

STATES OF JERSEY

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JERSEY ENTERPRISE BOARD LIMITED: PROPOSED ESTABLISHMENT

**Lodged au Greffe on 19th December 2007
by the Council of Ministers**

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to refer to their Act dated 12th December 1995 in which they approved the establishment of the Waterfront Enterprise Board Limited, and –

- (a) to agree to the establishment of a new development agency as a company, to be known as the Jersey Enterprise Board Limited, in accordance with the Memorandum and Articles of Association set out in Appendix 2 of the report of the Council of Ministers dated 19th December 2007;
- (b) to agree that the Waterfront Enterprise Board Limited should become a subsidiary of the Jersey Enterprise Board Limited, and that appropriate amendments be made to its Memorandum and Articles of Association as set out in paragraph 8.2 of the said report.

COUNCIL OF MINISTERS

REPORT

1. Introduction

- 1.1 The Council of Ministers wishes to propose the establishment of a new company, to be known as 'Jersey Enterprise Board Limited' to act as (among other things) the developer of property assets currently belonging to the Public but which are not otherwise required to meet States needs. The Company would also take on the activities of the Waterfront Enterprise Board Limited in developing the St. Helier Waterfront and purchase and develop non-States property assets that are required to achieve the Regeneration Strategies of the Regeneration Task Force.
- 1.2 The new company would have 3 major roles –
- (1) Acting as the developer of property assets currently belonging to the Public that have been authorised for development;
 - (2) Implementing and coordinating the development for the whole of the St. Helier Waterfront including the greater harbour area and La Collette, in accordance with approved development plans and other relevant guidance prepared by the Minister for Planning and Environment;
 - (3) Playing a key role in the implementation of the St. Helier regeneration strategy.
- 1.3 It should be noted that the new company would be separate from the States Property Holdings Department and would have a completely different role. Property Holdings is responsible for managing States property in the most effective manner to provide a good base for delivering public services. If there is significant additional value to be generated from development of property managed by Property Holdings, that property would, subject to the authorisation of the Minister for Treasury and Resources, be transferred to JEB as the development company to maximise the financial return to the States.

2. Background

- 2.1 In June 2005 the States agreed to the formation of a new department, to be known as 'States of Jersey Property Holdings' (*'States of Jersey Property Holdings: Establishment', P.93/2005*). As part of this decision, the States agreed that this new department would come under the Finance and Economics Committee and its successor, the Minister for Treasury and Resources. The States also decided that the administration of all States property assets, with the exception of assets under the administration of the trading committees and the social housing administered by the then Housing Committee, should be transferred to States of Jersey Property Holdings ('Property Holdings').
- 2.2 It was agreed that the role of the new department should be *'to develop a modern, innovative approach to the management of property'*, and that its aims should include the following –
- Optimising operational efficiency;
 - Minimising under-performing/unproductive property assets; and
 - Maximising and implementing opportunities for cost reduction and for extracting capital from portfolio.
- 2.3 The States Property Plan, which forms part of the States Strategic Plan 2006-2011, sets out how Property Holdings will work towards delivering a number of objectives, including a corporate approach to property management and the extraction of optimum benefit from property assets. The main focus of Property Holdings is on the rational management of publicly-owned property assets, and the question has been raised as to what would be the best arrangement for dealing with those assets that are no longer required.
- 2.4 One option would be for a division to be created within Property Holdings that would deal purely with the

development of those assets identified for development. This division would consist of a group of development officers who would liaise with both the public and private sectors in reviewing the future of these sites and in promoting their development.

2.5 Although such an arrangement might have the virtue of simplicity, it does have 2 major drawbacks –

- Experience both in Jersey and elsewhere has shown that the private sector is reluctant to deal with the public sector in the area of property development. A more commercial type of arrangement, such as a limited liability company, is regarded by the private sector as having much greater credibility and flexibility, with the ability to employ individuals who have the right background and experience to work in partnership with both the public and private sectors.
- A public sector arrangement would not provide the financial flexibility that is needed for successful development projects. A limited liability company, in contrast, would provide the scope to establish financing structures which are commonly used in the private sector for project financing purposes and would provide greater flexibility while maintaining transparency and accountability.

2.6 A second option would be for Property Holdings to employ consultants with development expertise in order to carry out the work associated with the development of States property assets. However, this option is likely to be expensive, given the costs of employing consultants on an hourly or contract basis, and in any event it would not provide the advantages that would be brought with the creation of a limited liability company.

2.7 Another option would be to set up joint ventures with commercial developers on a case-by-case basis, with certain rights and rewards being reserved for the States of Jersey. The use of joint ventures could, however, lead to the piecemeal identification and development of land, without a clear long-term strategy in place. In addition, joint ventures can limit the range of commercial partners and developers, as they often lack clear objectives and structures.

2.8 The Council of Ministers therefore favours a fourth option, which is based on the establishment of a limited liability company for the purposes of property development. Further details of this proposal are set out below.

3. Jersey Enterprise Board Limited: Establishment

3.1 It is proposed that a new development company, to be known as Jersey Enterprise Board Limited ('JEB'), be established to act as the lead developer of States property assets that are not otherwise required to meet States needs. This company would have just two shares of £1.00 each, one of which would be held by the Chief Minister (as a corporation sole under the States of Jersey Law 2005). The other share would be held by the Minister for Treasury and Resources (as a corporation sole under the States of Jersey Law 2005) as a nominee for the Chief Minister. The company would be registered under the Companies (Jersey) Law 1991 as 'Jersey Enterprise Board Limited', but for general purposes would be known simply as the Jersey Enterprise Board or 'JEB'.

3.2 JEB would develop assets that have been transferred to it by Property Holdings and which have been authorised by the Minister for Treasury and Resources for transfer. It would be the role of Property Holdings, in consultation with the Minister for Treasury and Resources and JEB to identify suitable properties. It would be for JEB to agree with the Minister for Planning and Environment, in accordance with normal planning procedures, uses that might be appropriate for these properties.

3.3 The ownership and administration of those sites within the States portfolio that are identified as having the potential for development would, subject to the authorisation of the Minister for Treasury and Resources, be transferred to JEB. Arrangements for sale of individual properties with limited or no development potential would continue to be dealt with by Property Holdings.

