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THE JERSEY FINANCIAL SERVICES COMMISSION ISSUES A NEW COLLATERALISED LOAN OBLIGATION REFINANCING CONFIRMATION CHECKLIST

Jersey has experienced an increase in the number of migrations to the Island of issuers in collateralised loan obligation (“**CLO**”) transactions, with many structured so that outstanding notes are reset at the same time as the continuance-in takes effect.

A number of these same CLO issuers refinance the notes that were issued at the time of their migration.

As these structures often require the issue of a new consent, the Jersey Financial Services Commission (the “**Commission**”) has issued a new checklist (the “**CLO Checklist**”), which should greatly assist with streamlining all future CLO refinancing transaction applications.

The CLO Checklist is designed for all CLO refinancing transaction applications where a Jersey-domiciled issuer has previously received consent from the Commission.

CONDITIONS

It is important to note that the new CLO Checklist only applies in the following circumstances:

- the issuer is a Jersey registered company;
- the issuer has already been issued with consent for the issue of notes as part of a CLO transaction;
- the notes being refinanced will result in the issue of new, or further notes that are materially consistent with the previously approved terms and conditions; and
- all the requirements of the CLO Checklist are met, and the confirmations contained therein can be provided by the board of the issuer.

If these conditions can be satisfied, applicants should complete the new CLO Checklist. If these conditions cannot be satisfied, applicants should complete the Commission’s “Checklist for Securities Issues by Jersey Companies” (the “**Securities Checklist**” and together with the CLO Checklist, the “**Checklists**”). The Checklists should be submitted by email to spv@jerseyfsc.org

TURNAROUND TIMES

The Commission has indicated similar timelines to those set out in its Securities Checklist, meaning that the complete review process should take between five and ten working days. The formal registration/consent stage seldom takes more than a day or two.

In exceptional circumstances, turnaround times may be even quicker, for example, if all the paperwork is comprehensive and complete. The Commission will always do its best to meet any reasonable targets, subject to workload and available resources.

WHY CHOOSE LEXSTONE LAWYERS?

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