



Jersey

INVESTORS (PREVENTION OF FRAUD) (JERSEY) LAW 1967

Official Consolidated Version

This is an official version of consolidated legislation compiled and issued under the authority of the Legislation (Jersey) Law 2021.

Showing the law from 1 September 2022 to Current



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INVESTORS (PREVENTION OF FRAUD) (JERSEY) LAW 1967

A **LAW** to penalise fraudulent inducements to invest money¹

Commencement [[see endnotes](#)]

1 Interpretation²

In this Law –

“LLC interest” has the same meaning as in the [Limited Liability Companies \(Jersey\) Law 2018](#);

“securities” means –

- (a) shares or debentures, or rights or interests (described whether as units or otherwise) in any shares or debentures;
- (b) LLC interests in a limited liability company registered under the [Limited Liability Companies \(Jersey\) Law 2018](#) or rights or interests (described whether as units or otherwise) in any LLC interests;
- (c) securities of the States or of the Government of the United Kingdom or of Northern Ireland or the Government of any country or territory outside the United Kingdom; or
- (d) rights (whether actual or contingent) in respect of money lent to, or deposited with, any industrial and provident society or building society,

and includes rights or interests (described whether as units or otherwise) which may be acquired under any unit trust scheme under which all property for the time being subject to any trust created under the scheme consists of such securities as are mentioned in sub-paragraph (a), (b) or (c) of this definition.

2 Fraudulent inducement to invest money

Any person who, by any statement, promise or forecast which the person knows to be misleading, false or deceptive, or by any dishonest concealment of material facts, or by the reckless making (dishonestly or otherwise) of any statement, promise or forecast which is misleading, false or deceptive, induces or attempts to induce another person –

- (a)
 - (i) to lend to the person or to any other person money on terms involving payment of interest or repayment at a premium, or
 - (ii) to enter into or offer to enter into any agreement for that purpose;
- (b) to enter into or offer to enter into –
 - (i) any agreement for, or with a view to, acquiring, disposing of, subscribing or underwriting securities, or
 - (ii) any agreement the purpose or pretended purpose of which is to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the value of securities;
- (c) to take part or offer to take part in any arrangements with respect to property other than securities, being arrangements the purpose or effect, or pretended purpose or effect, of which is to enable persons taking part in the arrangements (whether by becoming owners of the property or any part of the property or otherwise) to participate in or receive profits or income alleged to arise or to be likely to arise from the acquisition, holding, management or disposal of such property, or sums to be paid or alleged to be likely to be paid out of such profits or income; or
- (d) to enter into or offer to enter into an agreement the purpose or pretended purpose of which is to secure a profit to any of the parties by reference to fluctuations in the value of any property other than securities,

shall be liable to a fine or to imprisonment for a term not exceeding 7 years or to both such fine and such imprisonment:

Provided that the provisions of sub-paragraph (a) of this Article shall not apply to any inducement or attempted inducement made to any person whose ordinary business includes the business of banking, or who carries on a business of such other class or description as may be prescribed.

3 Citation³

This Law may be cited as the Investors (Prevention of Fraud) (Jersey) Law 1967.

ENDNOTES

Table of Legislation History

Legislation	Year and Number	Commencement
Depositors and Investors (Prevention of Fraud) (Jersey) Law 1967	L.14/1967	14 June 1968 (R&O.5043)
Depositors and Investors (Prevention of Fraud) (Amendment) (Jersey) Law 1968	L.1/1969	1 February 1969
Depositors and Investors (Prevention of Fraud) (Amendment No. 2) (Jersey) Law 1970	L.3/1971	23 January 1971
Depositors and Investors (Prevention of Fraud) (Amendment No. 3) (Jersey) Law 1976	L.8/1976	2 April 1976
Depositors and Investors (Prevention of Fraud) (Amendment No. 4) (Jersey) Law 1978	L.3/1978	9 June 1978 (Article 1 in force 1 February)
Depositors and Investors (Prevention of Fraud) (Amendment No. 5) (Jersey) Law 1982	L.4/1982	2 April 1982
Depositors and Investors (Prevention of Fraud) (Amendment No. 6) (Jersey) Law 1986	L.15/1986	18 January 1983 (R&O.7140)
Depositors and Investors (Prevention of Fraud) (Exemption from Registration) (Jersey) Order 1987	R&O.7621	1 February 1987
Finance (Jersey) Law 1990	L.10/1990	31 January 1990
Banking Business (Jersey) Law 1991	L.19/1991	1 October 1991 (R&O.8272)
Limited Liability Companies (Consequential Amendments) (Jersey) Regulations 2022	R&O.38/2022	1 September 2022

Table of Renumbered Provisions

Original	Current
2	repealed by L.19/1991
3	repealed by L.19/1991 ; amended by L.4/1982
4	repealed by L.19/1991 ; amended by L.3/1978 , L.15/1986 , L.10/1990
5	repealed by L.19/1991 ; amended by L.1/1969 , L.3/1971 , L.8/1976
6	repealed by L.19/1991
7	repealed by L.19/1991
8	repealed by L.19/1991
9	repealed by L.19/1991 ; amended by L.1/1969 , L.8/1976

Original	Current
9A	repealed by L.19/1991 ; inserted by L.3/1971
10	repealed by L.19/1991
11	repealed by L.19/1991
12	2
12A	repealed by L.19/1991 ; inserted by L.4/1982
12B	repealed by L.19/1991 ; inserted by L.4/1982
12C	repealed by L.19/1991 ; inserted by L.4/1982
12D	repealed by L.19/1991 ; inserted by L.4/1982
12E	repealed by L.19/1991 ; inserted by L.4/1982
12F	repealed by L.19/1991 ; inserted by L.4/1982
12G	repealed by L.19/1991 ; inserted by L.4/1982
13	repealed by L. 19/1991
14	repealed by L.19/1991
15	repealed by L.19/1991 ; amended by L.3/1978 , L.4/1982
16	3
SCHEDULE	repealed by L.19/1991 ; inserted by L.4/1982 ; amended by R&O.7621

Table of Endnote References

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- ¹ Long title *Originally called Depositors and Investors (Prevention of Fraud) (Jersey) Law 1967; amended by L.19/1991*
- ² Article 1 *definitions “building society”, “the Committee”, “debentures”, “enactment”, “friendly society”, “industrial and provident society”, “prescribed”, “registered”, “shares”, “unit trust scheme” deleted by L.19/1991; former definitions “friendly society”, “industrial and provident society” substituted by L.4/1982, amended by R&O.38/2022*
- ³ Article 3 *amended by L.19/1991*