- 3.4 The new company would take on the activities of Waterfront Enterprise Board (WEB) Limited, which was established by the States in 1995 as a company in order to 'promote, coordinate and implement a comprehensive strategy for the development of St. Helier Waterfront. Under these arrangements the Waterfront Enterprise Board Limited would remain in existence and would become a subsidiary of JEB, thereby ensuring that transactions entered into by WEB since 1995 would remain in force. The Chairman and members of the JEB would be the same as those of WEB.
- 3.5 WEB already has extensive experience in property development, and it would be advantageous if the expertise that exists within the company could be harnessed to support the proposed new development company. It is accordingly proposed that the staff in WEB would be transferred to the new company. The Managing Director of WEB would become JEB's Managing Director and would have the specific brief of overseeing the progression of all sites identified for sale or development. He or she would head a professional team that would operate as a property developer to the States. Their objective would be to obtain the optimum development value from property assets, whilst having regard to the socio-economic strategies of the States of Jersey and the interests of the Public.
- 3.6 The new arrangement would have the following advantages –
- the Jersey Enterprise Board Limited can be given a clear, long-term mandate with responsibility and accountability;
 - clear direction can be given as to the objectives under which the development of sites will take place; and
 - it will signal a clear intent of purpose that the States wishes to develop land on a commercial basis with appropriate safeguards under existing planning rules, whilst having regard to the socio-economic strategies of the States of Jersey and the interests of the Public.
- 3.7 It is proposed that JEB would work within a policy framework determined by a new body, to be called the Regeneration Task Force, further details of which are given below.

4. Regeneration Task Force

- 4.1 In approving the Strategic Plan 2006-2011, the States have agreed that a key priority for the Council of Ministers should be the production of a strategy for the development and regeneration of St. Helier (Strategic Plan, paragraph 4.2). To this end, the Council has established a Regeneration Task Force with the remit of taking this initiative forward.
- 4.2 The Task Force will report directly to the Council and will be comprised of the Connétable of St. Helier and the following Ministers (or their delegated Assistant Ministers) –
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|------------|---|
| President: | Chief Minister |
| Members: | Minister for Treasury and Resources |
| | Minister for Planning and Environment |
| | Minister for Transport and Technical Services |
| | Minister for Economic Development |
- 4.3 Executive support to the Task Force will be provided by an Executive Director, who will be based at the Planning and Environment Department, together with further officer support from other States departments as and when necessary. This is likely to include secondments from relevant States departments, such as Planning and Environment, Transport and Technical Services, Economic Development, and Property Holdings, as well as the Parish of St. Helier.

- 4.4 The role of the Task Force will be to develop Regeneration Strategies in consultation with stakeholder groups, including St. Helier residents, the local business community, relevant States departments, JEB and the general public. The draft Strategies will be submitted to the Council of Ministers and then to the States for their approval.
- 4.5 Once Regeneration Strategies have been approved by the States, the Task Force will develop an implementation plan and oversee its implementation. It is envisaged that the Strategies will be implemented over an extended 15-year period, and the Task Force will provide political leadership and coordination throughout this period. The Task Force would provide regular progress reports to the Council of Ministers during this period, and would seek guidance and support from the Council as and when necessary.
- 4.6 Further information about the St. Helier Regeneration Strategies, together with the proposed delivery structure, is given in **Appendix 1**.

5. Jersey Enterprise Board Limited: Composition and Terms of Reference

- 5.1 The JEB will play a key role in the implementation of the Regeneration Strategy, and its proposed terms of reference with respect to the Regeneration Strategies are set out below –
- (a) To work within the general policy framework determined by the Regeneration Task Force in progressing the implementation of a regeneration strategy for St. Helier, and in this connection–
 - (i) to give particular attention to undertaking and coordinating the development for the whole of the St. Helier Waterfront area, including the sites known as West of Albert, East of Albert, and St. Helier Harbours, marrying up the various requirements for the area; and
 - (ii) to manage the development and improvement of major publicly owned sites in accordance with the regeneration strategies;
 - (b) To consider sites referred to it by Property Holdings and authorised by the Minister for Treasury and Resources for possible development, whether in St. Helier or in other parts of the Island having regard to the socio-economic strategies of the States of Jersey and the interests of the Public;
 - (c) To identify potential uses, and to maximise opportunities to make the best use of these sites.
- 5.2 The company's work programme would be based on an annual business plan that would be prepared by JEB in accordance with the Regeneration Strategies of the Regeneration Task Force and following consultation with Property Holdings. The annual business plan would be approved by JEB's board of directors.
- 5.3 The JEB board of directors (the "Board") would be made up as follows –
- (a) one individual who is a Minister or an Assistant Minister;
 - (b) one individual, other than the individual nominated pursuant to paragraph (a) above, who is a States member;
 - (c) the Director of Property Holdings from time to time;
 - (d) a full-time employee who will act as the Managing Director; and
 - (e) 3 other individuals who are independent members not being members of the States.

The States will determine the appointment of the chairman and independent members on the recommendation of the Chief Minister and appointments would be for a period of 3 years. The Chief Minister as shareholder would have the authority to give directions to the Board, and the Minister for Treasury and Resources, as one of the company's shareholders, would be kept informed of the Board's work.

