

STATES OF JERSEY



DRAFT POSTAL SERVICES (JERSEY) LAW 200- (P.24/2004): AMENDMENTS

**Lodged au Greffe on 16th March 2004
by the Economic Development Committee**

STATES GREFFE

DRAFT POSTAL SERVICES (JERSEY) LAW 200- (P.24/2004): AMENDMENTS

PAGE 49, ARTICLE 29 –

(1) *For paragraph (2) substitute the following paragraph –*

“(2) The States may guarantee the repayment of loans made to a principal company or any of its subsidiaries and the discharge of the obligations of a principal company or any of its subsidiaries.”.

(2) *For paragraph (4) substitute the following paragraph –*

“(4) That Committee may, against the income of the States, guarantee the repayment of loans made to a principal company and the discharge of the obligations of a principal company.”.

PAGE 49, ARTICLE 30 –

For paragraphs (a) and (b) substitute the following paragraphs –

“(a) the total amount outstanding at that moment of loans made under this Law to that company and its subsidiaries;

(b) the total amount outstanding at that moment of such loans to that company and its subsidiaries as are guaranteed (but are not made) under this Law; and

(c) the total monetary value outstanding at that moment of guarantees given under this Law in respect of the obligations (not being loans) of that company and its subsidiaries.”.

ECONOMIC DEVELOPMENT COMMITTEE

REPORT

Since the lodging of the draft Postal Services (Jersey) Law 200-, a minor omission in the draft has come to the attention of the Economic Development Committee.

Whereas, under Article 29(2), the States will be given authority to guarantee liabilities of a principal company or a subsidiary that take the form of loan obligations, the States would not readily be able to guarantee obligations (for example obligations under leases) that are not loans.

Whilst there is no present intention for the States to provide any such guarantees, the Committee wishes to correct this omission.

A similar correction is appropriate for draft Article 29(2) that allows the Finance and Economics Committee to give guarantees in respect, only, of obligations of principal companies.

A consequential alteration is required to Article 30(b) that sets a limit on the total loans and guarantees that the Finance and Economics Committee may make to principal companies.

Manpower and Financial Implications

There are no additional financial or manpower requirements.