration to appear on the company's correspondence; new Article 143L sets out the general powers of an administrator and new Schedule A1 gives more details about the administrator's powers; new Article 143M sets out requirements about distributions to creditors; new Article 143N requires co-operation between an administrator and the company and its officers; new Article 143O imposes requirements if the administration continues for more than 12 months; new Article 143P makes provision about the discharge and variation of an administration order; new Article 143Q makes provision about the protection of the interests of creditors and members; new Article 143R makes provision about the remuneration of an administrator; new Article 143S makes provision about the vacation of the office of administrator; new Article 143T makes provision about the release of an administrator; new Article 143U applies specified Articles of the Law relating to liquidation to an administration; new Article 143V gives the States power to amend Part 20B by Regulations.

Article 7 amends Article 155 to set out more clearly who can apply to the court to wind up a company, and to which entities it applies.

Article 8 amends Article 157B to reflect the wording in new Article 143G to make it clear that the appointment of a provisional liquidator does not prevent a person with security from exercising contractual rights they have under the agreement creating the security.

Article 9 amends Article 159 in the same way in relation to a creditors' winding up.

Article 10 amends Article 165 so that the costs of a liquidation are payable only in priority to other unsecured debts.

Article 11 inserts new Schedule A1, which sets out the powers of an administrator.

Article 12 amends Schedule 1 to specify the punishments for offences under Article 20B.

Article 13 amends the Companies (General Provisions) (Jersey) Order 2002 to include administration orders and administrators.

Article 14 amends the definition "bankruptcy" in the Interpretation (Jersey) Law 1954 to include the making of an administration order.

Article 15 amends the Limited Liability Companies (Winding Up and Dissolution) (Jersey) Regulations 2022 to reflect the changes made by *Article 13*.

Article 16 gives the name of the Law and says it comes into force on 1 June 2026 or 7 days after it is registered, if later.

DRAFT COMPANIES (JERSEY) AMENDMENT No. 2 LAW 202-

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Article

Jersey

DRAFT COMPANIES (JERSEY) AMENDMENT No. 2 LAW 202-

A LAW to further amend the Companies (Jersey) Law 1991.

Adopted by the States	*[date to be inserted]*
Sanctioned by Order of His Majesty in Council	*[date to be inserted]*
Registered by the Royal Court	*[date to be inserted]*
Coming into force	*[date to be inserted]*

THE STATES, subject to the sanction of His Most Excellent Majesty in Council, have adopted the following Law –

PART 1

COMPANIES (JERSEY) LAW 1991 AMENDED

1 Companies (Jersey) Law 1991 amended

This Part amends the Companies (Jersey) Law 1991.

2 Article 1 (interpretation) amended

In Article 1(1) –

(a) before the definition "allotment" there is inserted –

"administrator" means an individual appointed under Article 143D(3)(a);

(b) in the definition "officer", after "director" there is inserted ", administrator".

3 Part 13 (administration) amended

In Part 13, in the heading, before "Administration" there is inserted "Operational".

4 Article 108 (delivery of accounts to registrar) amended

In Article 108 –

(a) in paragraph (3), after subparagraph (a) there is inserted –

(aa) is in administration under Part 20B;

(b) after paragraph (3B) there is inserted –

(3BA) In relation to a company falling within paragraph (3)(aa) –

(a) the requirement in paragraph (1)(b) (auditor's report) does not apply in relation to that financial period or any subsequent financial period;

(b) the requirement in paragraph 1(a) to deliver accounts for registration does not apply in any financial period, but instead the administrator must provide to the registrar for registration the account of the administrator's acts and dealings and of the conduct of the administration prepared for the purposes of Article 143O(1).

(c) in paragraph (3E), after "(3)(a)," there is inserted "(aa),".

5 Article 125 (power of company to compromise with creditors and members) amended

In Article 125 –

(a) in paragraph (1), after "liquidator" there is inserted "or, in the case of a company in administration, the administrator";

(b) in paragraph (2), after "contributories of the company" there is inserted "or, in the case of a company in administration, on the administrator and contributories of the company".

6 Part 20B (administration) inserted

After Article 143B there is inserted –

PART 20B

ADMINISTRATION

143C Interpretation

(1) In this Part –

"administration order" has the meaning given in Article 143D(1);

"just and equitable winding up" means a winding up under Article 155;

"registrar" includes, for a company that is not registered under Article 8, the equivalent body for that company;

"security interest" means a "security interest" and a "continuing security interest" within the meanings given in Article 1 of the Security Interests (Jersey) Law 2012.

