

GUIDE TO KEY CHANGES

JERSEY COMPANIES LAW - 2026

ANTICIPATED ON 1 JUNE 2026

(OR IF LATER, 7 DAYS AFTER REGISTRATION)



| AREA | CHANGE | IMPACT |
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| Share capital, share transfers and capital management | | |
| Capital contributions | Subject to the articles of a company, the Law now formally sets out that cash or assets can be transferred to a company (otherwise than for an issuance of shares), which can be credited to any accounts or reserves of the company other than the nominal capital account. The directors have flexibility to determine the appropriate value and account/reserve of the company. | This supports and formalises a practice that is becoming more and more common in order to provide comfort to companies and directors with a clear legal basis for this approach. |
| 30 member limit removed for private companies | A private company will not be considered to be a public company if it has more than 30 members. | More flexibility to have a private company with unlimited members without the requirements of public companies in relation to general meetings, audit etc. |
| Removal of requirement for authorised maximum share capital for par value companies | A memorandum for a par value company will no longer have to state an authorised maximum share capital, just the amounts into which shares of each class are divided and any chosen limit (if any). | Increases flexibility and limits potential issues of compliance with internal authority limits if not required. |
| Flexibility added in relation to maintenance and changes to share capital | <p>Share capital can also be altered in any way by special resolution, not tied to the memorandum being altered (linked to the fact there need not be an authorised maximum share capital) but subject to there not being a reduction of capital.</p> <p>The conversion of shares from one class into another class will be expressly permitted, and this will be without prejudice to any provisions</p> | The provisions provide wide power to adjust share capital and make the conversions a far easier process, particularly where different currencies are involved. |

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| | in a company's articles that permit conversion otherwise than by special resolution. | |
| Transfers of shares - Relaxation on instruments of transfer | A transfer of shares will be possible by any method permitted under a company's articles, which need not be by written instrument. | Makes administration less onerous and opens up the ability to transfer non-market traded shares electronically. |
| Deceased sole member and director | An executor or personal representative of a deceased sole member and director can appoint a new director if the articles do not provide for a suitable process. | This avoids historic issues requiring a Court application to remedy the situation with the associated process and cost. |
| Share certificates - Relaxation of requirement to issue and signing | <p>A company will be able to dispense with the requirement to issue share certificates in its articles. A member can also waive their right to one (which can be revoked).</p> <p>More flexibility available on signatories subject to the terms of the articles. Can now be one or more of the directors, the secretary or other person authorised under the articles.</p> | Makes administration less onerous and opens up the ability to transfer non-market traded shares electronically. |
| Rectification of a share register | Directors will be able to correct manifest errors or omissions in a company's register of members without Court approval provided it doesn't adversely affect any person or if so, they consent. | Enables the smooth and more efficient administration of companies whilst protecting members. |
| Optional merger relief | Although group reconstruction relief was already available, there will now also be optional 'merger relief' provisions which mirror sections 612 to 615 of the UK Companies Act 2006 although they also apply to no par value | Combined with the existing provisions, this provides more simplicity and accounting flexibility on mergers and restructurings and facilitates an approach to accounting similar to the UK where required. |

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| | <p>companies and are optional (rather than mandatory as in the UK). Where a company has acquired a 90% equity holding of another company usually by receiving shares as part of the consideration, it can utilise this relief to avoid having to transfer any amount/value to a share premium or stated capital account as a result.</p> | |
| Variation of class rights | <p>A company's articles can stipulate what does and does not constitute a variation of class rights.</p> <p>An increase in the 'benefits' of a class of members will no longer be treated as a variation of the class rights of other classes.</p> | <p>Allows a company and its members to agree what they consider a variation in their particular circumstances and ensure there is clarity/certainty.</p> |
| Redemptions and purchases (buy-backs) of shares | <p>There are a variety of changes to make redemptions and buybacks easier, including:</p> <ul style="list-style-type: none"> • fewer stipulations on redemption requirements such as having non-redeemable shares or that shares be fully paid; • no solvency test or mandatory shareholder resolution for a redemption/purchase of fully paid shares for nil consideration; • clarity on the directors that can make the solvency statement or reauthorize it if there are board changes; • ordinary resolution rather than special resolution for approval (no filing required); | <p>Greater administrative ease in relation to the process for approving buybacks including lower mandatory approval thresholds, less filing requirements, clarity on the solvency statements.</p> <p>In particular, these changes will enable private companies to have a form of ongoing buyback programme similar to that available to public companies subject to parameters of the shareholder resolution.</p> |