- 5.4 It is proposed that the composition of the board for the Waterfront Enterprise Board Limited would be the same as that of JEB, with the appointments of the chairperson and the independent members being made by the Chief Minister rather than by the States. This change to the composition of the board and the appointments process will require an amendment to the WEB Memorandum and Articles of Association, as explained in paragraph 8.2 below.
- 5.5 The chairman, independent members, and Managing Director would all receive appropriate levels of remuneration for their services as members of the Board. The Director of Property Holdings would not receive any remuneration for his work as a Board member, but would be a member by virtue of his employment with Property Holdings. All Board members would be reimbursed for expenses incurred during their work for the Board.
- 5.6 JEB would have all the normal powers of a company including the power to buy and sell land and the power to borrow money.
- 5.7 JEB would be exempt from paying tax in the same way that Waterfront Enterprise Board Limited is.
- 5.8 The JEB would operate within the policy direction of and in consultation with the Regeneration Task Force. The Regeneration Task Force would provide clear terms of reference for any areas of land to be transferred to JEB, including land outside St. Helier, including the planning remit, transport requirements and any other relevant parameters. Once these parameters have been identified, the Board would have the responsibility for taking forward the development of individual sites, including, if appropriate, working in cooperation with commercial partners, and having regard to the socio-economic strategies of the States of Jersey and the interests of the Public.
- 5.9 The Task Force would provide general oversight of the work of the Jersey Enterprise Board, and would ensure that the necessary monitoring arrangements are in place. The Task Force will not, however, interfere with the day-to-day running of the Board, as this would compromise the degree of independence and flexibility that the Board will need to carry out its work effectively.
- 5.10 Land under the administration of Jersey Harbours and of the Airport will continue to remain under the responsibility of the Minister for Economic Development. Any significant proposals for the future development of the harbours at St. Helier and/or the Airport would need to be referred by the Minister to JEB and to the Regeneration Task Force so that they may be considered in the wider context of plans as a whole. The Minister would be expected to have regard to the views of the Regeneration Task Force before taking any decisions in this connection.

6. Special Purpose Companies

- 6.1 As noted above, it is proposed that JEB would deal only with the larger and/or more complex sites identified for development.
- 6.2 Examples of possible sites include –
- The greater harbour area, including East of Albert, West of Albert, St. Helier Harbours, and land at La Collette;
 - St. Saviour's Hospital (residual land);
 - Airport (non-operational land).
- 6.3 It is proposed that JEB establish individual subsidiaries to act as special purpose companies (SPCs) to facilitate the development of each of the sites categorised for development. These SPCs will principally be established for project financing purposes or for ring-fencing of assets and liabilities, and each project will be treated as a separate entity. Each project would have clearly identified goals, and all costs and

potential income would be identified, thereby providing for clear accountability, segregation and discipline.

6.4 JEB may work in partnership with the private sector, and in such cases it might seek to involve a developer(s) at an early stage in a project. This will enable JEB and the developer to consider the potential for the site as a whole, taking into account existing uses and how these should be accounted for.

6.5 In relation to the greater harbour area, it is clear that this is a major public asset with the potential for mixed public/private sector development. The land in the greater harbour area which is currently administered by the Minister for Economic Development and the Harbour Master, together with the land under public administration at La Collette, is currently the subject of a development feasibility study, and it is proposed that this should be transferred to a Special Purpose Company once a master plan has been agreed. This will enable this key asset to be considered and progressed in the context of the development of the greater harbour area as a whole, as well as in the general framework of the St. Helier regeneration strategy. The development role of Jersey Harbours would therefore be taken over by the SPC, whilst Jersey Harbours would continue to focus on its core activities of operations and financial/commercial management.

7. Leasehold/Freehold Options

7.1 It will be necessary to transfer the ownership of all or part of a site belonging to the public to JEB in order for JEB to secure development finance and/or a joint venture partner to undertake the redevelopment of those sites. The main options could include –

- Freehold transfer: Primarily used for residential development sites;
- Leases: A long-term lease can be appropriate for non-residential uses (e.g. 99 years), with the freehold reversion remaining with the public.

8. Memorandum and Articles of Association

8.1 A draft Memorandum and Articles of Association has been prepared for the proposed JEB, and these are attached as **Appendix 2**.

8.2 Changes will be required to the Memorandum and Articles of Association of the Waterfront Enterprise Board Limited consequent on it becoming a subsidiary of JEB and to update them. In particular, it is proposed that the Chairman and members of the board of directors of WEB should be the same as those of JEB, thereby ensuring a sharing of aims and objectives. In addition, the references to the Greffier of the States will need to be changed to ‘the Chief Executive of the Chief Minister’s Department’, as the Greffier does not have any active involvement in the operation of WEB and changes will need to be made to the names of the shareholders. The references to ‘committee’ in the Memorandum and Articles should be changed to either ‘Chief Minister’ or ‘Minister’ to reflect the change from the committee to the ministerial system of government that has taken place since 1995.

9. Financial and manpower implications

9.1 The Waterfront Enterprise Board Limited is financially self-supporting, and it is proposed that JEB should also operate on this basis. There will not therefore be any financial and manpower implications for the States arising directly from these proposals.

9.2 Changes to the West of Albert Plan are currently being reviewed by the Minister for Planning and Environment and the Waterfront Enterprise Board Limited, and any resource implications arising from these changes would need to be reviewed separately.

9.3 In the first instance, it is proposed that the executive responsibilities of the new company will be carried out by the staff currently employed by the Waterfront Enterprise Board. It is possible that additional staff

may be needed in due course, but this will be a matter for the company's Managing Director to consider, in consultation with the JEB Board. Any increased costs resulting from a decision to employ additional staff would in any event need to be borne by JEB, not by the States.

9.4 It has been noted in paragraph 4.3 that executive support to the Regeneration Task Force will be provided by an Executive Director, based at the Planning and Environment Department, and this post will need to be funded from within the States agreed cash limits.

10. Implementation

10.1 Subject to approval by the States, it is proposed that the Jersey Enterprise Board Limited should be incorporated as a company as soon as practicable. As a target date, it is proposed that the company should commence operations on 1st May 2008.

11. Conclusion

11.1 The Council of Ministers strongly supports the view that appropriate mechanisms should be in place to support the management and development of States property assets. A major step was taken by the States in 2005 when they agreed to establish Property Holdings, but the Council believes that a further mechanism is needed if the States is going to maximise the potential of those sites.

11.2 The Council believes that this mechanism will be provided by the establishment of the Jersey Enterprise Board Limited. The company will provide the necessary flexibility, expertise and accountability to enable this to happen, and will play a key part in the implementation of a strategy for the regeneration of St. Helier.

COUNCIL OF MINISTERS
19th December 2007

ST. HELIER REGENERATION STRATEGY

Proposed Delivery Structure

Introduction

This paper sets out an initial outline of a delivery structure which will require significant expansion once the basic principles have been agreed.

