

Listing a Jersey company

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Introduction

- Tim Pearce – Partner, Bedell Cristin Jersey, Head of Corporate
- Why list a Jersey company?
 - About Jersey
 - Jersey – a leading International Finance Centre
 - Why use a Jersey company?
 - Pre IPO matters
 - Overview of Jersey process
 - Role of Jersey lawyer

About Jersey

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- 22.5 km from France and 137 km from the United Kingdom
- 118.2 square kilometres
- Population of 97,857
- Official and business language - English
- A crown dependency, benefitting from British protection but not part of the UK
- 30 minute flight time from London
– regular flights



About Jersey

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- Separate legislature – the UK Parliament does not legislate for Jersey
- Responsible for its own fiscal affairs
- Not part of the EU but free movement of goods and people between all member states and Jersey
- International standards of financial regulation, countering money laundering and anti-terrorist financing
- Strong judiciary and court system
- Flourishing financial services sector (40% of the economy)



Jersey – a leading International Finance Centre

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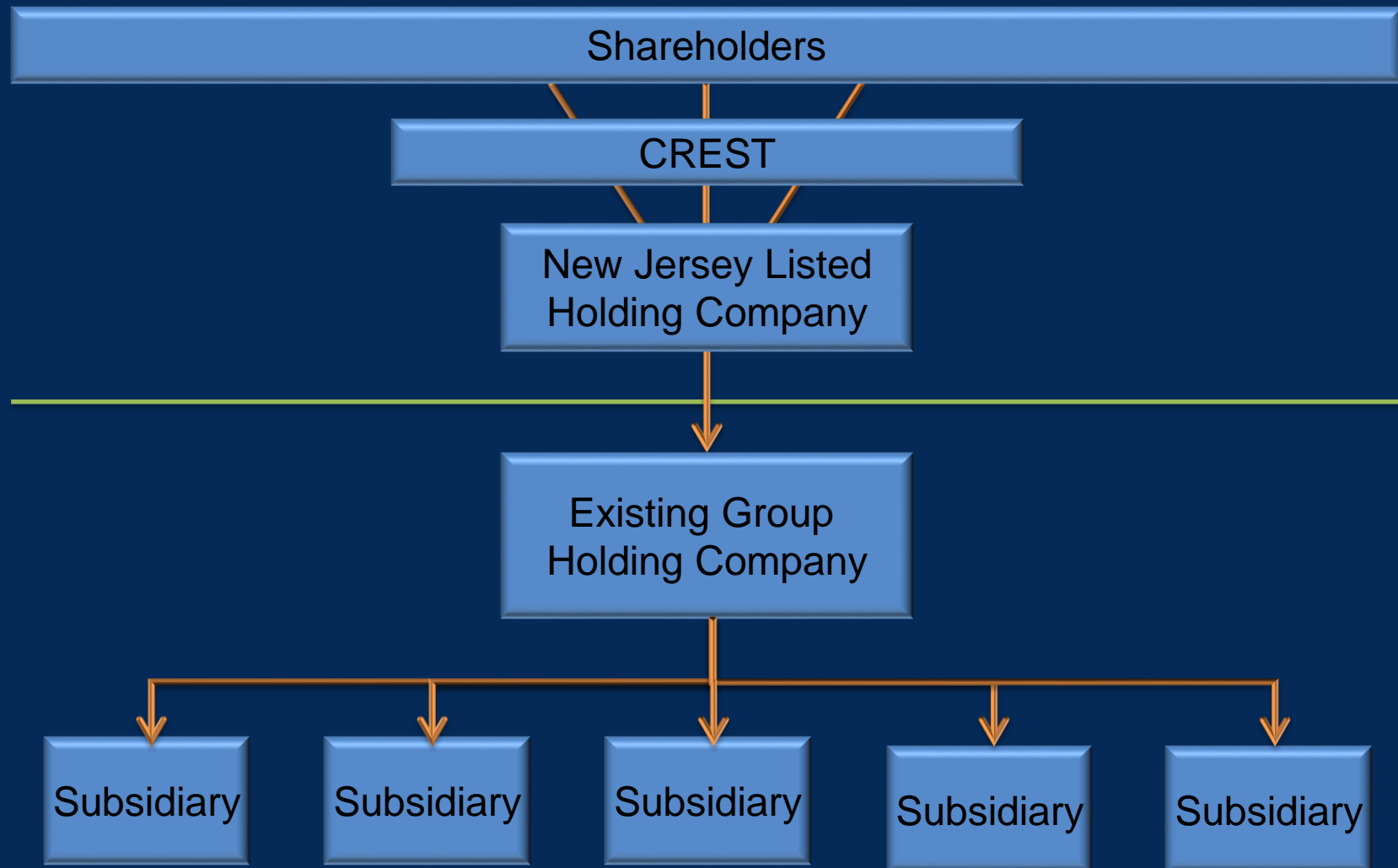
Jersey - a leading International Finance Centre

