

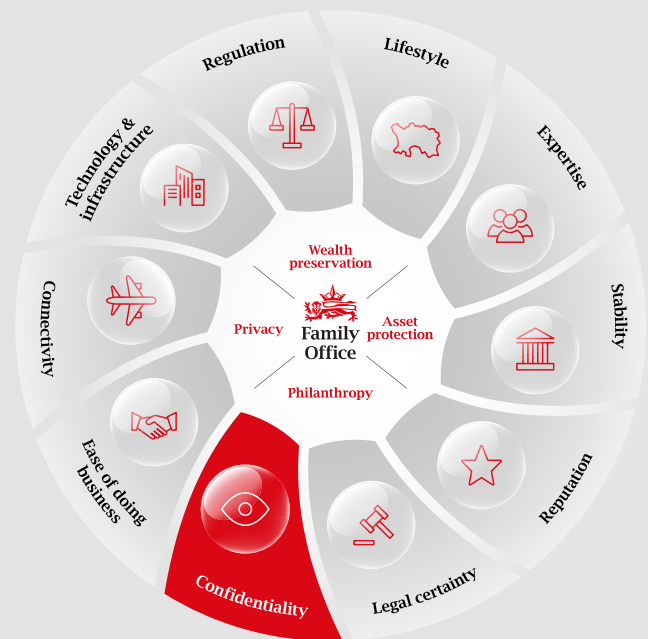
Jersey: The Clear Choice for Family Offices

Confidentiality

For more than 60 years, Jersey has been working with high-net-worth families and individuals to help them realise their wealth ambitions. In doing so, it has recognised that confidentiality is a vital issue for family offices and private wealth management in general.

Jersey's Government, regulator, financial and legal service providers understand clients' desire for a suitable level of privacy and protection from the risks associated with public disclosure of personal information, but also recognise that separate risks arise where a jurisdiction permits a level of secrecy that does not meet international requirements to fight money laundering and combat terrorism.

Consequently, Jersey works hard to balance the ongoing requirements of protecting the rights of individuals as regards confidentiality and their own data, while complying with the highest international regulatory standards and adopting a proportionate long-term approach to the global transparency agenda.



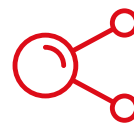
Key facts about Jersey



More than 13,000 financial services professionals working in a robust regulatory framework, overseen by the jurisdiction's regulator – the Jersey Financial Services Commission (JFSC).



A data protection legal framework and principles aligned with the UK approach and the EU under the General Data Protection Regulations (GDPR), together with an Office of the Information Commissioner, the independent office responsible for overseeing the Data Protection and aspects of Freedom of Information legislation. This provides comfort as to internationally recognised standards of data protection, but also ensures efficient and safe transfers of data between Jersey and countries globally.



A high-quality digital infrastructure to support international clients and facilitate the efficient and safe transfer of data. Jersey has the fastest broadband speed in the world, 96% mobile coverage from three 4G networks, as well as locally based data storage and disaster recovery facilities.



Compliance with key international transparency standards including a network of tax information exchange agreements with relevant competent authorities, commitment to the Common Reporting Standard and engagement with the US Foreign Account Tax Compliance Act (FATCA).



Compliant and proportionate confidentiality versus secrecy

Every citizen has a right to a degree of confidentiality and privacy. This is usually qualified in most jurisdictions in accordance with the law where necessary in the interests of:

- national security;
- public safety or the economic well-being 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.

In a world increasingly demanding transparency to combat issues such as money laundering, terrorism, financial crime and tax evasion, drawing a distinction in this context between a level of compliant and proportionate confidentiality and secrecy is vital, as there are clear risks for individuals from complete public transparency and total disclosure of personal and commercially sensitive information.

Definitions and examples

- Compliant and proportionate confidentiality is where a private individual, family or commercial enterprise chooses to keep their personal information out of the public eye to the extent legally possible while complying with the law. This is often the case where information would carry a significant risk to life or a family's general safety if certain personal or financial information were publicly available or attainable by those with questionable motives
- Secrecy is where there is a refusal to share information required to be disclosed by law with relevant persons (such as banks and other intermediaries) for the normal conduct of business and legitimate authorities, such as, tax authorities, regulators and police services

The Government of Jersey is committed to upholding international standards in the area of financial crime and Jersey follows the recommendations on Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) set by the Financial Action Task Force (FATF).