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| | <ul style="list-style-type: none"> • wholly owned subsidiary exemption from shareholder approval; • can approve standing authority for buybacks for a private company up to 5 years; and • abbreviated 12 month solvency statement for directors approving purchases of listed shares through a third party (such as a broker). | |
| <p>Ratification - Redemptions and purchases (buy-backs) of shares and distributions</p> | <p>Directors will be able to ratify a share redemption, purchase or distribution where the required solvency statement is not made by making a further solvency statement.</p> | <p>Facilitates rectifying administrative errors without having to seek consent from the shareholders or a Court application.</p> |

| AREA | CHANGE | IMPACT |
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| Governance and administration | | |
| Direct voting at general meetings | Articles can provide for direct voting at meetings of shareholders by post or electronic means (without the need to appoint a proxy or attend in person). | This provision should enable Jersey companies to embrace the use of modern voting technology. |
| Shareholders' waiver of notice period | The Law has reduced the majority that is required to waive notice of a general meeting from 95 to 90% of the total voting rights where less than 14 days' notice has been given. | This makes the Law consistent. |
| Digital compatibility | A variety of measures have been introduced to equip Jersey companies to be digitally enabled, including enabling the use of electronic seals, digital transfers of shares, electronic delivery of share certificates, participation in meetings using electronic communication technology, the appointment of proxies and voting using electronic means. Articles may also provide that notice of a general meeting may be given by drawing the attention of members to a notice on the company's website. | In totality these updates help future proof Jersey companies and their administration for the digital age. |
| Filing of shareholders' agreements | Statutory clarity on the position is provided to the effect that no filing is required if the agreement includes a term that in the event of conflict with the articles, the agreement will prevail and the articles will be amended accordingly. | A clear position that will be easy for companies and industry to adhere to. |

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| Ceasing public status and prospectuses | <p>If a prospectus was previously issued but all the securities issued or sold pursuant to the prospectus have been repaid, redeemed, purchased by the company or cancelled, it is possible to revert to private status by altering the memorandum to state it is private. Where a company was deemed public, it will automatically revert to its private status if it ceases to be market traded or the securities have been repaid etc.</p> | <p>Helpful for delisted or purchased listed companies to potentially quickly revert to a private status, thereby mitigating the extent and cost of their ongoing administration.</p> |
| No filing of special resolutions that approve ordinary resolution matters | <p>Anything that may be done under the Law by resolution may be done by special resolution but will not require to be filed with the Registry.</p> | <p>This relaxation should eliminate unnecessary filings where at all possible, regardless of how the level of approval is expressed.</p> |
| Name changes | <p>Name changes can now be made by a process in the articles or by way of special resolution, provided notice is provided to the Registry if not by special resolution.</p> | <p>Improves ease of administration and potentially limits formal approvals for name changes, particularly in business sales or transitions.</p> |
| Accounts and audit requirements for companies ceasing to be public or winding up | <p>The requirements for audited accounts for a full financial period in which a public (or deemed public) company ceases to be or is wound up have been clarified, meaning an audit may not be required provided certain conditions are met.</p> | <p>Audit expenses have been mitigated given the company has changed status or is being wound up with additional transparency on the requirements.</p> |
| Public companies - minimum membership removed | <p>A public company can now only have 1 member rather than 2.</p> | <p>This facilitates more flexibility for the incorporation and running of public companies, particularly where they are in a transitional period.</p> |

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| <p>Powers of attorney</p> | <p>When registered, the memorandum and articles bind the company and the members as if signed by each member and in the case of individuals, witnessed (including for the purposes of the Powers of Attorney (Jersey) Law 1995).</p> | <p>This change supports the use of language in articles utilising the appointment of attorneys for example in relation to share transfers.</p> |
| <p>Simpler written resolution process for shareholders</p> | <p>The passing of shareholder resolutions by a certain majority, rather than unanimously, will be permissible and will be passed when signed by that majority, unless prevented by the articles of the company. Members may also now circulate a written resolution, rather than being a process led by the company alone.</p> | <p>For more widely held companies, the ability to pass member resolutions in writing without the process and expense of a general meeting should offer greater efficiency and ability for members to direct the process.</p> |