Successful implementation of the Strategy over a 15 year timescale will require –

- An agreed and coherent implementation plan.
- Effective project management of the total programme and individual development projects.
- Strong and consistent application of planning powers.
- Ongoing public engagement and support.
- Commitment and support from the local business community.
- Effective development partnerships for specific sites and projects.
- Use of publicly-owned assets as a means to kick-start or deliver specific improvements.
- Commitment and support from the Parish of St. Helier and Transport and Technical Services.
- A vehicle to facilitate land assembly, access to private finance and commercial development expertise.

In the U.K. vehicles such as Urban Regeneration Companies or Partnerships have been used to create and manage such programmes. One of their key functions was to bring together central and local government functions with regional and other agencies. In Jersey there is not the same proliferation of agencies so it is proposed to create a simpler structure which is led by a high-level political executive. The elements of such a structure could be as follows –

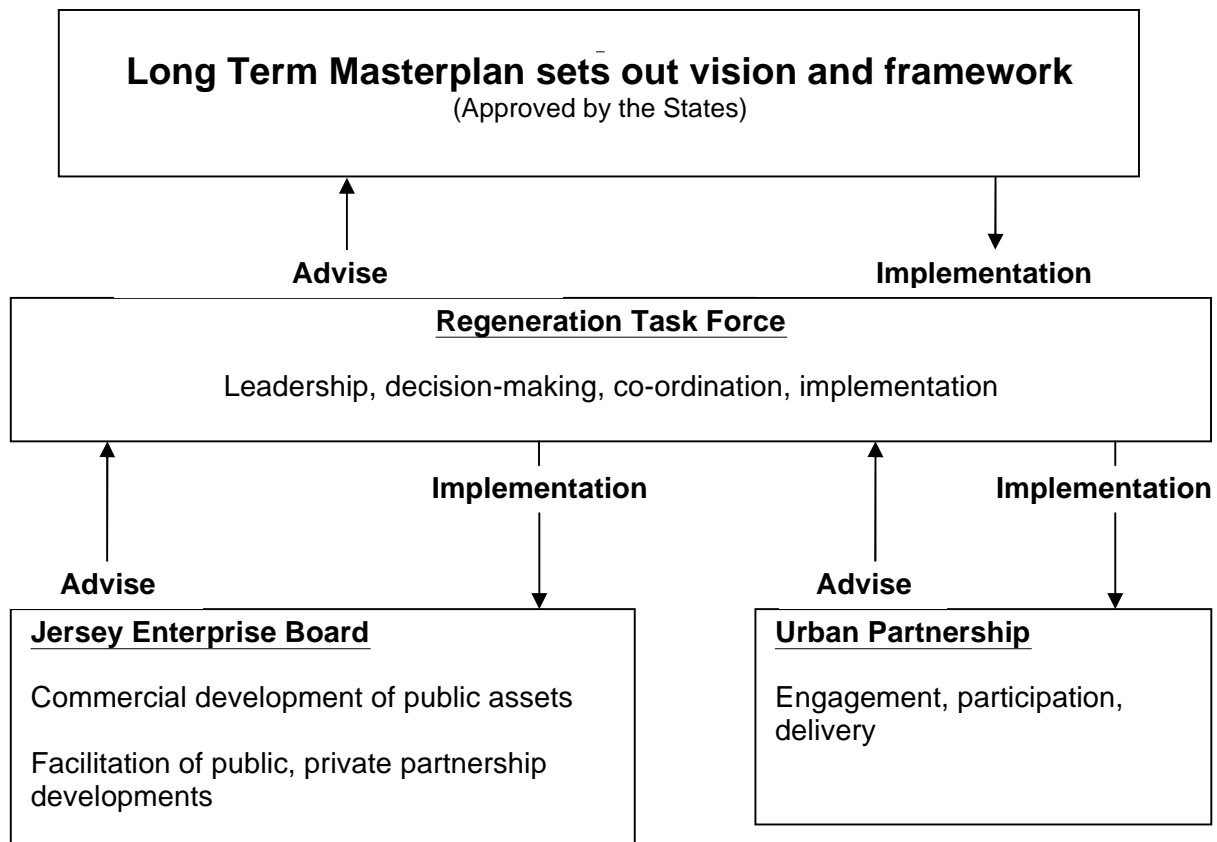
Long Term Masterplan –

Determined by the States advised by Task Force

<u>Planning Permission</u>	Determined by the Minister for Planning and Environment in accordance with Island Plan policies, and having regard to the Masterplan, as a means of regulating development to accord with the overall Masterplan.
<u>Regeneration Task Force</u>	Develop detailed implementation plan. Oversees implementation of plan, in partnership with business and developers.

	Strong political leadership, combined executive arm.
<u>Urban Partnership</u> (reports to Task Force)	Consultative/partnership vehicle to ensure that stakeholders are fully engaged, participating and implementing the plan. Working with and advises Regeneration Task Force.
<u>Jersey Enterprise Board (JEB)</u>	Company to develop public assets in line with the plan and engage commercial parties in direct development activities.

In Diagram Form the new structure will be as follows –



The following Annex sets out initial membership and functions.

Membership and Functions

Regeneration Task Force (Answering to the Council of Ministers)

<u>President:</u>	Chief Minister
<u>Members:</u>	Ministers of Treasury and Resources, Planning and Environment, Transport and Technical Services and Economic Development Connétable of St. Helier
<u>Executive Support:</u>	Executive Director, plus Town Centre Manager, plus secondees as and when necessary from Planning, TTS, Parish, Economic Development and Property Holdings.

Development Vehicle for Public Sector Assets:

Jersey Enterprise Board (JEB) – A company with 2 shares of £1.00 each, one of which would be held by the Chief Minister (as a corporation sole under the States of Jersey Law 2005) and the other held by the Minister for Treasury and Resources (as a corporation sole under the States of Jersey Law 2005) as a nominee for the Chief Minister.

