

THE FOUNDATIONS (GUERNSEY) LAW, 2012

RULES

OF

THE ALDERNEY FOUNDATION

a Guernsey Foundation

Registration number: [*insert registration number*]

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THE FOUNDATIONS (GUERNSEY) LAW, 2012

RULES

OF

THE ALDERNEY FOUNDATION

1. DEFINITIONS AND INTERPRETATION

1.1 In these Rules unless context or law otherwise requires the following words and expressions shall have the meanings respectively assigned to them below:

"Authorised Person" means a Person licensed or authorised under the Fiduciaries Law;

"Charitable Purposes" and **"Charity"** means purposes exclusively charitable according to the law of the Island of Alderney whether or not such purposes are or may be carried into effect in any part of the world and the word **"Charity"** shall be construed accordingly;

"Charter" means the charter of the Foundation in its present form or as from time to time amended;

"Connected with" means:

- (a) in relation to a body corporate any Person having either directly or indirectly any legal or beneficial interest in any shares of such body corporate including a Person having either directly or indirectly a controlling interest in such body corporate; or
- (b) in relation to any Person as shall have a legal or beneficial interest whether as a shareholder partner or otherwise; or
- (c) any employee of any Person referred to in (a) or (b) above;

"Constitution" means the Charter and the Rules (as amended from time to time);

"Council"	means the council of the Foundation established under and as constituted (for the time being) in accordance with the Constitution;
"Councillor"	means a member of the Council of the Foundation;
"Court"	means the Royal Court of Guernsey;
"Default Recipient"	means the recipient of the Foundation Property upon its termination pursuant to the provisions of Rule 21.3;
"Fiduciaries Law"	means the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 as amended;
"Former Councillors"	means any Persons who have at any time been Councillors but no longer are;
"Former Guardian"	means any Person who has at any time been a Guardian but no longer is;
"Foundation"	means this foundation established under the Law;
"Founder"	Mr W Stuart Trought in his capacity as the President of the States of Alderney of States Office, Alderney, Channel Islands;
"Foundation Property"	means: <ul style="list-style-type: none"> (a) the initial capital of the Foundation on its establishment; and (b) additional property endowed to the Foundation; and (c) all assets and property from time to time representing the above; <p style="margin-left: 40px;">including any income thereof but excluding any assets or property that have been distributed.</p>
"Guardian"	means the Original Guardian or other guardian of the Foundation for the time being;

"Incapacity"	means when describing an individual that the individual is incapable of managing his affairs by reason of his mental state or disability. In relation to the incapacity of an individual the Council:
	(a) shall be bound to take account of the decision of a court of competent jurisdiction that the individual is suffering from incapacity whilst that decision remains in force;
	(b) subject to (a) may (but shall not be obliged to) accept the certificate of a qualified medical practitioner that the individual is suffering from incapacity;
	(c) subject to (a) may (but shall not be obliged to) form its own view as to whether an individual is suffering from incapacity;
"Law"	means the Foundations (Guernsey) Law, 2012 and any subordinate legislation from time to time made thereunder;
"Notice"	means a notice in Writing unless otherwise specifically stated;
"Original Guardian"	Mr W Stuart Trought, the current President of the States of Alderney of PO Box 1001, Alderney, GY9 3AA, Channel Islands;
"Person"	includes an individual or class or body corporate or unincorporate established anywhere in the world including a trustee and a foundation;
"Purpose"	means the purpose of the Foundation as stated in the Charter;
"Register"	means the register kept by the Registrar for the purposes of the Law;
"Registrar"	means the registrar of foundations established pursuant to the Law;
"Registered Office"	means the registered office in Guernsey of the Foundation;

"Resident Agent"	means an Authorised Person appointed pursuant to Section 12 of the Law;
"Resolution"	means a resolution of the Council passed at a meeting of the Council and adopted by a majority of Councillors or a resolution in Writing of which Notice has been given to all Councillors signed by all of the Councillors;
"Rules"	means these Rules in their present form or as from time to time amended;
"Signed"	includes a signature or representation of a signature affixed by mechanical or other means. Where a document is Signed by a foundation a company an association or a body of Persons the word "Signed" shall be construed as including the signature of a duly authorised representative on its behalf as well as any other means by which it would normally execute the document;
"Writing"	includes written printed electronically transmitted or presented or reproduced by any other mode of representing or reproducing words in a visible form.