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- Independently recognised as a well-regulated, transparent and co-operative jurisdiction by the IMF and OECD
- Stable and reliable global finance industry for over 50 years
- Regulated financial services industry
- Banking deposits £167bn; £7bn from Far East
- 39 international banks - more than 3,000 banking professionals
- Does business with over 200 countries and \$1 trillion of assets invested/administered
- 12,000+ finance industry professionals

Jersey listed holding company – typical structure

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Why use a Jersey holding company?

- 104 Jersey companies listed worldwide - c£172 billion – more on AIM than any other OFC
- Jersey's reputation – globally well regarded
- Advantageous tax environment:
 - no corporation tax, capital gains tax or capital transfer tax
 - no withholding or deduction of tax
 - no stamp duty or similar transfer taxes
- Double tax and tax information exchange agreements
- Approved jurisdiction for listings on the LSE and HKSE
- No exchange control restrictions

Why use a Jersey holding company?

- Respected and well established legal infrastructure
- Strong court system
- Attractive corporate laws because:
 - they are familiar and flexible
 - Takeover Code applies
 - can dispense with AGMs
 - simple distributions regime
 - no requirement for Jersey directors or for meetings to be held in Jersey
 - no restrictions on the issue of shares
 - shares settled through CREST – avoids depository instruments
 - strong corporate governance



Pre-IPO matters

- Pre-IPO fund raising
- Conduct legal due diligence – no surprises!
- Implement a corporate governance regime
- Consider any tax or estate planning
- Consider any employee incentive arrangements
- Establish the new holding company – share for share exchange?
- Alternatively – migrate or merge entities into Jersey?
- Appoint non-executive directors?

Overview of the Jersey process

- Pre-IPO planning
- Appoint advisers, including:
 - share registrar (share register must be maintained in Jersey)
 - corporate services provider (registered office must be in Jersey) and
 - board members
- Establish or amend holding structure
- Admission Document
 - compliance with Jersey law
 - verify content
 - obtain regulatory approval
 - take responsibility!
- Hold meetings
- List!

Admission Document

- Investment decisions based on Admission Document - investors assess company's prospects
- Admission Document qualifies as a 'prospectus', therefore:
 - company must be a public as opposed to a private company
 - Jersey Registrar of Companies must consent to the circulation of the Admission Document – consent within 1 week
 - must contain certain prescribed information and statements
- No marketing of shares prior to regulatory consent
- Directors take personal responsibility - must be verified, otherwise legal penalties
- AIFMD – does it apply?

Role of the Jersey lawyer

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- Establish structure
- Advise on structural and regulatory issues
- Legal due diligence
- Pre-IPO fund-raising or re-organisation
- Directors' responsibilities and corporate governance
- Admission Document and verification
- Issue legal opinions
- Employment agreements
- Obtain regulatory consents
- Board and shareholder resolutions

About Bedell Cristin

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- Founded in 1939 – over 70 years' experience
- Award winning, leading, full service law firm
- Partner led, team built
- City trained, multi-lingual professionals (including Mandarin and Cantonese)
- Consistently ranked in the top tiers of leading legal directories, who say:
 - *"The firm which achieves the best results for its clients and is the best value for money."*
 - *"Head and shoulders above the competition."*
 - *"Client-led service and cutting edge industry knowledge."*

Source: Legal 500

Bedell – in key international finance centres

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Summary of presentation

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- Leading international finance centre
- Proximity to UK and major capital markets
- Strong reputation - internationally recognised
- Advantageous tax environment
- Flexible and attractive corporate structures
- Well established legal infrastructure

Jersey companies on AIM

(at 15 June 2016)

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Jersey has more companies listed on AIM than any other offshore financial centre