| AREA | CHANGE | IMPACT |
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| Mergers, schemes of arrangement and continuance | | |
| Schemes of arrangement - removal of headcount test for approval of members | <p>The requirement to obtain the approval of a <u>majority in number</u> of members will be removed.</p> <p>Only the approval by <u>3/4ths of the voting rights</u> of the members or class of members present and voting in person, by proxy or direct vote will be required for members' approvals.</p> | <p>This should make the scheme approval process more user friendly particularly for companies where there can be nominee holders of a limited number who hold interests for a large number of ultimate investors.</p> |
| Mergers | <p>No separate class consents for a merger will be required, just a special resolution of the merging company.</p> <p>Creditor notification thresholds will increase from £5,000 to more than £25,000.</p> <p>No requirement for members to receive consideration for a merger if their shares are not converted into shares of the merged body.</p> <p>It will no longer be necessary to file evidence with the JFSC that a merger is not unfairly prejudicial to the interests of any creditor in the case of a merger.</p> | <p>In conjunction with other anticipated changes to the merger regime later in 2026, it is anticipated these changes will make a material difference to the ability of companies to utilise the merger regime particularly in relation to the ease of the process and its cost effectiveness for acquisitions and restructuring.</p> |
| Continuance/migration (in and out of Jersey) | <p>Greater certainty as to the effect of continuance is expressly included, stating that continuance in Jersey does not create a new legal entity or prejudice or affect the continuity of the company. In addition, a company exiting Jersey is expressly not dissolved.</p> | <p>This strengthens the position regarding continuity of an entity that can be helpful in relation to confirmations that can be needed to be provided to other jurisdictions as part of the continuance process as well as making the creditor notification process more efficient</p> |

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| | <p>The creditor notification threshold is stated as more than £25,000, aligning with mergers.</p> <p>Notices to creditors can now be published in the Jersey Gazette (online).</p> | <p>and focussed on those creditors with a material interest.</p> |
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| AREA | CHANGE | IMPACT |
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| Directors | | |
| Ratification of undisclosed interests by non-conflicted directors | A majority of disinterested directors will be able to ratify a voidable transaction where a director fails to disclose an interest provided the nature and extent of the conflict is disclosed in reasonable detail. The alternative will be shareholder ratification by special resolution. | Helpful measures to remedy inadvertence and avoid impacting transactions. See also ratification of redemptions, buybacks and distributions in respect of solvency statements above. |
| Conflicts of Interest Disclosures | General notices of interest are expressly sufficient and the requirement that any disclosure at a meeting must be recorded in the minutes has been removed. | Provides for a process of proportionate disclosure to avoid burdensome compliance requirements. |
| Indemnities for directors, legal expenses and insurance | <p>The position on directors' indemnities, insurance and legal expenses will be repositioned and made clearer in order to positively cover:</p> <ul style="list-style-type: none"> • a broad range of liabilities; • directors acting for other entities at a company's request; and • legal expenses being paid in advance of the outcome of proceedings, subject to the director undertaking to agree to repay such expenses if they ultimately are not entitled to be indemnified. | These changes have been made to align with the approach required for the day to day requirements of modern businesses and also to align with international expectations. The changes ensure that there is fair and proportionate protection available for those acting as directors. |
| Disqualification of directors already sanctioned in the UK | There will be the automatic removal from office of a UK sanctioned director and for the establishment of personal liability for any liabilities of a company incurred where a director was acting whilst disqualified. There is protection for | This provision helps Jersey governance to be in step with international sanctions and ensure that those directors who have been barred from acting in the UK are also similarly impacted in Jersey. |

third parties dealing with a company in good faith by providing that such persons are not to be treated as being on notice of a director's disqualification due to them appearing in a list of disqualified or sanctioned directors maintained by Jersey or UK authorities. These changes may be implemented separately prior to June 2026.

| AREA | CHANGE | IMPACT |
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| Listed companies | | |
| Extension/clarification of no double audit for listed entities in key regulated markets | <p>Where companies are listed on an exchange in Australia, Japan, Canada or the United States regulated by a prescribed regulator, they can rely on and file their overseas audited accounts in Jersey and there is no need for a further audit in Jersey. Helpful clarification is also provided on the definition of UK regulated market and EU/EFTA regulated market.</p> | <p>This risk for listed companies had already been addressed for companies listed in the UK and EU but now companies listed in Australia, Japan, Ontario and the US can also benefit from this clear efficiency.</p> <p>More user-friendly language in relation to what constitutes a 'market traded company' for audit and auditor requirements in a UK/EU/EFTA context.</p> |
| No prospectus for secondary issuances on a UK market | <p>Changes to the General Provisions Order and Funds Prospectuses Order mean there is no need for a prospectus being issued for listed companies in relation to secondary issuances on a UK market.</p> | <p>The changes mirror UK relaxations to ensure no additional requirements are added in Jersey.</p> |