1.2 Save as defined herein and unless the context otherwise requires words or expressions contained in these Rules shall bear the same meaning as in the Law but excluding any statutory modification thereof not in force when these Rules come into effect.

1.3 In these Rules unless the context or law otherwise requires:

1.3.1 words and expressions which are cognate to those defined in these Rules shall be construed accordingly;

1.3.2 the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;

1.3.3 words importing the singular shall be construed as including the plural and *vice versa*;

1.3.4 words importing the masculine gender only shall be construed as including the feminine and neuter genders;

1.3.5 references to enactments are to such enactments as are from time to time modified re-enacted or consolidated and shall include any enactment made in substitution for an enactment that is repealed; and

1.3.6 references to Rules or Schedules shall be references to these Rules or Schedules to these Rules.

1.4 The headings in these Rules are for convenience only and shall not be taken into account in the construction or interpretation of these Rules.

1.5 In case of conflict between the provisions of the Charter and these Rules the Charter shall take precedence.

2. **APPLICATION OF FOUNDATION PROPERTY**

2.1 The Council may apply the Foundation Property as the Council shall in its absolute discretion determine in furtherance of the Purpose.

2.2 The Council shall submit any request received by the Foundation for the funding or support of any project or activity which the Council believes would be in the public interest and would benefit the residents of Alderney and which the Council wishes to support in the furtherance of the Purpose, to the States of Alderney for deliberation by the States of Alderney in full session. No assets of the Foundation shall be applied to support, advance or promote any project or activity unless it has received the support of the States of Alderney in full session.

3. **COUNCIL**

The Council shall execute and administer the Foundation and exercise their functions in accordance with the Law and the Constitution in advancement of the Purpose.

4. **COUNCILLORS**

4.1 The Council shall comprise at least three and a maximum of five Councillors.

4.2 The names and addresses of the Councillors on the establishment of the Foundation are stated in the Charter.

4.3 No person who is a Guardian of the Foundation shall be eligible to be a Councillor.

4.4 No person who is a member of the States of Alderney or a member of the Guernsey States of Deliberation shall be eligible to be a Councillor.

5. **FUNCTIONS OF THE COUNCIL**

To exercise all the functions and powers of the Foundation in furtherance of the Purpose.

6. COUNCILLORS' DUTIES AND LIABILITIES

- 6.1 Each Councillor shall be under a duty to conduct the affairs of the Foundation in accordance with the Constitution and the Law.
- 6.2 Each Councillor shall act honestly and in good faith with a view to the best interests of the Foundation.
- 6.3 No Councillor shall be liable for any loss to the Foundation arising from committing or conniving in committing a breach of his duty unless the breach of duty arose from his own fraud wilful misconduct or gross negligence.
- 6.4 Every present or Former Councillor shall be indemnified out of the Foundation Property against any loss or liability incurred by him by reason of being or having been such a Councillor otherwise than as a result of his own fraud wilful misconduct or gross negligence.
- 6.5 Without prejudice to the generality of Rule 6.3 no Councillor shall incur any liability whatsoever arising from:
- 6.5.1 the negligence or fraud of any delegate or agent appointed or employed by the Foundation or the Council in good faith although the appointment or employment of such delegate or agent was not strictly necessary or expedient;
 - 6.5.2 anything done or omitted to be done in conformity with any advice given or purported to have been given by any investment adviser or manager appointed or employed by the Foundation or the Council or the delegation to any such adviser or manager of all or any of the Council's powers and discretions with regard to making retaining varying or transposing investments; or
 - 6.5.3 anything done or omitted with the consent of the Guardian or resulting from any delay in the Guardian giving such consent or any defect in such consent.
- 6.6 The Council may authorise the purchase or maintenance by the Foundation for any Councillor or Former Councillor of any insurance as is permitted by applicable law.