(2) In this Part, "company" includes an entity, not being a company, incorporated by Act of the States with limited liability and the power to issue shares, but does not include a protected cell company or a cell of a protected cell company.

143D Administration orders

(1) The court may make an order under this Article (an "administration order") in relation to a company if the court –

(a) is satisfied that a company is, or is likely to become, insolvent; and

(b) considers that making an administration order is reasonably likely to achieve 1 or both of the purposes set out in paragraph (2).

(2) The purposes referred to in paragraph (1) are –

(a) the rescuing of the company or the whole or any part of its undertaking, as a going concern; or

(b) a more advantageous realisation of the company's assets than would be achieved by a winding up.

(3) If the court makes an administration order –

(a) it must appoint an administrator;

(b) the order must specify the purpose it is made for;

(c) the date of commencement of the administration is the date the administration order is made.

(4) The court may appoint more than 1 individual as an administrator and may provide whether any act to be done is to be done by all or by 1 or more of them and, in the absence of that provision, any act must be done by 2 or more of them.

(5) During the period an administration order is in force, the administrator must manage the affairs, business and property of the company.

(6) The court may make an administration order even if –

(a) an order for the company's winding up has been made by the court; or

(b) the company has passed a resolution commencing a winding up.

(7) If the court makes an administration order in accordance with paragraph (6), on the terms and conditions the court thinks fit –

(a) the order for the company's winding up is discharged; or

(b) the resolution for the company's winding up ceases to have effect.

(8) An administration order must not be made if the company is *en désastre.*

143E Qualifications of administrator

(1) The Minister may prescribe the qualifications required for any individual to act as an administrator.

(2) An appointment made in contravention of this Article or any Order made under it is void and a person who acts as an administrator if not qualified to do so commits an offence.

(3) An administrator must vacate office if the administrator ceases to be an individual qualified to act as an administrator, and must give notice of the vacation of office, signed by the administrator, to the court.

143F Application for administration order

(1) An application for an administration order must be made in the form approved by the court and must be accompanied by an affidavit verifying the content of the form.

(2) An application for an administration order may be made to the court by the following, either together or separately –

(a) the company;

(b) a creditor of the company, with a liquidated claim against the company for not less than the prescribed minimum liquidated sum specified in Article 9 of the Companies (General Provisions) (Jersey) Order 2002;

(c) the liquidator, if the court has made an order for a winding up or the company has passed a resolution for a winding up and a liquidator has been appointed, or if a liquidator has been appointed provisionally by the court under Article 157B;

(d) a cell of an incorporated cell company, in the case of an incorporated cell company;

(e) an incorporated cell company, in the case of a cell of an incorporated cell company; and

(f) the Minister, if it is to safeguard the public interest.

(3) A creditor must not make an application for an administration order –

(a) to the extent that the creditor has agreed not to make an application; or

(b) if their only claim is for repossession of goods.

(4) The court, on hearing an application for an administration order, may, on the terms and conditions it thinks fit –

(a) grant or dismiss the application;

(b) adjourn the hearing, conditionally or unconditionally;

(c) request further information; or

(d) convene other parties.

(5) Notice of an application to the court in respect of a company must, unless the court orders otherwise, be served on the following, who must each be given an opportunity to make representations to the court before the order is made –

(a) the company;

(b) each cell of an incorporated cell company, in the case of an incorporated cell company;

(c) the incorporated cell company, in the case of a cell of an incorporated cell company;

(d) the Viscount; and

(e) other persons directed by the court including any creditor.

(6) Paragraph (7) applies if –

(a) an administration order is made on the application of a creditor;

(b) the company was not insolvent or likely to become insolvent at the date the application was made; and

(c) the administration order is later discharged.

(7) If this paragraph applies, the company has a right of action against the applicant to recover damages for or in respect of any loss sustained by the company as a consequence of the order, unless the applicant, in making the application, acted reasonably and in good faith.

(8) The Minister may, by Order –

(a) amend the persons specified in paragraphs (2) and (5); and

(b) prescribe how and when notice of an application for an administration order must be given, and the form and content of the notice.

143G Effect of administration order

(1) If an administration order is made, the court must dismiss any pending application for the company's winding up.