| AREA | CHANGE | IMPACT |
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| Winding up and liquidation | | |
| Summary winding up | References to a six month period have been removed facilitating interim distributions in certain circumstances, and to permit the sale of assets in exchange for shares (or other similar interests) in another entity which is useful in intra-group reorganisations. | Additional flexibility and simplicity on a solvent winding up. |
| Court ordered creditors' winding up | A variety of clarifications have been made to the regime to enable it to be more easily used, including: <ul style="list-style-type: none"> • a creditor must have a liquidated claim of not less than £3,000 which is due and payable (not contingent) to be potentially eligible to apply for a creditors' winding up order; • the order appointing a provisional liquidator should specify whether all the powers of the directors cease or not; and • a Court ordered creditors' winding up is deemed to commence on the date that the order is made. | Clarity for creditors and office holders in relation to a creditors' winding up, in particular to address practical issues that can arise as part of the process. |
| Standard liquidator powers | The Law will set out standard powers of a liquidator which will be automatically available unless modified by the Court. | Provides liquidators with comfort as to their powers and clear guidance to the Court as to the expected standard powers. |
| Court referrals | Clarification that questions can be referred to the Court in relation to a provisional liquidation as well as to a winding up generally and to permit a director to apply to the Court for determination of a | Comfort for liquidators and directors in respect of any needed access to the Court. |

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| | question relating to the exercise of any continuing powers they hold. | |
| Moratorium | Confirmation that the moratorium which occurs when a winding up is commenced (or a provisional liquidator is appointed), does not prevent a secured creditor from enforcing their security. | Protection for secured creditors. |

Future proposed changes to be aware of...

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| Administration procedure | A new process is proposed to enable a distressed company to apply to the Court for an administration order and appointment of an administrator where there is a likelihood that a company can be rescued or that there is a more advantageous realisation of assets than would be achieved through a winding up. The proposals would recognise and protect the interests of creditors and particularly secured creditors who would be able to enforce their security. | To be debated in March 2026. |
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WHAT ACTION IS REQUIRED?

- > **Review your articles of association and your circumstances:** Can you take advantage of any changes that are most important to you without having to update your articles or will some minor adjustments make your operations easier? If you have a company operating largely on standard table articles, this will be particularly important.
- > **Public and listed companies:** Public companies should review the impact of the changes to see if they could potentially now be considered private and reduce administrative and audit burden. In addition, certain future processes such as secondary issuances might be less burdensome.
- > **Plan for digitalisation:** Prepare systems, processes and stakeholders for electronic records, share issues, meetings, seals and e-delivery of corporate communications if those are useful.
- > **Consider updating your governance, policies and procedures:** Consider whether to refine your standard documents and processes to take advantage of the additional flexibility and efficiencies. If you are a business that uses standard documents to provide services to companies such as fund or corporate administration, you should take this opportunity to review your arrangements.
- > **Directors:** Although many of the changes are refinements and clarifications, there are many that re-position the Law in a manner that change processes that had probably become familiar. You should take time to consider the changes, particularly on items that occur regularly such as in relation to changes of share capital, redemptions, buybacks as well as ensuring you understand the changes to directors' indemnities.
- > **Prepare for updated insolvency and winding-up procedures:** Those who are often involved in restructurings, winding-up companies, financing and enforcement strategies should reflect on the changes in light of clarified creditor thresholds, streamlined liquidator powers and updated Court rules.
- > **Train staff and update policies:** If your business relies on your team having a good understanding of the changes to the Law, consider providing targeted training ahead of commencement.

NEED HELP?

The JTC Law team is available to discuss how these amendments could affect your business. If you need guidance or support, please contact any of our team to get further information in relation to how we can help you.

Summary of key legislation:

- > Companies (Jersey) Law 1991 to be amended by the Companies (Jersey) Amendment Law 2026 (**Law**)
- > Companies (Transfers of Shares - Exemptions) (Jersey) Order 2014
- > Companies (Audit) (Jersey) Order 2010
- > Companies (Demerger) (Jersey) Regulations 2018
- > Companies (General Provisions) (Jersey) Order 2002 (**General Provisions Order**)
- > Companies (Uncertificated Securities) (Jersey) Order 1999
- > Companies (Prescribed Regulators) (Jersey) Order 202-
- > Collective Investment Funds (Certified Funds - Prospectuses) (Jersey) Order 2012 (**Funds Prospectuses Order**)

Available at the Jersey Legal Information Board: www.jerseylaw.je

Prepared on 9 March 2026

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