7. ACTS OF CORPORATE COUNCILLORS

Every Councillor which is a corporation or company may exercise or concur in exercising any discretion or power conferred on the Councillor by a resolution of such corporation or company or by a resolution of its board of directors or any committee of its board of directors or may delegate the right and power to exercise or concur in exercising any such discretion or power to one or more members of its board of directors or any committee of its board of directors or one or more of its officers or employees duly authorised for that purpose.

8. DELEGATION OF THE COUNCIL'S POWERS

8.1 The Council may:

8.1.1 delegate the management of Foundation Property to and appoint managers whom the Council reasonably considers to be competent and qualified to manage the Foundation Property or the investment thereof;

8.1.2 appoint professional persons to act in relation to the affairs of the Foundation or to hold any Foundation Property; and

8.1.3 authorise any such manager or person to retain any commission or other payment usually payable for services of the description rendered.

8.2 The Council may delegate any of its powers to committees consisting of such Councillor or Councillors or provided that a majority of the members of the committee shall be Councillors such other Persons as they think fit. Any committee so formed shall in the exercise of the delegated powers conform to any regulations that may be imposed on it by the Council.

8.3 The meetings and proceedings of any such committee consisting of two or more Persons shall be governed by the provisions of these Rules regulating the meetings and proceedings of the Council so far as the same are applicable and are not superseded by any regulations made by the Council under this Rule.

9. APPOINTMENT OF COUNCILLORS

9.1 The Council shall have power at any time and from time to time to appoint any individual not being a Guardian to be a Councillor either to fill a casual vacancy or as an addition to the existing Councillors provided that the appointment does not cause the number of Councillors to exceed any number fixed by or in accordance with these Rules as the maximum number of Councillors. Any Councillor so appointed shall hold office until such Councillor resigns or is disqualified or removed in accordance with the provisions of these Rules. For the avoidance of doubt, a Former Guardian may be a Councillor.

9.2 Any appointment made pursuant to Rule 9.1 may be stated to take effect immediately or upon the occurrence of any future event or date (whether definite or indefinite).

9.3 Any person may be appointed and if appointed may act as a Councillor notwithstanding that he is resident outside of the Island of Guernsey provided always that any person so appointed:

9.3.1 must not be a Minor or under an Incapacity;

9.3.2 must not be a member of the States of Alderney or a member of the Guernsey States of Deliberation;

- 9.3.3 must not be a person in respect to whom a guardian or curator has been appointed;
- 9.3.4 must not be a person who is disqualified from being a member of a council or a director of a company; and
- 9.3.5 must not be the Guardian.

10. RESIGNATION DISQUALIFICATION AND REMOVAL OF A COUNCILLOR

- 10.1 The office of a Councillor shall be vacated if the Councillor:
 - 10.1.1 dies;
 - 10.1.2 is under an Incapacity;
 - 10.1.3 resigns his office by Notice delivered to the Foundation;
 - 10.1.4 ceases to be a Councillor by virtue of any provision of the Law or becomes prohibited or disqualified by law from being a Councillor;
 - 10.1.5 becomes bankrupt is declared to have similar status in any part of the world or makes (or seeks to make) any arrangement or composition with creditors in any part of the world;
 - 10.1.6 is convicted of any offence involving dishonesty in any jurisdiction in the world;
 - 10.1.7 is removed by the Guardian;
 - 10.1.8 is removed by the Court.