Regeneration Functions

- Responsible for development of specific sites in accordance with Planning framework and as determined by the Task Force.
 - Land Assembly of public private holdings to create consolidated development sites.
 - Access to private sector finance guaranteed against development land value.
 - Commercial development partnerships.
 - Commercial development expertise and advice to the Task Force and wider partnership.
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Urban Partnership

<u>Membership:</u>	Task Force, Chamber of Commerce, IOD, Architects, Heritage Trust, etc.
<u>Functions:</u>	<ul style="list-style-type: none"> ● Involvement in planning development proposals. ● Ensuring co-operation in town centre management. ● Securing active engagement/participation in specific projects, etc.

COMPANIES (JERSEY) LAW 1991

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
of
JERSEY ENTERPRISE BOARD LIMITED

1. The name of the Company is: “Jersey Enterprise Board Limited”.
2. The capital of the Company is £2 divided into two shares of £1 each.
3. The liability of each member is limited.
4. The Company is a par value company, in accordance with Article 3 of the Companies (Jersey) Law 1991.
5. The Company shall exist until dissolved by special resolution or otherwise according to law.
6. The Company is a public company.

We, the persons whose names and addresses are hereunto subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the numbers of shares in the capital of the Company noted opposite our respective names.

Name and Address of Subscriber	No. of Shares taken	Signature
The Chief Minister of the States of Jersey St Helier Jersey Channel Islands	1	<hr/> [The Chief Minister] <i>or</i> [Chief Executive, Chief Minister's Department for and on behalf of the Chief Minister]
Treasury and Resources Minister St. Helier Jersey Channel Islands	1	<hr/> [Treasury and Resources Minister] <i>or</i> [The Treasurer of the States for and on behalf of the Treasury and Resources Minister]

Dated this day of 2007

Witness to the above signatures:

Address: St. Helier
 Jersey
 Channel Islands

ARTICLES OF ASSOCIATION
OF
JERSEY ENTERPRISE BOARD LIMITED

INTERPRETATION

1. In these Articles:

- “Articles”** means these Articles of Association of the Company and “Article” shall be construed accordingly;
- “Assistant Minister”** means a States member holding an office as an Assistant Minister in accordance with Article 25 of the States of Jersey Law 2005;
- “Auditors”** means the auditors for the time being of the Company;
- “Board”** means the board of Directors of the Company from time to time;
- “Chairman”** means one of the Directors appointed from time to time as the chairman of the Board in accordance with Article 30;
- “Chief Minister”** means the holder of the Chief Minister of the States of Jersey;
- “Company”** means the company incorporated under the Law in respect of which these Articles have been registered;
- “Director”** means a person who has been appointed in accordance with these Articles as a director of the Company;
- “executed”** includes any mode of execution;
- “holder”** in relation to shares means the member whose name is entered in the register of members as the holder of the shares;
- “Minister”** means a States member holding an office as a Minister in accordance with Article 19 or Article 23 of the States of Jersey Law 2005;
- “Non-States Director”** means a person nominated by the Chief Minister pursuant to Article 28(e) and subsequently appointed as a Director in accordance with the procedure set out in Articles 28*et seq*
- “ordinary resolution”** means a resolution of the Company in general meeting to be adopted, or adopted, by a simple majority of the votes cast at that meeting;

- “Property Holdings”** means the department known as the States of Jersey Property Holdings created by the Act of the States of 7 June 2005;
- “Regeneration Task Force”** means the body established by the Council of Ministers on 8 February 2007 in its Act number B5 to promote the development and regeneration of St. Helier, Jersey;
- “Registered Office”** means the registered office of the Company;
- “seal”** means the common seal of the Company;
- “secretary”** means the secretary of the Company or other person appointed to perform the duties of the secretary of the Company including a joint, assistant or deputy secretary;
- “special resolution”** means a resolution of the Company in general meeting to be adopted, or adopted, by a majority of not less than two-thirds of the votes cast at that meeting;
- “States”** means the States of Jersey;
- “States member”** means a member of the States of Jersey in accordance with Article 2(1) of the States of Jersey Law 2005; and
- “the Law”** means the Companies (Jersey) Law 1991 including any statutory modification or re-enactment thereof for the time being in force.

Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Law, but excluding any statutory modification thereof not in force when these Articles became binding on the Company.

Words importing the singular number shall include the plural and vice versa, and words importing the masculine shall include the feminine and neuter and vice versa.

The Standard Table prescribed pursuant to the Law shall not apply to the Company and is hereby expressly excluded in its entirety.

SHARE CAPITAL

2. (a) Subject to the provisions of the Law, and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
- (b) Following incorporation of the Company one (1) share shall be issued to and registered in the name of the Chief Minister and one (1) share shall be issued to and registered in the name of the Treasury and Resources Minister as nominee for and on behalf of the Chief Minister.

CERTIFICATES

3. Every member, upon becoming the holder of any shares, shall be entitled, without payment, to one certificate for all the shares of each class held by him. Every certificate shall be sealed with the seal or signed by two Directors or by one Director and the Secretary and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon.

TRANSFER OF SHARES

4. An instrument of transfer of a share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor and, unless the shares are fully paid, by or on behalf of the transferee.

GENERAL MEETINGS

5. (a) The Company shall in each year hold a general meeting of the members of the Company as its annual general meeting (“**Annual General Meeting**”) in addition to any other meeting in that year. Annual General Meetings shall be held once in each year at such time and place as may be determined by the Directors, provided that there shall be no more than 18 months between successive Annual General Meetings.

(b) All general meetings other than Annual General Meetings shall be called extraordinary general meetings (“**Extraordinary General Meetings**”).

(c) The Directors may call an Extraordinary General Meeting whenever they think fit and on the requisition of members, pursuant to the provisions of the Law, shall forthwith proceed to call an Extraordinary General Meeting for a date not later than two months after the receipt of the requisition. If there are not sufficient Directors to call a general meeting, any Director or any member of the Company may call such a meeting.