(2) During the period an administration order is in force –

(a) no resolution may be passed, or order made, for the company's winding up or order made that the property of the company be placed *en désastre*; and

(b) no action or legal proceeding may be commenced or continued against the company except with the consent of the administrator or the leave of the court and, if the court grants leave, subject to terms and conditions as the court may impose.

(3) Nothing in this Article prevents a person with security over the whole or any part of the assets of the company (whether the security was taken before or after the commencement of the Companies (Jersey) Amendment No. 2 Law 202-) from –

(a) enforcing that security;

(b) exercising contractual rights that the person with security has under the agreement creating that security;

(c) making or continuing an application under Article 52 of the Security Interests (Jersey) Law 2012; or

(d) commencing or continuing any action or legal proceeding to enforce that security that is a hypothec over Jersey immovable property.

143H Notice of order to be given by administrator

(1) Unless the court orders otherwise, within 14 days of the date on which the administration order is made the administrator must –

(a) send a copy of the order to –

(i) the registrar; and

(ii) the Viscount;

(b) send notice of the order to the company;

(c) send notice of the order to every creditor of the company, as far as the administrator is aware of their existence and addresses;

(d) in the case of an incorporated cell company, send notice of the order to its cells;

(e) in the case of a cell of an incorporated cell company, send notice of the order to its incorporated cell company; and

(f) give notice of the administration order in the Jersey Gazette.

(2) The administrator must send a copy of the order to other persons, and within the time period, directed by the court.

(3) The registrar must register the administration order.

(4) If the administrator fails to comply with the requirements of this Article the administrator commits an offence.

143I Requirement for initial meeting of creditors

(1) Each notice sent to creditors under Article 143H(1)(c) must be accompanied by –

(a) an invitation to an initial meeting of creditors; and

(b) an explanation of the purpose of, and the likely process of, the administration.

(2) If the court orders otherwise than for notices to be sent to all creditors of the company under Article 143H(1)(c), the court may at the same time order that the administrator must, as far as the administrator is aware of their existence and addresses –

(a) call an initial meeting of all creditors by notice sent to them; and

(b) send the explanation of the purpose and likely process of the administration to all creditors.

(3) The date set for an initial meeting of creditors must be as soon as reasonably practicable after the administration order is made, and within 10 weeks after the date of the administration order, or other date as the court directs.

(4) The court may order that an initial meeting of creditors does not need to be called or may be called within a time period that it directs.

(5) An administrator who fails to comply with this Article commits an offence.

(6) The Minister may by Order amend this Article to make further or different provision about the requirements relating to the initial meeting of creditors.

143J Statement of affairs to be submitted to administrator

(1) If an administration order is made, the administrator may require persons mentioned in paragraph (3) to make out and submit to the administrator a statement about the affairs of the company ("statement of affairs") in a form reasonably required by the administrator.

(2) The statement of affairs must be verified by affidavit of the persons required to submit it (or in another manner required by the administrator).

(3) The persons referred to in paragraph (1) are –

(a) a person who is or has been an officer or secretary of the company;

(b) a person who has taken part in the company's formation at any time within the period of 1 year that ends with the date of the administration order ("the preceding year");

(c) a person who is in the company's employment or has been in its employment within the preceding year and is, in the administrator's opinion, capable of giving the information required;

(d) a person who is or has within the preceding year been an officer or secretary of, or in the employment of, a company that is, or within the preceding year was, an officer or secretary of the company;

(e) with the leave of the court, any other person.

(4) In paragraph (3), "employment" includes employment under a contract for services.

(5) A person required by this Article to submit a statement of affairs and affidavit to the administrator must do so within a period of 21 days after the day written notice of the requirement is given to them by the administrator.

(6) The administrator may –

(a) at any time release a person from an obligation imposed on them under paragraph (1) or (2); or

(b) either when giving notice under paragraph (5) or subsequently, extend the period mentioned in that paragraph.

(7) If an administrator has refused to exercise a power conferred by paragraph (6), the court may, if it thinks fit, exercise it.

(8) A person who, without reasonable excuse, fails to comply with an obligation imposed under this Article, commits an offence.

(9) If a person fails to comply with any obligation imposed under this Article, the administrator may (without limiting any other remedy or sanction in respect of the failure to comply) apply to the court, and on that application the court may make an order on terms and conditions and subject to a penalty it thinks fit, including, without limitation, an order that the person concerned must –

(a) make out and submit a statement of affairs in accordance with this Article; and

(b) comply with any other obligation imposed under this Article.