Jersey is assessed by MONEYVAL, a body of the Council of Europe, which is tasked with assessing a number of European jurisdictions on their compliance with the FATF recommendations. Jersey had a fourth-round assessment of its compliance with the 2003 FATF recommendations by MONEYVAL in January 2015. Of the 49 assessment areas, Jersey was assessed as compliant or largely compliant in 48, the highest score among all states assessed.



How and why is information disclosed?

In order to meet international requirements in relation to AML, CFT and the requirements of FATF and MONEYVAL, it is a mandatory requirement for service providers in Jersey to collect identification and verify information on individual clients and the beneficial owners and controllers of entities. These are standard requirements in all of the leading financial centres.

Jersey has a validated, verified and world-class central beneficial ownership register, including having, among other things, maintained a central company register populated by accurate, verified and up-to-date data for more than 30 years. This has the following main features:

- Each financial services service provider must identify and verify clients, beneficial owners and controllers in accordance with the AML/CFT requirements
- Details of directors (or equivalent), beneficial owners and controllers are required to be provided to the JFSC for entities that require to be incorporated or established through them. Where certain entities do not require that process (such as trusts which are not legal persons and act through their trustee), the obligation is placed upon the relevant service provider to collect and maintain the relevant information
- The regime is underpinned by the regulation and supervision of those who incorporate companies and establish other entities, and the verification by the regulator of the beneficial ownership information on the register. This is an approach that has been endorsed by international standard setters and academics alike
- Currently there is no public disclosure of beneficial ownership information. Information on the central register may, however, be disclosed to certain restricted parties including:
 - law enforcement agencies;
 - regulatory officers or bodies; and
 - foreign competent authorities.



In June 2019, the Government of Jersey made a political commitment to align itself with the principles as set out by the EU's 5th Anti Money Laundering Directive. The commitment sets out three stages within a deliverable timeframe:

- the interconnection of the Island's registers of beneficial ownership of companies with those within the EU for access by law enforcement authorities and Financial Intelligence Units; then
- access for financial service businesses and certain other prescribed businesses for corporate due diligence purposes; then
- public access aligned to the approach taken in the EU Directive.

Key points to note in relation to this:

- The commitments do not envisage immediate changes to the laws of Jersey (and the other Crown Dependencies);
- The commitments envisage a stepped process over the next two to three years;
- The commitment to bring forward legislative proposals to establish public access takes effect only after the publication of the EU's implementation review of 5AMLD;
- The commitments relate only to companies. There is no proposal to require the creation of a register of trusts; and
- The commitments are the Crown Dependencies' chosen response to the developing international environment in relation to transparency and one that reflects their own approach in this area.



Jersey's commitment to protecting data

Jersey's commitment to protecting customer data is enabled by government policy, a supportive regulatory framework and Jersey's advanced technology and digital infrastructure. It is also supported by the professional expertise found on-Island.

As an international finance centre, firms in Jersey are well-versed in data compliance, security, transfer and portability across multiple operating jurisdictions. Jersey provides clients with certainty on how their data is held and used thanks to:



The expert professionals who access and use the data to assist a client.



Jersey's technology infrastructure which provides exceptional options for data hosting.



A robust regulatory environment.

Firms operating in multiple jurisdictions benefit from Jersey's expertise and standing globally. For example, data hosting providers on-Island can easily work together, in person, with firms to de-risk data access approaches. Often, Jersey is the first or leading jurisdiction for a migration or phased rollout of a technology, product or service. This experience has meant the Jersey office or business area is often the first mover within multi-jurisdictional firms, and then becomes the de-facto go to place for innovation.

Regulated persons in Jersey are also expected to comply with the relevant Codes of Practice as part of their regulatory obligations which require them to understand and manage risks, including cyber-security risks, which could affect their business or customers. The JFSC is actively involved in trying to assist the industry in managing these risks.

Useful information

[Jersey's Transparency Timeline](#)

[Jersey's Tax Information Exchange Agreements \(TIEAs\) with other countries](#)

[Jersey Financial Services Commission Registry](#)

Disclaimer: This factsheet is only intended to provide a general overview of the subject matter. It does not constitute, and should not be treated as, legal advice.

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