

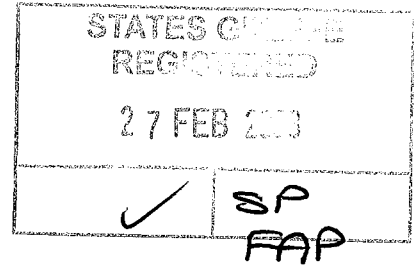
513/12(2)

Falles Holdings Limited

Company Reg. No 714
DOUÉ HOUSE, LONGUEVILLE ROAD
ST.SAUVEUR, JERSEY, JE2 7SA
A Private Property & Investment Company
Bankers:
NATIONAL WESTMINSTER, JERSEY

TEL: (01534) 630 666
FAX:(01534) 630 777
E-MAIL:
fallesprop@mac.com

Deputy Collin Egré
States Scrutiny Office
Morier House
Halkett Place
St. Helier JE1 1DD



22 February 2008

Dear Deputy Egré.,

Re: La Collette Phase II

I write following the article in the Jersey Evening Post on the 19th February 2008, in respect of your appointment as Chairman of the Scrutiny sub-panel, to review the proposed Jersey Enterprise Board Ltd.

In that article, there was a request by the sub-panel to receive informed comments from members of the public, the property industry or other parties to provide relevant information.

As a result of that request, I felt it was necessary to inform the sub-panel of the agreement made by the States of Jersey, to lease an area of land no less than 30,974 sq.feet at La Collette Phase II, to our company for a period of 42 years at an appropriate rental....on completion of in-filling and infrastructure works. The heads of terms for such a leasehold were set out in a report by the Planning & Environment Committee, dated 16th March 2000. The proposition was subsequently approved by the States of Jersey on the 16th May 2000.

This agreement was made with the States whereby our company agreed to accept an alternative commercial site (at La Collette) instead of our company proceeding with the construction of a motor trade facility (which had already received planning permission) on a piece of commercial land at Rue des Prés. As a result of this agreement, our company agreed to develop the Rue des Prés land for category 'A' housing and this was duly carried out by our company, whilst knowing that we would have to wait 'a few years' until the land at La Collette was ready.

Initially, we were informed by Paul Tucker of States Property Services that the site will be made available to our company before 2004, however as a great deal of infilling still had to be carried out, this was unlikely to be the case.

An update received from the Public Services Dept suggested that it would be post-2010 before any site could be made available to our company, based on the current rate of infilling.

Needless to say, our company is frustrated at the delay in receiving the land at La Collette Phase II, however as we have known about this delay, we have been able to work around it.

As it is now reported that your scrutiny sub-panel is investigating the proposal to set up the Jersey Enterprise Board, together with considering any further issues relating to the waterfront as a whole, I felt it was prudent to notify you of the above-mentioned agreement between our company and the States of Jersey. As I understand it, the matter of how land is allocated at La Collette Phase II has now been switched from the States Property Holdings Dept to the Waterfront Enterprise Board and it is our company's concern that our company's requirements at La Collette Phase II will be overlooked or not taken into consideration at all during future strategic discussions.

With the above in mind, I look forward to receiving an acknowledgement (from either your department or from the Waterfront Enterprise Board) that our company's land interest at La Collette Phase II will be considered throughout the decision-making process. Thank you for your assistance in respect of this matter.

Yours faithfully.,

A handwritten signature in black ink, appearing to be 'Helier Falle', written over a horizontal line.

Helier Falle.
Director.

cc. Mr Stephan Izatt, Waterfront Enterprise Board, PO Box 765, St. Helier JE4 0RR