11. REMUNERATION AND EXPENSES OF THE COUNCILLORS

- 11.1 The Councillors shall not be entitled to remuneration for their services as Councillors.
- 11.2 The Councillors shall be paid out of the Foundation Property their travelling hotel and other expenses properly and necessarily incurred by them in connection with their attendance at meetings of the Council or otherwise in connection with the discharge of their duties.
- 11.3 Any Councillor removed from office pursuant to Rule 10 shall notwithstanding his removal continue to be entitled to reimbursement of expenses and liabilities out of the Foundation Property as though he were still a Councillor for all expenses and liabilities necessarily incurred in relation directly or indirectly to the Foundation Property. This provision includes without limitation the preparation of any accounts in relation to such Councillor's membership of the Council and the making of copies of records of his membership.

11.4 A member of a committee who has been appointed under Rule 8.2 who is not a Councillor shall be entitled to be remunerated as such committee member as the Council by Resolution may determine and to be paid out of Foundation Property their travelling hotel and other expenses properly and necessarily incurred by them in connection with their attendance at Committee meetings or otherwise in connection with the discharge of their duties notwithstanding such Committee member is connected with a Councillor.

12. **COUNCILLORS' INTERESTS**

12.1 A Councillor who has directly or indirectly an interest in a transaction or arrangement entered into or proposed to be entered into by the Foundation or by a subsidiary of the Foundation which to a material extent conflicts or may conflict with the interests of the Foundation and of which the Councillor is aware shall disclose to the Council the nature and extent of such interest.

12.2 For the purposes of Rule 12.1:

12.2.1 the disclosure shall be made at the first meeting of the Council at which the transaction is considered after the Councillor concerned becomes aware of the circumstances giving rise to a duty to make it or if for any reason the Councillor fails to do so at such meeting as soon as practical after the meeting by Notice delivered to the Foundation;

12.2.2 the Council where the disclosure is made to it shall table the Notice of the disclosure at the next meeting after it is made;

12.2.3 a disclosure to the Council by a Councillor in accordance with this Rule 12 that the Councillor is to be regarded as interested in a transaction with a specified Person is sufficient disclosure of the Councillor's interest in any such transaction entered into after the disclosure is made; and

12.2.4 any disclosure made at a meeting of the Council shall be recorded in the minutes of the meeting.

12.3 Subject to the Law a Councillor may hold any other office or place of profit under the Foundation in conjunction with the office of Councillor for such period and on such terms as to tenure of office remuneration and otherwise as the Council may determine.

12.4 Subject to the Law and provided that the Councillor has disclosed to the Council the nature and extent of any material interest in accordance with this Rule 12 a Councillor notwithstanding the Councillor's office:

12.4.1 may be a party to or otherwise interested in any transaction or arrangement with the Foundation or in which the Foundation is otherwise interested;

12.4.2 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 Foundation or in which the Foundation is otherwise interested;

12.4.3 shall not by reason of such office be accountable to the Foundation 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

12.4.4 may act by himself or in a professional capacity for the Foundation and the Councillor or a Person Connected with a Councillor shall be entitled to remuneration for professional services as if he were not a Councillor or a person connected with a Councillor.

13. **PROCEEDINGS OF THE COUNCIL**

13.1 The Council may regulate its proceedings as it thinks fit.

13.2 A Councillor may at any time summon a meeting of the Council by giving to each Member not less than five days' Notice of the meeting provided that any meeting may be convened at shorter Notice and in such manner as each Councillor shall approve and provided further that unless otherwise resolved by the Council Notices of Council meetings need not be in Writing.

13.3 Questions arising at any meeting shall be determined by a majority of votes.

13.4 In the case of an equality of votes the chairman (if any) shall have a second or casting vote.

13.5 A meeting of the Council at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Council.

13.6 Wherever two or more Councillors hold office the quorum necessary for the transaction of the business of the Council shall be a majority of the Councillors in office.

13.7 Where only one Councillor is in office such Councillor may subject to Rule 13.10 exercise alone all the powers and discretions for the time being exercisable by the Council

13.8 A Councillor notwithstanding any interest declared may be counted in the quorum present at any meeting at which any transaction or arrangement in which he is interested is considered and provided the Councillor has made the disclosure required by Rule 12.1 the Councillor may vote in respect of any such transaction or arrangement.