NOTICE OF GENERAL MEETINGS

6. An Annual General Meeting or an Extraordinary General Meeting called for the passing of a special resolution shall be called by at least 21 clear days’ notice. All other meetings shall be called by at least 14 clear days’ notice but a general meeting may be called by shorter notice if it is so agreed by all the members entitled to attend and vote thereat. The notice shall specify the day, time and place of the meeting and the general nature of the business to be transacted and in the case of an Annual General Meeting, shall specify the meeting as such and the notice shall be given to all the members, the Directors and the Auditors.
7. Notice shall be given in accordance with Articles 74 and 75, but the accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

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PROCEEDINGS AT GENERAL MEETINGS

8. No business shall be transacted at any meeting unless a quorum is present. One person entitled to vote upon the business to be transacted, being a member holding not less than fifty per cent (50%) in nominal value of the shares then in issue carrying the right to vote (or a proxy for, or (in the case of a body corporate) a duly authorised representative of, such a member) shall be a quorum, failing which two persons entitled to vote upon the business to be transacted, each being a member (or proxy for, or duly authorised representative of, a member) shall be a quorum.
9. The Chairman or in his absence some other Director nominated by the Directors shall preside as chairman of the general meeting, but if neither the Chairman nor such other Director (if any) is present and willing to act within 15 minutes of the time appointed for holding the meeting, the members present shall elect one of their number to be chairman and, if there is only one member present and willing to act, he shall be chairman.
10. A Director or a representative of the Auditors shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
11. The Chairman may, with the consent of a general meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven days' notice shall be given specifying the day, time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
12. A resolution put to the vote of a meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands a poll is duly demanded. Any member shall be entitled to demand a poll.
13. Unless a poll is duly demanded, a declaration by the Chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
14. A poll shall be taken as the Chairman directs and he may appoint scrutineers (who need not be members) and fix a day, time and place for taking the poll and for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
15. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question in which the poll was demanded.

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VOTES OF MEMBERS

16. Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person or by proxy or (in the case of a body corporate) by duly authorised representative shall have one vote and on a poll every member present in person, by proxy or by duly authorised representative shall have one vote for every share of which the member is the holder.
17. On a poll votes may be given either personally, by proxy or (in the case of a body corporate) by duly authorised representative.
18. An instrument appointing a proxy shall be in writing in any usual common form, or as approved by the Directors and shall be executed by or on behalf of the member making the appointment.
19. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Registered Office or at such other place as is specified for that purpose in the notice of meeting or in the instrument of proxy issued by the Company at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, before the time appointed for taking the poll and in default the instrument of proxy shall not be treated as valid.
20. A vote given or poll demanded by proxy or by the duly authorised representative of a body corporate shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Registered Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

REPRESENTATIVES

21. The Chief Minister may be represented at any meeting of the members of the Company or any meeting of any class of members of the Company by the Chief Executive, Chief Minister's Department or by any other person duly authorised in writing in that regard by the Chief Executive. The Chief Minister shall be deemed to be present in person at any meeting attended by any such authorised person on its behalf and accordingly the Chief Executive or the duly authorised person shall be entitled to speak and vote at the meeting as if he were the Chief Minister.
22. The Treasury and Resources Minister may be represented at any meeting of the members of the Company or any meeting of any class of members of the Company by the Treasurer of the States or by any other person duly authorised in writing in that regard by the Treasurer of the States. The Treasury and Resources Minister shall be deemed to be present in person at any meeting attended by any such authorised person on its behalf and accordingly the Treasurer of the States or the duly authorised person shall be entitled to speak and vote at the meeting as if he were the Treasury and Resources Minister.

RESOLUTIONS OR NOTICES IN WRITING

23. (a) Anything that may be done by a resolution passed at a meeting of the members of the Company (other than a resolution for the removal of an auditor) may be done by a resolution in writing signed by or on behalf of each member of the Company.
- (b) The Chief Minister shall be entitled to execute a resolution in writing or any other notice in writing by means of an instrument in writing signed by the Chief Executive, Chief Minister's Department or by any other person duly authorised in writing in that regard by the Chief Executive.
- (c) The Treasury and Resources Minister shall be entitled to execute a resolution in writing or any other notice in writing by means of an instrument in writing signed by the Treasurer of the States or by any other person duly authorised in writing in that regard by the Treasurer of the States.
24. Any resolution, notice or instrument executed or made by either of the members shall take effect upon delivery thereof to the Registered Office.

DIRECTIONS

25. (a) The Chief Minister shall be entitled by notice in writing to give the Directors directions to refrain from doing a particular thing or to do a particular thing which the Directors have power to do and, subject to the compliance with that direction not being, or resulting in, a breach of:
- (i) any provision of law to which either any Director or the Company is subject;
 - (ii) the Memorandum or these Articles; or
 - (iii) any other obligation binding on any Director or the Company,

the Directors shall be bound to comply with any such direction, if the Chief Minister, in his discretion, shall be of the opinion that:

- (iv) a matter of material public interest has arisen; and
 - (v) it is appropriate that he give directions to the Directors.
- (b) Any such directions shall take effect upon delivery thereof to the Registered Office.

NUMBER OF DIRECTORS

26. Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors shall be seven.

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

27. Subject to Articles 28 to 31 and 36 to 42, all of the Directors shall be nominated by the Chief Minister but shall be appointed by an ordinary resolution of the members, who shall do so in the case of each Director only at the express written direction of the States.

28. The Chief Minister shall nominate for appointment as Directors:
- (a) one individual who is a Minister or an Assistant Minister;
 - (b) one individual, other than the individual nominated pursuant to sub-Article (a) above, who is a States member;
 - (c) the Managing Director of Waterfront Enterprise Board Limited as at the date of these Articles;
 - (d) the Director of Property Holdings from time to time; and
 - (e) three other individuals, none of whom is a States member.
29. The Chief Minister shall send his nominations to the States in writing, identifying one of the individuals as nominee Chairman.
30. To the extent that the nominations (other than the Managing Director of Waterfront Enterprise Board Limited and the Director of Property Holdings from time to time) of the Chief Minister for:
- (a) appointments as Directors; and
 - (b) the appointment as Chairman,
- are accepted by the States and the States gives the members express written directions, the members shall by an ordinary resolution appoint those individuals as Directors and Chairman as the case may be as soon as reasonably practical after the receipt of the express written directions from the States. At the same time, members shall by an ordinary resolution appoint the Managing Director of Waterfront Enterprise Board Limited as the Managing Director of the Company and shall appoint the Director of Property Holdings as a Director.
31. If the States does not accept one or more of the nominations made by the Chief Minister pursuant to Article 28(a), (b) or (e) or the nomination made by the Chief Minister as to who shall be the Chairman the Chief Minister shall within five weeks of his receiving written notice of non-acceptance from the States send the appropriate number of alternative nominations to the States in writing and again, to the extent that those nominations are accepted by the States and the States gives the members express written directions, the members shall by an ordinary resolution appoint those individuals as Directors and/or Chairman as the case may be as soon as reasonably practical after the receipt of the express written directions from the States.
32. Subject to contractual obligations existing as at the date of these Articles, the Directors shall have the power to enter into an agreement or arrangement with the Managing Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director of a company. The agreement or arrangement with the Managing Director may be made upon such terms (including but not limited to terms of remuneration) as the Directors think fit, subject only to the Company approving such terms by ordinary resolution. The appointment of a Managing Director to an