Number of Companies: 45 Market Value £3,283 million

Company	Sector	Sub Sector
ACTION HOTELS PLC	Travel & Leisure	Hotels
AQUATIC FOODS GROUP PLC	Food Producers	Food Products
AUDIOBOOM GRP PLC	Media	Broadcasting & Entertainment
BELLZONE MINING PLC	Mining	General Mining
BOOHOO.COM PLC	General Retailers	Apparel Retailers
BREEDON AGGREGATES LTD	Construction & Materials	Building Materials & Fixtures
CALEDONIA MINING CORP PLC	Mining	General Mining
CAMBIUM GLOBAL TIMBERLAND LTD	Forestry & Paper	Forestry
CHINA NEW ENERGY LTD	Alternative Energy	Alternative Fuels
CIRCLE HLDGS PLC	Health Care Equipment & Services	Health Care Providers
CIRCLE PROPERTY PLC	Real Estate Investment & Services	Real Estate Holding & Development
CSF GROUP PLC	Software & Computer Services	Computer Services
DRAGANFLY INVESTMENTS	General Financial	Specialty Finance
EASTBRIDGE INVESTMENTS PLC	Industrial Engineering	Industrial Machinery
FUSIONEX INTERNATIONAL PLC	Software & Computer Services	Software
GALASYS PLC	Software & Computer Services	Software
GOLDSTONE RESOURCES LTD	Mining	General Mining
GREEN & SMART HLDGS PLC	Electricity	Alternative Electricity
GTS CHEMICAL HLDGS PLC	Chemicals	Specialty Chemicals
HIGHLAND GOLD MINING	Mining	Gold Mining
LUDGATE ENVIRONMENTAL FUND LTD	Equity Investment Instruments	Equity Investment Instruments
LXB RETAIL PROPERTIES PLC	Real Estate Investment & Services	Real Estate Holding & Development

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Company Name	Industry	Industry
MASAWARA PLC	General Financial	Specialty Finance
MAYAIR GROUP PLC	Industrial Engineering	Industrial Machinery
MEDILINK-GLOBAL UK LTD	Support Services	Financial Administration
MOBILITYONE LTD	Support Services	Financial Administration
MYSALE GROUP PLC	General Retailers	Apparel Retailers
NATURE GROUP PLC	Support Services	Waste & Disposal Services
NEW WORLD OIL & GAS PLC	Oil & Gas Producers	Exploration & Production
OTTOMAN FUND(THE)	Equity Investment Instruments	Equity Investment Instruments
RAME ENERGY PLC	Support Services	Business Support Services
RAPIDCLOUD INTL PLC	Software & Computer Services	Computer Services
REDT ENERGY PLC	Support Services	Business Support Services
SACOVEN PLC	General Financial	Specialty Finance
SAFESTYLE UK PLC	General Retailers	Home Improvement Retailers
STANLEY GIBBONS GROUP PLC	General Retailers	Specialty Retailers
STARCOM PLC	Software & Computer Services	Software
STRIDE GAMING PLC	Travel & Leisure	Gambling
SYQIC PLC	Fixed Line Telecommunications	Fixed Line Telecommunications
TALIESIN PROPERTY FUND LTD	Real Estate Investment & Services	Real Estate Holding & Development
TMT INVESTMENTS PLC	General Financial	Investment Services
UKRPRODUCT GROUP	Food Producers	Food Products
WANDISCO PLC	Software & Computer Services	Software
WESTMOUNT ENERGY LTD	Oil & Gas Producers	Exploration & Production
XLMEDIA PLC	Media	Media Agencies

Bedell Cristin's listing credentials examples

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- **Highland Gold Mining Limited** - Russian gold mines
- **The Guiton Group Limited** - significant publishing, retailing, wholesaling and information technology operations in the Channel Islands
- **Ukrproduct Group Ltd** - the production and supply of dairy products, food and beverages in the Ukraine
- **Belgravia Telecom Limited** - UK and European telecommunications industries
- **Qihang Equipment Company Limited** - holding company for packaging machinery and materials business
- **Rambler Media Limited** - internet search engines in the former Soviet Union
- **Financial Payment Systems Limited** - New technology relating to payment systems introduced to the Chinese Government

Bedell Cristin's listing credentials examples (continued)

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- **Noventa Limited** - holding company for one of the largest mining companies in South Africa
- **Max Property Group Plc** - UK commercial real estate
- **KazakhGold Group Limited** - Gold mining
- **GTS Chemicals** – Chinese Chemicals producer
- **Polyus Gold** – Russian gold mining company
- **Randgold** – African gold mining
- **Glencore** – mining
- **Naibu** – sports
- **Rusal** – metals
- **Bellzone** - mining

Bedell Cristin key contacts

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