- 13.9 If a Councillor is by any means in communication with one or more other Councillors so that each Councillor participating in the communication can hear what is said by any other of them each Councillor so participating in the communication is deemed to be present at a meeting with the other Councillors so participating notwithstanding that all the Councillors so participating are not present together in the same place.
- 13.10 The continuing Councillors or Councillor may act notwithstanding any vacancies in the Council but if the number of Councillors is less than the number fixed as the minimum or becomes less than the number required by the Law the continuing Councillor or Councillors may act only for the purpose of filling vacancies or of preserving the Foundation Property.
- 13.11 The Council may from time to time elect from its Councillors and remove a chairman and/or deputy chairman and/or vice-chairman of the Council and determine the period for which they are to hold office.
- 13.12 The chairman or in his absence the deputy chairman or in his absence the vice-chairman shall preside at all meetings of the Council but if no such Person is elected or present at any time within five minutes after the time appointed for holding the same the Councillors present may choose one of their number to be the chairman of the meeting.
- 13.13 A Resolution in Writing of which notice has been given to all Councillors if Signed by all of the Councillors shall be valid and effectual as if it had been passed at a meeting of the Council duly convened and held and may consist of several documents in like form each Signed by one or more Councillors.
- 13.14 All bona fide acts by any meeting of the Council or of a committee appointed by the Council or by a Councillor shall be valid notwithstanding that it is afterwards discovered that there was some defect in the constitution of the Council or committee and/or the appointment of any such Councillor or Person acting as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote as if every such Person had been duly appointed and was qualified and had continued to be a Councillor or a member of a committee appointed by the Council and had been entitled to vote.

14. **GUARDIAN PROVISIONS**

- 14.1 The Original Guardian, who is the current President of the States of Alderney, will be the Guardian of the Foundation on its establishment.
- 14.2 It is intended that the Guardian shall at all times be the then incumbent President of the States of Alderney.
- 14.3 The Guardian must take such steps as are reasonable in all the circumstances to enforce the Constitution and to ensure that the Council carries out its functions.

- 14.4 The prior or simultaneous consent in writing of the Guardian is required for the Council to exercise those powers as specified in the Schedule. Where the consent of the Guardian is required before the Council is able to exercise certain powers under these Rules the Council shall write to the Guardian requesting such consent. If the Guardian fails to respond to the Council within 21 days of such request being delivered to the Guardian the Council shall be entitled to exercise the relevant power or powers to which the request relates without such consent.
- 14.5 The Guardian shall be entitled to require the Council to account to the Guardian for the way in which it has:
- (a) administered the Foundation's Property; and
 - (b) acted in the furtherance of the Foundation's Purpose;
- in such form as the Guardian may request.
- 14.6 The Guardian shall be entitled to receive the Foundation accounts and may examine all Foundation documents, any minute of Council meetings and any such records that the Guardian considers necessary to fulfil his duties in relation to the Foundation.
- 14.7 The Guardian may summon a meeting with the Council at any time as the Guardian considers reasonable and necessary to fulfil his duties in relation to the Foundation. Each Councillor must be given 21 days' notice of any such meeting.
- 14.8 The Guardian, as representative of the States of Alderney, may report to the States of Alderney on the affairs of the Foundation in such form and such manner as the Guardian deems appropriate.
- 14.9 The Guardian may take such legal and other professional advice as the Guardian considers reasonable and necessary to fulfil his duties in relation to the Foundation.
- 14.10 The Guardian may bring an action against the Council.