executive office shall terminate if he ceases to be a Director, but without prejudice to any claim to damages for breach of the contract of service between such Managing Director and the Company.

33. A Director need not be a member of the Company.
34. The Directors and the Chairman appointed by the members at the direction of the States will be appointed initially for (a) a fixed period expiring on 1 November 2010 or (b) such other period as the members may determine and thereafter for (c) a fixed period of three years expiring on 31 October 2013 or (d) such other period as the members may determine. For the avoidance of doubt, in the case of a casual vacancy, the term of the appointment of the replacement director shall be calculated in accordance with Article 41.
35. Prior to the expiry of their terms of office, the Chief Minister may nominate the existing Directors and Chairman for re-appointment or he may nominate one or more replacements in accordance with the procedure set out in Articles 28 *et seq*. Upon the expiration of the period of office for which they are appointed the Directors and Chairman shall, ipso facto, retire from office but shall be eligible for re-appointment for such further period by the members as the States may direct, pursuant to the nominations made by the Chief Minister as aforesaid.
36. The Chief Minister shall have the right to propose to the States from time to time that:
 - (a) a Director be removed from office; and/or
 - (b) the Chairman be removed from his position as Chairman,such proposals to be sent to the States in writing, together with the appropriate number of nominations for replacements and, subject to the express written directions of the States, the Directors and/or Chairman, as the case may be, shall be removed and their replacements appointed by the members as soon as reasonably practical after the receipt of the express written directions from the States.
37. If the States does not accept the proposal of the Chief Minister with regard to the removal of a Director and/or the Chairman, that Director and/or the Chairman shall not be removed. If the States accepts the proposal of the Chief Minister with regard to the removal of a Director and/or the Chairman, but does not accept the nominated replacement, the Chief Minister shall submit alternative nominees within five weeks of his receiving written notice of non-acceptance from the States and the procedure set out in Articles 28 *et seq* shall be followed.
38. The appointment of the Directors or the removal of such person from office or the removal of a person from the office of Chairman shall take effect upon delivery to the Registered Office of a notice in writing to that effect, executed by the members in accordance with Article 23(b).
39. In the event of a casual vacancy among the Directors other than one caused by the Director of Property Holdings for the time being ceasing to hold that employment, the Chief Minister shall nominate a replacement and that replacement shall be appointed in accordance with the procedure set out in Articles 28 *et seq*.

40. The Director of Property Holdings will be a Director by virtue of his employment as Director of Property Holdings and his office as Director of the Company shall be for the duration of the said employment, with his successor being appointed as Director of the Company upon that successor taking up employment as Director of Property Holdings.
41. Any Director appointed by the members to fill a casual vacancy shall hold office only for such period as the Director whom he replaces would have held office had he continued to act as a Director.
42. The office of a Director shall be vacated in any of the following events:
- (a) If he resigns his office by notice in writing under his hand to that effect sent to or left at the Registered Office, which notice shall be effective upon such date as may be specified in the notice, failing which upon delivery to the Registered Office;
 - (b) If he becomes bankrupt or insolvent or makes any arrangement or composition with his creditors generally;
 - (c) If he becomes of unsound mind;
 - (d) If he ceases to be a Director by virtue of any provision of the Law, or becomes prohibited by law from, or is disqualified from, being a Director;
 - (e) If he be removed by the members pursuant to the terms of Article 37; or
 - (f) If he shall for more than six (6) consecutive months have been absent without permission of the other Directors from meetings of the Directors held during that period and the other Directors resolve that his office be vacated.

POWERS OF DIRECTORS

43. (a) Subject to the provisions of the Law, the Memorandum and these Articles and to any directions given to the Directors by the members by ordinary resolutions, or by the Chief Minister by a direction in writing pursuant to Article 25, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company in any part of the world. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- (b) In the exercise of their powers of management of the Company the Directors shall have regard to the objectives for which the Company is established, namely:
- (1) To work within the general policy framework determined by the Regeneration Task Force

in progressing the implementation of Regeneration Strategies for St. Helier, Jersey, and in this connection:

- (i) to give particular attention to undertaking and coordinating the development of the whole of the St. Helier Waterfront area, including the sites known as West of Albert, East of Albert, and St. Helier Harbours; and
- (ii) to undertake the development and improvement of major publicly-owned sites in accordance with the regeneration strategies;

(2) To consider and develop sites referred to it by Property Holdings and authorised by the Treasury and Resources Minister for possible development, whether in St. Helier or in other parts of the Island, having regard to the socio-economic strategy of the States of Jersey and the interests of the public; and

(3) To identify potential uses, and to maximise opportunities to make the best use, of the sites identified pursuant to sub-paragraph (2) of this Article.

44. The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

45. Subject to the prior written consent of the members by ordinary resolution (which may be given generally or specifically), the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof, and to issue debentures and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

46. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

PROCEEDINGS OF DIRECTORS

47. Subject to the provisions of the Law and these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors. Questions arising at a meeting of Directors shall be decided by a majority of votes. In the case of an equality of votes the Chairman shall have a second or casting vote.