(10) A requirement imposed by an administrator under this Article has effect, despite any obligation about confidentiality or other restriction on the disclosure of information imposed by statute, contract or otherwise, and the obligation or restriction is not contravened by the making of a disclosure following a requirement imposed by an administrator.

143K Details of administration to appear in company's correspondence

(1) All correspondence of a company subject to an administration order must contain the administrator's name and a statement that the affairs, business and property of the company are being managed by the administrator, unless this is readily ascertainable –

(a) from the context of the correspondence; or

(b) from a course of dealing between the company and the person to whom the correspondence is addressed.

(2) If a company subject to an administration order has a website, the administrator's name and a statement that the affairs, business and property of

the company are being managed by the administrator must appear on that website.

(3) A company that fails to comply with this Article commits an offence.

143L General powers of administrator

(1) The administrator may do all things that are necessary for the management of the affairs, business and property of the company.

(2) Without limiting the effect of paragraph (1), and unless the court orders otherwise, the administrator has the powers specified in Schedule A1 in relation to the company.

(3) The administrator may apply to the court for directions in relation to –

(a) the extent or performance of any function; and

(b) any matter arising in the course of the administration.

(4) If an application is made in accordance with paragraph (3), the court may make an order, on terms and conditions, as it thinks fit.

(5) In performing their functions, the administrator is taken to act as the company's agent but will not incur personal liability except to the extent that the administrator is fraudulent, reckless, negligent or acts in bad faith.

(6) A person dealing with the administrator in good faith does not need to enquire whether the administrator is acting within their powers.

143M Distribution to creditors

(1) The administrator may make a distribution to a creditor of the company if the administrator thinks it likely to assist the achievement of a purpose of the administration order.

(2) But the administrator must not, without leave of the court, make a distribution to a creditor who is not –

(a) a creditor with a secured interest, including a security interest; or

(b) a creditor with a debt referred to in Article 32(1)(b) or (c) of the Désastre Law.

(3) For the avoidance of doubt, a distribution under this Article to a creditor is not a distribution for any other purpose.

143N Co-operation with and by administrator

(1) Any function conferred on any of the following, whether by this Law or by the memorandum or articles or otherwise, that could be performed in a way that interferes with the performance by the administrator of their functions may not be performed except with the consent of the administrator, which may be given either generally or in relation to particular matters –

(a) the company or its officers;

(b) an incorporated cell company or its officers.

(2) The administrator of an incorporated cell company must co-operate, in the management of the affairs, business and property of the cells of the

incorporated cell company, to the extent that co-operation does not interfere with the performance of the administrator's functions as administrator, with –

(a) those cells; and

(b) their directors and officers.

(3) The administrator of a cell of an incorporated cell company must co-operate, in the management of the affairs, business and property of the incorporated cell company, to the extent that co-operation does not interfere with the performance of the administrator's functions as administrator, with –

(a) the incorporated cell company; and

(b) its directors and officers.

(4) A person who, without reasonable excuse, fails to comply with an obligation imposed under this Article, commits an offence.

143O Administrations continuing for more than 12 months

(1) If an administration continues for more than 12 months –

(a) the administrator must call a general meeting of the company and a meeting of the creditors –

(i) to be held at the first convenient date within 3 months after the end of the first 12 months from the commencement of the administration (or longer period as the court allows); and

(ii) to be held at the first convenient date within 3 months after the end of each succeeding period of 12 months from the commencement of the administration (or longer period as the court allows); and

(b) the administrator must lay before the meeting an account of the administrator's acts and dealings and of the conduct of the administration relating to –

(i) the first 12 months after the commencement of the administration, in the case of a meeting under sub-paragraph (a)(i); and

(ii) the relevant succeeding period of 12 months, in the case of a meeting under sub-paragraph (a)(ii).

(2) An administrator who fails to comply with this Article commits an offence.

143P Discharge or variation of administration order

(1) The administrator may at any time apply to the court for the administration order to be discharged or varied.

(2) The administrator must apply to the court for the administration order to be discharged or varied if it appears to the administrator that the purpose or each of the purposes specified in the order has been achieved or is incapable of being achieved.

(3) The court, on hearing an application under this Article for the discharge or variation of an administration order, may, on terms and conditions it thinks fit –

(a) grant or dismiss the application;

(b) adjourn the hearing, conditionally or unconditionally; or

(c) make an interim order or any other order it thinks fit, including an order for the winding up of the company (despite Article 143G(2)(a)).