15. **RESIGNATION DISQUALIFICATION AND REMOVAL OF GUARDIAN**

- 15.1 The office of Guardian shall be vacated if the Guardian:
- 15.1.1 is no longer the President or acting President of the States of Alderney;
 - 15.1.2 dies;
 - 15.1.3 is under Incapacity;
 - 15.1.4 becomes prohibited or disqualified by law from being a Guardian;
 - 15.1.5 resigns his office by Notice to the Council;

- 15.1.6 becomes bankrupt is declared to have similar status in any part of the world or makes (or seeks to make) any arrangement or composition with creditors in any part of the world;
- 15.1.7 is convicted of any offence involving dishonesty in any jurisdiction in the world;
- 15.1.8 is removed by the Court; or
- 15.1.9 is unwilling or refusing to act and the Foundation has not received any response from the Guardian to any communication from the Foundation for at least [**three months**] from the date the communication was delivered to the Guardian.

16. APPOINTMENT OF GUARDIAN

- 16.1 Upon the vacation of the office of Guardian under Rule 15 a replacement Guardian shall be appointed by document in Writing Signed by the Person making such appointment delivered to the Foundation.
- 16.2 The power to appoint a new Guardian shall be vested in the States of Alderney who shall appoint the President of the States of Alderney to be the Guardian but in the event the States of Alderney fail to appoint a new Guardian the power to appoint a new Guardian shall be vested in the Council who shall appoint the acting President of the States of Alderney as the Guardian.
- 16.3 No appointment under Rule 16.2 shall have effect if the Person appointed is at the time of such appointment and during such appointment a Councillor or if the Person nominated does not qualify to remain as Guardian under Rule 15.

17. RELEASE OF GUARDIAN'S POWERS

The Guardian shall have power from time to time by document in Writing delivered to the Council to declare that any powers which require the consent of the Guardian under these Rules shall not require such consent and the said document in Writing shall be effective according to its terms and will be revocable unless expressed to be irrevocable.

18. GUARDIAN'S LIABILITY

- 18.1 No Guardian shall be liable for any loss to the Foundation or the Founder arising as a result of the failure or depreciation or loss of any investments made in good faith or by reason of any mistake or omission made in good faith or of any other matter or thing except fraud wilful misconduct or gross negligence on the part of the Guardian who is sought to be made liable.
- 18.2 Every present or Former Guardian shall be indemnified out of the Foundation Property against any loss or liability incurred by him by reason of being or having been such Guardian otherwise than as a result of his own fraud wilful misconduct or gross negligence.

18.3 The Council may authorise the purchase or maintenance by the Foundation for any Guardian of any insurance as is permitted by applicable law.

19. **REMUNERATION AND EXPENSES OF GUARDIAN**

The Council may pay the Guardian reasonable remuneration for any services that he provides to or on behalf of the Foundation and the Guardian is entitled to receive reimbursement from the Foundation Property for any expenses costs and other liabilities including taxation incurred personally by the Guardian by reason of his appointment under these Rules.

20. **GUARDIAN MAY CONTRACT**

The Guardian or any Person Connected with a Guardian may contract or enter into any financial banking or other transaction or arrangement with the Foundation or any Person whose shares or securities form part of the Foundation Property or be interested in any such contract or transaction and the Guardian shall not be liable to account to the Foundation for any profit or benefit made or derived by the Guardian under such transaction or arrangement.

21. **WINDING UP**

21.1 The Foundation shall be wound up by the Council:

21.1.1 upon such date as may be determined by the Council; or

21.1.2 on the Foundation no longer having any property or assets; or

21.1.3 on the bankruptcy of the Foundation; or

21.1.4 on the completion failure or lapse of the Purpose.

21.2 Subject to the Law in the event of the winding up of the Foundation the Council shall distribute such of the Foundation Property as is available for distribution after payment of the Foundation's creditors to the Default Recipient.

21.3 The Default Recipient shall be such public body or entity in Alderney established for the public interest of residents of Alderney as may be determined (a) by the Councillors or, failing them (b) by the Guardian or, failing the Guardian (c) by the States of Alderney.

22. **VARIATION AND RECTIFICATION**

Subject to the Law and any other provision of the Constitution the Council may by Resolution vary amend add to or delete all or any of the provisions of these Rules (including this Rule 22) from time to time.

