

PF/AM/JB/1

MINUTES OF THE ANNUAL GENERAL MEETING OF JERSEY BUSINESS LIMITED ("JBL") held on 12th

June 2013 at 31 The Parade, St Helier, Jersey

Present:

Advocate J Melia (JM)
Mr Jason Laity (JL)
Mr Martin Holmes (MH)

In Attendance:

Mr P Funk (PF)
Mr J Box (JB)
Mr E Lincoln (EL)
Mr A Sugden (AS)
Mr M Robbins (MR)
Mr J Filleul (JF)
Mr A Cook, CEO, Jersey Business Limited (AC)
Miss A Maskell, AM to PM Secretarial Services (AM)

Chairman **IT WAS RESOLVED** that Mr Jason Laity Chair the Meeting.

Apologies **IT WAS NOTED** that apologies were received from Bill Sarre.

Date of Meeting **IT WAS NOTED** that in accordance with Article 8.9 of JBL's Articles of Association, JBL is required to hold its first Annual General Meeting within 18 months of incorporation. The Shareholders noted that this expired on 30th May 2013. **IT WAS THEREFORE RESOLVED** to waive the requirements of Article 8.9.

Notice of Meeting **IT WAS NOTED** that in accordance with Article 8.12 of JBL's Articles of Association, a notice period of 14 days is required to be given in respect of an AGM. The Shareholders noted that sufficient notice period had not been given and **IT WAS THEREFORE RESOLVED** to waive the requirements of Article 8.12.

Audited Report and Financial Statements 31 December 2012 **IT WAS NOTED** that the Report and Financial Statements for the period ended 31st December 2012 had been circulated prior to the meeting for the Shareholders' review (a copy of which is **annexed** hereto and forms part of these minutes).

AC summarised the accounts for the Shareholders and advised that the format used was based on similar organisations with the same status as JBL (e.g. Jersey Finance Limited). **IT WAS NOTED** that expenditure was incurred by EDD by way of development costs for JBL and AC advised that these have been incorporated into the financials. AC highlighted that there was a surplus although he felt that this was relatively modest having regard to the type of organisation that JBL was. The Shareholders noted that a clean audit report had been received.

The grant from the States of Jersey was discussed and **IT WAS NOTED** that grants are received in accordance with the Partnership Agreement between JBL and EDD. The Shareholders noted that the Partnership Agreement covers the period 2013-2015 and the figure of £304,000 was reached by EDD whereas the figure of £48,279 refers to the development costs incurred by EDD (as discussed above). AC stressed that under Financial Directive 5.1 the States of Jersey are entitled to claw back any surplus from JBL and therefore a note to

this effect is mentioned in the accounts. However, the guideline for Clause 5.1 is where a surplus occurs of more than 10% and, at present, JBL's surplus is in line with that.

There being no further questions regarding the Report and Financial Statements, the Shareholders **RESOLVED** to adopt them.

Amendment to Articles of Association **IT WAS NOTED** that JBL's Articles of Association currently limits the number of directors to seven. In order to allow additional directors to be appointed, **IT WAS RESOLVED** to increase the limit to ten.

Ratify Payments to Directors for 2012 **IT WAS NOTED** that the following payments had been made to the Directors during the year ended 31 December 2012:

Mr P Funk - £9,163

Mr J Box - £7,800

Mr J Filleul - £7,800

Mr E Lincoln - £7,800

Mr M Robbins - £7,800

Mr B Sarre- £7,800

PF advised that due to the additional support required at the outset Directors undertook more work than anticipated and were therefore allocated a higher rate of remuneration during that period. **IT WAS NOTED** that these payments had not previously been approved having regard to the fact that no AGM had taken place in 2012. **IT WAS THEREFORE RESOLVED** to ratify the payments made to the Directors as set out above.

Remuneration for Non-Executive Directors for ensuing year **IT WAS NOTED** that the proposed remuneration for 2013 was £10,000 per annum for the Chairman and £5,400 for the Directors. JL queried if these payments adequately reflected the current call on the Directors' time based on 2012 and MH raised the issue of allocation of work to the CEO and his team now that they were all in situ. The Directors acknowledged that in the first year they were not acting in a standard Non-Executive Director role and had been required to take on additional work which had led to the increased payments discussed above. However, the Directors agreed that the team are now undertaking the executive function of JBL and they are supporting that function and are therefore happy to proceed on the basis of the remuneration proposed. The Shareholders therefore **RESOLVED** to approve the remuneration for 2013 at £10,000 for the Chairman and £5,400 for the Directors. **IT WAS FURTHER RESOLVED** that AC would provide the Shareholders with a breakdown of the work undertaken by the team and he also invited them to meet with them following the AGM.

Appointment of Directors Following the amendment to the Memorandum and Articles of Association, **IT WAS NOTED** that there would be additional capacity on the Board. **IT WAS THEREFORE RESOLVED** to appoint AS (representing EDD in accordance with the Memorandum and Articles) and AC as Directors.

The Shareholders noted that following these appointments the Board would consist of eight members and **IT WAS RESOLVED** that consideration would therefore be given, in due course, to recruiting a further director with a financial background.

Any Other Business **Jersey Business Venture Share - IT WAS NOTED** that the one of the Shares in JBL is currently held in trust by Chairman of Jersey Business Venture. However, since this entity has now been wound up, **IT WAS RESOLVED** to

transfer it to the current President of The Jersey Chamber of Commerce. **IT WAS FURTHER RESOLVED** that AC would liaise with Advocate Steven Meiklejohn to establish what action needs to be carried out to affect the transfer.

PF thanked JM for the time and effort she contributed to Jersey Business Venture.

IT WAS NOTED that JF is the current President of The Jersey Chamber of Commerce and is also a Director. The Shareholders agreed that this did not represent a conflict. However, **IT WAS RESOLVED** that as the Shareholders are responsible for agreeing the Directors' remuneration, JF would not participate in these discussions.

Summary of Operations – IT WAS NOTED that a Business Plan for 2012/2013 was submitted to and well received by EDD and the Board were comfortable with the direction for JBL outlined in it. AC advised that the team were only all in situ from April 2013 and therefore progress against the business plan is currently out by approximately one quarter. However, he believes that by the end of quarter three it will be back on target.

The Shareholders noted that JBL is working with mainly small start-up businesses over various sectors and is helping existing companies increase their business. **IT WAS NOTED** that JBL has also assisted a number of clients with the closure of their businesses and helped them through the dissolution process.

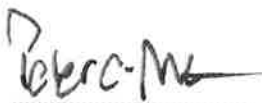
IT WAS NOTED that JBL have assisted a number of small businesses with their tender applications to Health and Social Services and in July are teaming up with Social Security to run a programme with the Back to Work team to support Unemployed persons to Self-Employment.

PF advised that JBL will become a "centre of business excellence" who can advise on start-ups, recovery, cash flow and due diligence. He explained that funding is an issue for many businesses and he anticipates that JBL will be able to take on an investment banking function to help people get off the ground or move to the next stage. With this in mind, JBL have asked EDD for additional funding which it can then invest in certain businesses. He stressed that this will only be on the basis of JBL undertaking due diligence on the business and on the assumption that there is additional funding available to it. The Shareholders noted that it is proposed that this function of JBL will fit in with the Innovation Fund and, in due course, JBL will not only offer an advisory role but will also be a support role as funding will be available.

AS advised that the revised Business Plan and additional funding request for next year recently submitted to EDD will be discussed at a meeting the following day, Thursday 13th June 2013.

Termination

There being no further business to discuss, the meeting was closed at 550pm.



Chairman



Date Signed