(4) If an administration order is discharged or varied under this Article the administrator must send a copy of the order effecting the discharge or variation –

(a) to the registrar for registration within 7 days after the date of the order;

(b) to the Viscount within 7 days after the date of the order;

(c) to all creditors of the company, as far as the administrator is aware of their existence and addresses, within 7 days after the date of the order, unless the court orders otherwise; and

(d) to persons, and within the time period, directed by the court.

(5) If an administration order is discharged under this Article, and it appears to the court that the company has no assets that might permit a distribution to its creditors, the court may, on terms and conditions it thinks fit, order that the company be dissolved on a specified date.

(6) If an order is made under paragraph (5), the administrator must send a copy of the order that the company be dissolved to –

(a) the registrar for registration within 7 days after the date of the order;

(b) to the Viscount within 7 days after the date of the order;

(c) to all creditors of the company, as far as the administrator is aware of their existence and addresses, within 7 days after the date of the order, unless the court orders otherwise; and

(d) to persons, and within the time period, directed by the court.

(7) An administrator who fails to comply with a requirement under paragraph (4) or (6) commits an offence.

143Q Protection of interests of creditors and members

(1) At any time when an administration order is in force, a director, creditor or member of the company or any other person appearing to the court to be interested may apply to the court for an order under this Article on the ground –

(a) that the company's affairs, business and property are being or have been managed by the administrator in a manner that is unfairly prejudicial to the interests of its creditors or members generally, or of some part of its creditors or members (including the applicant);

(b) that any actual or proposed act or omission of the administrator is or would be unfairly prejudicial; or

(c) that it would otherwise be desirable or necessary for an order under this Article to be made.

(2) The court hearing an application for an order under this Article may, on terms and conditions it thinks fit –

(a) dismiss the application, or make an order it thinks fit for giving relief in respect of the matters complained of;

(b) adjourn the hearing, conditionally or unconditionally; or

(c) make an interim order or any other order it thinks fit.

(3) An order under this Article may, in particular –

(a) regulate the future management by the administrator of the company's affairs, business and property;

(b) require the administrator to –

(i) refrain from doing or continuing an act complained of by the applicant;

(ii) do an act that the applicant has complained the administrator has omitted to do;

(iii) do, or refrain from doing or continuing, any other act;

(c) require the summoning of a meeting of members or creditors for the purpose of considering matters that the court directs;

(d) discharge the administration order and make consequential provision that the court thinks fit.

(4) If the administration order is discharged the administrator must –

(a) send a copy of the order effecting the discharge to the registrar for registration within 7 days after the date of the discharge; and

(b) send a copy of that order to persons, and within the time period, that the court directs.

(5) An administrator who fails to comply with paragraph (4) commits an offence.

143R Remuneration of administrator

(1) The administrator's remuneration, and any costs, charges and expenses properly incurred in the administration, are payable from the company's assets in priority to all other unsecured claims.

(2) The administrator's remuneration, and any costs, charges and expenses properly incurred in the administration may be paid by a third party.

(3) The administrator is entitled to be paid fees in the amount fixed by the court.

143S Vacation of office

(1) The administrator –

(a) may, at any time, be removed from office by order of the court;

(b) may resign the office by giving notice of resignation to the court; and

(c) must vacate office if the administration order is discharged.

(2) If there is a vacancy in the office of administrator the court may appoint a replacement of its own volition or on the application of 1 of the following –

(a) the company;

(b) a creditor;

(c) the Viscount;

(d) the Minister; or

(e) any person appearing to the court to be interested.

(3) A company does not cease to be in administration if there is a vacancy in the office of administrator.

143T Release of administrator

(1) A person who has ceased to be the administrator of a company is released with effect from –

(a) in the case of a person who has died, the time notice is given to the court that the administrator has ceased to hold office;

(b) in any other case, the time determined by the court.

(2) If a person is released under this Article, that person is, with effect from the time of release, discharged from all liability in respect of their acts and omissions in the administration and otherwise in relation to their conduct as administrator, except to the extent that they have incurred personal liability by virtue of Article 143L(5).

(3) A release under paragraph (1)(b) may be granted subject to terms, conditions, restrictions and limitations, and may make provision in respect of incidental, supplementary and ancillary matters as the court thinks fit.