48. Unless he is unwilling to do so, the Chairman shall preside at all meetings of the Directors at which he is present. If the Chairman is unwilling to preside or is not present within five minutes of the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

49. The quorum for the transaction of the business of the Directors shall be three. Any Director enabled to participate in the proceedings of a meeting by means of a conference telephone or other similar device whereby all participants can hear one another (in each case whether in person or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
50. The Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of calling a general meeting.
51. All acts done by a meeting of Directors or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
52. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors shall be valid and effectual as if it had been passed at a meeting of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors.
53. A Director shall disclose an interest in accordance with these Articles and shall not vote in respect of any transaction, arrangement or proposed transaction or arrangement in which he has an interest and shall not take part or form part of a quorum in any meeting of the Directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the Directors for consideration.
54. The Directors shall cause minutes or records to be made:
- (a) of all appointments made by the members and of all appointments of officers made by the Directors;
 - (b) of the names of the Directors present at each meeting of Directors; and
 - (c) of all resolutions and proceedings at all meetings of the Company and of the Directors.
55. Any such minute, if purporting to be signed by the chairman of the meeting at which the proceedings were held, shall be evidence of the proceedings.

REMUNERATION OF DIRECTORS

56. The Non-States Directors and the Managing Director, and no other Director, shall be entitled to remuneration in such amount as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

DIRECTORS' EXPENSES

57. The Directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.
58. Subject to the provisions of the Law and provided that the provisions of Article 53 have been complied with, a Director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
 - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
 - (d) may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as though he were not a Director.
59. For the purposes of the preceding Article:
- (a) a notice in writing given to the Directors by a Director that he is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement with a specified person or class of persons shall be deemed to be sufficient disclosure of his interest in any such transaction or arrangement; and
 - (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

60. The Company may provide such benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or who was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit as the Directors think fit.

SECRETARY

61. Subject to the provisions of the Law, the secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit and any secretary so appointed may be removed by them.

MINUTES

62. The secretary shall cause minutes to be maintained in books kept for the purpose in accordance with the Law.

THE SEAL

63. (a) The common seal shall only be used by the authority of the Directors. The Directors may determine who shall sign any instrument to which the common seal is affixed and unless otherwise so determined it shall be signed by a Director and the secretary or by two Directors.
- (b) Subject to the provisions of the Law, the Directors may determine to have:
- (i) an official seal for use in any country, territory or place outside the Island of Jersey, which shall be a facsimile of the common seal of the Company. Any such official seal shall in addition bear either the name of the country in which it is to be used or the words “branch seal”; and/or
 - (ii) an official seal for use only in connection with the sealing of securities issued by the Company and such official seal shall be a facsimile of the common seal of the Company but shall in addition bear the word “securities”.

DIVIDENDS

64. Subject to the provisions of the Law, the Company in general meeting may by ordinary resolution declare dividends in accordance with the respective rights of the members save that no dividend shall exceed the amount recommended by the Directors.
65. Subject to the provisions of the Law, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution.
66. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled thereto and payment of the cheque shall be a good discharge to the Company.
67. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

ACCOUNTS AND AUDIT

68. The Directors shall cause to be kept proper accounts of the Company for each accounting period to be

prepared in accordance with generally accepted accounting principles in the Island of Jersey consistently applied and that such accounts shall be forwarded to the members not more than four months after the end of the period to which they relate. The accounts shall include an income and expenditure statement of the Company in respect of the applicable accounting period and shall include the balance sheet as at the end of that accounting period.

69. The Company shall at each Annual General Meeting appoint the Auditors to hold office from the conclusion of that meeting, until the conclusion of the next Annual General Meeting.
70. The accounts shall be audited by the Auditors and shall be accompanied by a report by the Auditors stating that the accounts and financial statements attached thereto have been examined in conjunction with the books and records of the Company and whether the Auditors have obtained all the explanations and information which they have required. The Auditors shall further report whether the accounts are in their opinion properly drawn up in accordance with such books and records and give a true and fair view of the affairs of the Company.
71. The Directors shall submit to the members in each year by such date as may be appointed by the members a budget of the Company's estimated capital expenditure and receipts and of revenue expenditure and income for the next financial year of the Company.
72. The financial information required by Articles 68, 70 and 71 to be presented to the members shall, subject to the requirements of the Law, be so presented in such form and with such explanations, notes or supporting documents, as the members may reasonably require.
73. Such person or persons as may be designated by the members from time to time shall at any time during the office hours of the Company be entitled to inspect all accounting records or other books or documents of the Company and the Directors shall upon request procure production of the same.

NOTICES

74. Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.
75. The Company may give any notice to the States, the Chief Minister or the Treasury and Resources Minister by leaving it at the relevant address stated below or by sending it by post in a prepaid envelope addressed to:
 - (a) in the case of the States of Jersey or the Chief Minister, care of The Chief Minister, Chief Minister's Department, Cyril Le Marquand House, The Parade, St. Helier, Jersey; or
 - (b) in the case of the Treasury and Resources Minister, care of the Treasury and Resources Department, Cyril Le Marquand House, The Parade, St. Helier, Jersey.
76. A member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

77. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was sent and such notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted in accordance with this Article. A receipt signed by a person authorised to receive deliveries at the relevant address stated in Article 75 shall be conclusive evidence that a notice was left at the address in question and the notice shall be deemed to be given on the date of that receipt.

WINDING UP

78. If the Company is wound up, the Company may, with the sanction of a special resolution and any other sanction required by the Law, divide the whole or any part of the assets of the Company among the members in specie and the liquidator or, where there is no liquidator, the Directors may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members, and with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

INDEMNITY

79. In so far as the Law allows, every present or former officer of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him by reason of being or having been such an officer. The Directors may without sanction of the Company in general meeting, authorise the purchase or maintenance by the Company for any officer or former officer of the Company of any such insurance as is permitted by the Law in respect of any liability which would otherwise attach to such officer or former officer.

We, being the subscribers to the Memorandum, are desirous of being formed into a Company subject to the above Articles of Association.

SIGNED by THE CHIEF EXECUTIVE, CHIEF MINISTER'S DEPARTMENT on behalf of THE CHIEF MINISTER

SIGNED by THE TREASURY AND RESOURCES MINISTER

Dated this day of 2007

Witness to the above signatures
