

# **STATES OF JERSEY**



## **DRAFT POSTAL SERVICES (TRANSFER) (JERSEY) REGULATIONS 200- (P.9/2006): SECOND AMENDMENT**

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**Lodged au Greffe on 14th March 2006  
by the Minister for Treasury and Resources**

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**STATES GREFFE**

DRAFT POSTAL SERVICES (TRANSFER) (JERSEY) REGULATIONS 200- (P.9/2006): SECOND  
AMENDMENT

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NEW REGULATION 16 INSERTED

After Regulation 15 insert the following Regulation and renumber the remaining Regulations accordingly–

**“16 Restriction on exercise of powers by Minister for Treasury and Resources**

The following powers are prescribed for the purposes of Article 27(5)(d) of the Law–

- (a) the power to vote on a resolution of Jersey Post International Limited for, or otherwise authorize, the disposal of its shares or share rights in Jersey Post Limited, or the creation or disposal of security interests over those shares or share rights or the creation of any other charge over those shares or share rights;
- (b) the power to vote on a resolution of Jersey Post International Limited for, or otherwise authorize, the exercise of that company’s powers and rights, as the holder of securities in Jersey Post Limited, to vote on a resolution for, or otherwise authorize –
  - (i) the issue of shares or share rights in Jersey Post Limited to any person other than Jersey Post International Limited, or
  - (ii) the winding up of Jersey Post Limited.”

MINISTER FOR TREASURY AND RESOURCES

## REPORT

It has always been the intention that the Postal Services (Jersey) Law 2004 (the “Law”) would reserve to the States any decision to sell Jersey Post.

Article 27 of the Law aimed to do so by placing the following powers with the States rather than the Minister for Treasury and Resources who holds all other powers as holder of securities in the principal company Jersey Post International Limited –

- (a) the power to dispose of the shares or share rights in a principal company, or create or dispose of security interests over those shares or share rights or otherwise charge those shares or share rights;
- (b) the power to authorize the issue of shares or share rights in a principal company to any person other than the States;
- (c) the power to vote on a resolution to wind up a principal company;
- (d) such other powers as the States have prescribed by Regulations.

The Draft Postal Services (Transfer) (Jersey) Regulations 200- (the “Transfer Regulations”) provide for the vesting of the employees, assets and businesses of Jersey Post into a subsidiary of Jersey Post International Limited named Jersey Post Limited.

However, Jersey Post Limited is not a principal company under the Law and as such the power to dispose of shares in that company, for example, would not be retained by the States under the Law.

Steps have therefore been taken to amend the Articles of Association of Jersey Post International Limited such that that the directors will not be able to exercise the above powers (a) through to (c) in respect of Jersey Post Limited without the approval of the shareholder.

However, without any further amendments to the Law or Regulations, the power to dispose of shares in Jersey Post Limited would rest with the Minister for Treasury and Resources. Whilst the Minister for Treasury and Resources would not do so without the approval of the States, it was never the intention that any body other than the States would hold such powers.

This Second Amendment to the Transfer Regulations ensures that the States retains the same powers over the securities of Jersey Post Limited, the main trading entity, as it already has over those of Jersey Post International Limited.

There are no financial or manpower implications for the States arising from the adoption of this Amendment.