(4) Without limiting any other powers of the court, an order of the court granting a release under paragraph (1)(b) may be revoked on proof that it was obtained by or by means of –

(a) fraud;

(b) the omission, suppression, concealment or misrepresentation of any material fact; or

(c) any submission, statement, pleading or document made or presented to the court that was false, deceptive or misleading in a material particular.

143U Application of Articles 172, 176 to 176B, 179 and 183 to 185 to administration

Unless the court orders otherwise, Articles 172, 176 to 176B, 179 and 183 to 185 apply in relation to an administrator in an administration as they do in relation to a liquidator in a creditors' winding up.

143V Power of States to amend Part 20B

The States may amend this Part by Regulations.

7 Article 155 (power for court to wind up) amended

In Article 155 –

(a) for paragraph (2) there is substituted –

(2) An application to the court under this Article on the ground mentioned in paragraph (1)(a) may be made by –

(a) the company;

(b) a director or a member of the company;

(c) the Minister;

(d) the Minister for Treasury and Resources following receipt of an Article 9(5) report;

(e) the Commission; or

(f) a supervisory body within the meaning of the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008.

(b) for paragraph (3) there is substituted –

(3) An application to the court under this Article on the ground mentioned in paragraph (1)(b) may be made by –

(a) the Minister;

(b) the Minister for Treasury and Resources following receipt of an Article 9(5) report; or

(c) the Commission.

(c) for paragraph (7) there is substituted –

(7) In this Article –

"Article 9(5) report" means a report from the Comptroller of Taxes under Article 9(5) of the Taxation (Companies – Economic Substance) (Jersey) Law 2019 that a company has not met the economic substance test within the meaning of that Law; and

"company" includes an entity, not being a company, incorporated by Act of the States with limited liability and the power to issue shares.

8 Article 157B (appointment of provisional liquidator) amended

In paragraph (6), after subparagraph (a) there is inserted –

(aa) exercising contractual rights that the person with security has under the agreement creating that security;

9 Article 159 (commencement and effects of creditors' winding up) amended

In Article 159(6) after subparagraph (a) there is inserted –

(aa) exercising contractual rights that the person with security has under the agreement creating that security;

10 Article 165 (costs of creditors' winding up) amended

In Article 165(1), after "other" there is inserted "unsecured".

11 Schedule A1 (powers of administrator) inserted

Before Schedule 1 there is inserted –

SCHEDULE A1

(Article 143L)

POWERS OF ADMINISTRATOR

1 Powers of administrator

The powers of an administrator are to –

(a) take possession of, collect and get in the property of the company and, for that purpose, to take proceedings that the administrator thinks necessary;

(b) sell or otherwise dispose of the property of the company by public auction or private contract;

(c) raise or borrow money and grant security for that purpose over the property of the company;

(d) appoint an advocate or accountant or other professionally qualified person to assist the administrator in the performance of their functions;

(e) bring or defend any action or other legal proceedings in the name and on behalf of the company;

(f) refer to arbitration any question affecting the company;

(g) effect and maintain insurance in respect of the business and property of the company;

(h) use the company's seal or electronic seal, if it has a seal;

(i) do all acts and to execute any receipt or other document in the name and on behalf of the company;

(j) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the company;

(k) appoint any agent to do any business that the administrator is unable to do themselves or that can more conveniently be done by an agent;

(l) employ and dismiss employees;

(m) do all things (including the carrying out of works) necessary for the realisation of the property of the company;

(n) make any payment necessary or incidental to the performance of the administrator's functions;

(o) carry on the business of the company;

(p) remove any director of the company and to appoint any person to be a director of it, whether to fill a vacancy or otherwise;

(q) call a meeting –

(i) of members or creditors of the company;

(ii) to seek a decision on a matter from the company's creditors;

(r) establish subsidiaries of the company;

(s) transfer to subsidiaries of the company the whole or any part of the business and property of the company;

(t) grant or accept a surrender of a lease or tenancy of any of the property of the company, and to take a lease or tenancy of any property required or convenient for the business of the company;

(u) make any arrangement or compromise on behalf of the company;

(v) call up any uncalled capital of the company;

(w) rank and claim in the bankruptcy, insolvency, liquidation of any person indebted to the company, or in *désastre* proceedings in relation to any such person, and to receive dividends, and to accede to trust instruments for the creditors of any such person;

(x) present or defend an application for the winding up of the company;

(y) change the address of the company's registered office;

(z) do all other things incidental to the exercise of the powers in sub-paragraphs (a) to (y).