- 22.1 Any such variation amendment addition or deletion:
- 22.1.1 shall specify the date from which such variation amendment addition or deletion shall take effect which date may be earlier than the relevant Resolution;
 - 22.1.2 must in the case of a power exercised by the Council be in the best interests of the Foundation;
 - 22.1.3 shall not alter or affect the rights of any Person which have accrued before the date of the variation amendment addition or deletion (except with that Person's prior consent in Writing); and
 - 22.1.4 shall not invalidate any previous disposition of the Foundation Property or affect any part of the Foundation Property to which any Person has previously become absolutely entitled.
- 22.2 The Council shall have power by Resolution to rectify any manifest errors in the Constitution.
- 22.3 Subject to the Law any proposed rectification or variation amendment addition or deletion of the Charter will take effect upon notification to the Registrar.

23. **RESIDENT AGENT**

The Council may appoint an Authorised Person to be the Foundation's Resident Agent upon such terms as to remuneration as the Council may decide. The Council may at any time dismiss the incumbent Resident Agent and appoint a new Resident Agent.

24. **REGISTERED OFFICE**

The Council shall ensure that the Foundation maintains a registered office in Guernsey in accordance with the Law.

25. **DOCUMENTS TO BE KEPT AT THE REGISTERED OFFICE**

- 25.1 The Foundation shall at all times maintain and keep the records of the Foundation or a copy (which includes an electronic copy) thereof at the Registered Office.

26. **ACCOUNTS AND AUDIT**

- 26.1 The Foundation shall keep accounting records which are sufficient to show and explain the transactions of the Foundation and which:
- 26.1.1 disclose with reasonable accuracy the financial position of the Foundation at any time;
 - 26.1.2 contain day to day entries of all sums of money received and expended the matters in respect of which the receipt and expenditure takes place;

- 26.1.3 contain a record of the assets and liabilities of the Foundation; and
 - 26.1.4 would enable the Council to ensure that the Foundation's accounts comply with the requirements of the Law.
- 26.2 The Council shall prepare accounts of the Foundation made up to such date in each year as the Council shall from time to time determine in accordance with and subject to the provisions of the Law.
- 26.3 The Council may from time to time (but shall not be obliged to) appoint auditors for any period or periods to examine the accounts of the Foundation and to report on those accounts.

27. DISCLOSURE AND CONFIDENTIALITY

- 27.1 The Guardian and the Founder shall be entitled to:
- 27.1.1 copies of the Constitution;
 - 27.1.2 the accounts of the Foundation; and
 - 27.1.3 upon request in Writing to the Council other records of the Foundation (save those which the Council is entitled to withhold under the Law).
- 27.2 The Default Recipient shall not be entitled to any information about the Foundation nor about his status as Default Recipient.
- 27.3 Subject to the above and any applicable law regulation or order the Foundation shall not be bound to disclose to any other Person whatsoever any document or information relating to the Foundation or the Foundation Property.
- 27.4 The Council may make such disclosures concerning the Foundation and/or the Foundation Property including without limitation disclosure of any direct or indirect interests therein and of any dealings therein as may be properly required by any competent authority or Person whether or not such requirements shall have the force of any applicable law and whether or not such disclosure may be enforced upon the Foundation. This power shall include any disclosure required under any legislation regulating transactions in securities and any regulations of any stock exchange or regulated market or authority in any place in which all or any part of the Foundation Property is situate from time to time.

28. AUTHENTICATION OF DOCUMENTS

Any Councillor or any Person appointed by the Council for the purpose shall have power to authenticate any documents of the Foundation (including the Constitution) any Resolutions passed by the Council and any books records documents and accounts relating to the business of the Foundation and to certify copies thereof or extracts therefrom as true copies or extracts.

SCHEDULE

Guardian Consents

Rule

2	Application of Foundation Property
8	Delegation of powers
9/10	Appointment / Removal of councillors
22	Winding Up
23	Variation and Rectification
32	Migration