

## RE-DOMICILIATION OF COMPANIES INTO AND OUT OF JERSEY



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**Introduction** This note outlines how foreign companies can re-domicile to Jersey and how Jersey companies can re-domicile to other jurisdictions.

### What is a re-domiciliation?

Re-domiciliation and migration are used interchangeably to describe how a company moves from its home jurisdiction to another. Upon a re-domiciliation becoming effective:

- All property and rights of the company immediately prior to the migration continue in the new jurisdiction;
- The company continues to be subject to all criminal and civil liabilities, contracts, debts and other obligations; and
- All legal proceedings pending may be continued against the company.

Jersey law formally defines this process as “continuance” into or out of Jersey, reflecting the fact that, upon completion of this process, a company continues to exist in Jersey or the jurisdiction it has moved to (as applicable).

### How do I know if a company can be re-domiciled?

The law of the company’s home jurisdiction or the jurisdiction where a Jersey company seeks to re-domicile (as appropriate) must permit re-domiciliations.

### What is the process of re-domiciling?

This depends on whether the re-domiciliation relates to a Jersey company or a foreign company. Each are briefly described below.

#### Re-domiciliation of a Jersey Company to another jurisdiction

**Board Approval:** The board of directors must hold a meeting approving:

- the re-domiciliation, the issuance of the relevant notices and the circulation of a special resolution;
- the seeking of confirmations of no objection from each of the Comptroller of Taxes and the Department of Social Security in Jersey;

- arrangements that allows the company to adopt any revisionstoitsarticlesofassociationasmaybe required to enable it to continue in the foreign jurisdiction;
- various confirmatory statements from the directors (including a solvency statement); and
- the submission of an application to the Jersey Registrar of Companies (the **Registrar**) (the **Application**).

**Shareholder Approval:** A special resolution must be passed approving the re-domiciliation and any changes to the articles of association of the company.

**Notice to Creditors:** A notice must be published in the Jersey Evening Post (the **Creditor Notice**) and sent to each creditor of the company (unless all known creditors have previously consented in writing to the re-domiciliation).

**The Application:** This can only be submitted 21 days after the date the Creditor Notice is published. The Registrar will expect to be provided with supporting documentation including a legal opinion from a lawyer qualified to practice in the foreign jurisdiction confirming:

- the foreign jurisdiction permits the re-domiciliation;
- all property and rights of the company will continue in the foreign jurisdiction; and
- the company will remain subject to all civil and criminal liabilities, contracts, debts and other obligations and all legal proceedings and other actions pending may be continued.

If the Application is successful the Registrar will issue conditional consent to the re-domiciliation which will become unconditional when it receives a certificate of incorporation from the foreign jurisdiction. When the Registrar receives this it will issue a certificate confirming that the company ceases to be incorporated under Jersey law from the date of that certificate.

## RE-DOMICILIATION OF COMPANIES INTO AND OUT OF JERSEY (CONT)

### Re-domiciliation of a Foreign Company to Jersey

In addition to undertaking whatever home jurisdiction requirements are necessary to effect the re-domiciliation, an incoming foreign law company must make an application to the Registrar. As a minimum the Registrar will expect to be provided with:

- **Articles of Continuance:** these must be adopted by the company and conform to Jersey law. They will be filed with the Registrar upon the re-domiciliation becoming effective.
- **A Solvency Statement:** each director of the company (and any proposed directors following its re-domiciliation) must sign this confirming the company's solvency. becoming effective.
- **Information on the Directors and Secretary:** Personal information must be provided on the directors and secretary of the company. Whilst this information is retained by the Registrar it is not made public.
- **A legal opinion:** this should be addressed to the Registrar from lawyers qualified to practice in the home jurisdiction confirming:

Foreign law companies should also consider whether any other Jersey licensing or regulatory requirements may be required to permit it to legally undertake business and engage employees in Jersey.

#### Contact:

This briefing is only intended to give a summary of the subject matter. It does not constitute legal advice. If you would like legal advice or further information, please contact us using the details below.

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