12 Schedule 1 (punishment of offences) amended

In Schedule 1, in the table, the following rows are inserted in their numerical position –

Article of Law creating offence	General nature of offence	Punishment	Daily default fine (if applicable)
143E(2)	Person acting as an administrator when not qualified to do so	2 years or a fine; or both	
143H(4)	Administrator failing to send notice of administration	Level 3	Level 2
143I(5)	Administrator failing to comply with requirements about initial meeting of creditors	Level 3	
143J(8)	Person failing to submit statement of affairs to administrator	A fine	
143K(3)	Company failing to include details of administration on correspondence	A fine	
143N(4)	Failure to co-operate	6 months or a fine; or both	
143O(2)	Administrator failing to call a meeting if the administration continues beyond 12 months	Level 3	
143P(7)	Administrator failing to send copy of the	Level 2	Level 1

Article of Law creating offence	General nature of offence	Punishment	Daily default fine (if applicable)
	discharge, variation or dissolution order		
143Q(5)	Administrator failing to send copy of discharge order	A fine	

PART 2

CONSEQUENTIAL AMENDMENTS

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

(1) This Article amends the Companies (General Provisions) (Jersey) Order 2002.

(2) In Part 5, in the heading, after "winding up" there is inserted "and administration".

(3) For Article 7 (qualifications of liquidator) there is substituted –

7 Qualifications of liquidator and administrator

(1) This Article applies to –

(a) a public company;

(b) a company that is in administration in accordance with the provisions of Part 20B of the Law; and

(c) a company that is being wound up in accordance with the provisions of Chapter 4 of Part 21 of the Law.

(2) A person is only eligible for appointment as a liquidator or administrator of a company to which this Article applies if the person is registered as an approved liquidator and administrator and entered on the Register of Approved Liquidators and Administrators under paragraph (8).

(3) A person is not qualified to be registered as an approved liquidator and administrator and entered on the Register of Approved Liquidators and Administrators under paragraph (8) unless the person –

(a) is ordinarily resident in Jersey;

(b) is an individual who has the level of experience determined by the Viscount in writing and –

(i) is licensed in the United Kingdom to act as an insolvency practitioner by 1 of the recognised professional bodies as defined under section 391(8) of the Insolvency Act 1986 of the United Kingdom; or

(ii) is a member of –

(A) the Association of Chartered Certified Accountants;

(B) the Chartered Accountants of Ireland;

(C) the Institute of Chartered Accountants in England and Wales; or

(D) the Institute of Chartered Accountants in Scotland; and

(c) has in place a general bond of £750,000 plus a specific bond of between £5,000 and £5,000,000 for each appointment.

(4) An increase in the amount of general bond under paragraph (3)(c) that comes into force during an individual's current period of registration –

(a) applies to the individual from the end of that period; and

(b) does not disqualify the individual from meeting the requirements under paragraph (3) during that period.

(5) In paragraph (4), "current period of registration" means the period of 1 year beginning with the registration or re-registration of the individual as an approved liquidator and administrator.

(6) An individual who is not ordinarily resident in Jersey but is otherwise qualified in accordance with paragraph (3)(b) and (c) (a "non-Jersey liquidator and administrator") may, together with an individual who is registered as an approved liquidator and administrator and who is ordinarily resident in Jersey and entered in the Register of Approved Liquidators and Administrators under paragraph (8), be appointed as a liquidator or administrator of a company, and the Viscount may, in accordance with this Article, register the individual as a non-Jersey liquidator and administrator in the Register of Approved Liquidators and Administrators.

(7) An individual who is qualified under paragraph (3) to be registered as an approved liquidator and administrator or as a non-Jersey liquidator and administrator under paragraph (6) may apply to the Viscount, in the form approved by the Viscount, to be registered or re-registered as an approved liquidator and administrator or a non-Jersey liquidator and administrator, as the case may be, and entered in the Register of Approved Liquidators and Administrators.

(8) The Viscount must keep and maintain a Register of Approved Liquidators and Administrators and may register the individual as an approved liquidator and administrator or non-Jersey liquidator and administrator and enter the name of the individual in the Register of Approved Liquidators and Administrators if the individual –

(a) is qualified to be registered as an approved liquidator and administrator under paragraph (3) or as a non-Jersey liquidator and administrator under paragraph (6);

(b) applies under paragraph (7) to be registered; and

(c) pays to the Viscount the registration or re-registration fee of £800.

(9) The registration of an individual as an approved liquidator and administrator or a non-Jersey liquidator and administrator under this Article expires after 1 year and an individual may apply to the Viscount under paragraph (7) to re-register.

(10) A person registered as an approved liquidator and administrator or a non-Jersey liquidator and administrator under this Article must within 21 days of any change of circumstances that disqualifies the person from being registered notify the Viscount of the change and the Viscount must cancel the person's registration as an approved liquidator and administrator or non-Jersey liquidator and administrator and remove the name of the person from the Register of Approved Liquidators and Administrators.

(11) The Viscount must publish the Register of Approved Liquidators and Administrators online and make the register available for inspection by the public.

(12) The Viscount is qualified for appointment as a liquidator or administrator of a company to which this Article applies.

(13) A person is disqualified for appointment as a liquidator or administrator of a company to which this Article applies if the person is –

(a) a secretary or an officer or servant of the company, or a partner or employee of any of those persons; or

(b) a person against whom an order under Article 78 of the Law is in force or who is disqualified under Article 78A.

(14) A person is disqualified for appointment as a liquidator or administrator of a company to which this Article applies if –

(a) the person would be disqualified under paragraph (13) for appointment as a liquidator or administrator of any other body corporate that either is that company's subsidiary or holding company or is a subsidiary of that company's holding company; or

(b) the person would be disqualified under paragraph (13) if that body corporate were a company.

(4) In Article 8 (investigation into conduct of liquidators) –

(a) in the heading, after "liquidators" there is inserted "and administrators";

(b) for paragraphs (1) and (2) there is substituted –

(1) The Viscount may investigate the conduct of a liquidator or administrator if –

(a) the Viscount receives representations (including, but not limited to, complaints) about the exercise of powers, or a failure to exercise powers, by a liquidator or administrator and the Viscount is of the opinion that the matter relating to the representations has not been satisfactorily dealt with by the liquidator or administrator within a reasonable timeframe; or

(b) it otherwise appears to the Viscount that there are circumstances justifying investigation, including circumstances that –

(i) give rise to concerns on the part of the Viscount about the conduct of the liquidator or administrator (including, but not limited to, the level of fees charged or proposed to be charged by a liquidator or administrator);

(ii) suggest that a liquidator or administrator has failed to comply with an order made or directions given by the court; or

(iii) otherwise constitute good reason, in the view of the Viscount, to seek further information about a liquidator's or administrator's discharge of their functions.

(2) The Viscount may by notice in writing –

(a) unless the Viscount finds that there is good reason not to do so, inform the liquidator or administrator of the representations made under paragraph (1), if any; and

(b) require the liquidator or administrator to provide the following in relation to the exercise of their functions, in a manner and place and within a time that may be specified –

(i) the information (including accounts) or documents that may be specified or that are of a description that may be specified; and

(ii) the reports that the Viscount may require.

(c) in paragraph (8), after "liquidator's" there is inserted "or administrator's";

(d) in paragraph (10), after "liquidator" there is inserted "or administrator";

(e) in paragraph (11)(a), after "liquidator" there is inserted "or administrator";

(f) in paragraph (12), after "liquidator", in both places it occurs, there is inserted "or administrator";

(g) in paragraph (13), after "liquidator", in both places it occurs, there is inserted "or administrator";

(h) in paragraph (15), after "liquidator" there is inserted "or administrator";

(i) in paragraph (16), after "liquidator" there is inserted "or administrator".

14 Interpretation (Jersey) Law 1954 amended

In Article 8 (meaning of bankruptcy) of the Interpretation (Jersey) Law 1954, after sub-paragraph (e) there is inserted –

(ea) in the case of a company, the making of an administration order under Part 20B of the Companies (Jersey) Law 1991;

15 Limited Liability Companies (Winding Up and Dissolution) (Jersey) Regulations 2022 amended

In Regulation 45 (qualifications of liquidator) of the Limited Liability Companies (Winding Up and Dissolution) (Jersey) Regulations 2022 –

(a) in paragraph (3A)(c)(i), for "7(2A)(c)" there is substituted "7(3)(c)";

(b) in paragraph (3D), for "7(2D)(b)" there is substituted "7(8)(c)".

PART 3

CITATION AND COMMENCEMENT

16 Citation and commencement

This Law may be cited as the Companies (Jersey) Amendment No. 2 Law 202- and comes into force on the later of –

(a) 1 June 2026; and

(b) 7 days after it is registered.