Proposal for the sale of Isle A Quatre

St. Vincent & the Grenadines

Isle a Quatre
The Grenadines
WEST INDIES

The breathtaking, uninhabited Isle a Quatre lies just south of Bequia, close by islands Mustique, Balliceaux, Battowia, Petit Nevis. The views are simply astounding, the whole island is essentially untouched, has been in the same family ownership for over 100 years, and holds very substantial potential for a buyer

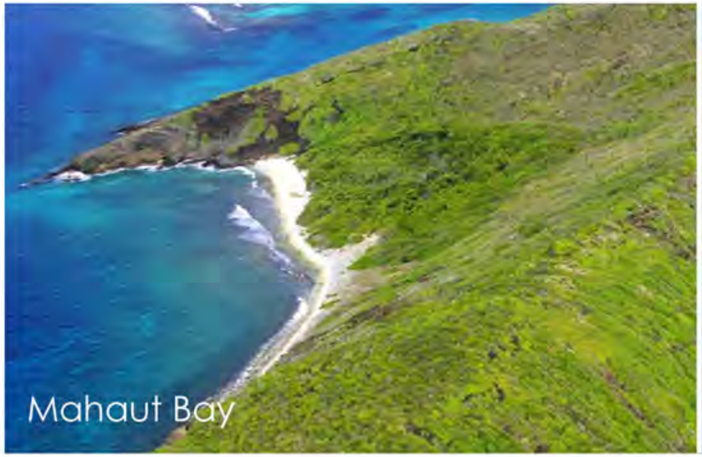
Introduction

Isle a Quatre, the classic dream island - four undulating hills above four coral lagoon bays and soft coral sand beaches - presides over its own beautiful portion of the Grenadines, an archipelago stretching 120 km from St. Vincent to Grenada in the south.
Isle a Quatre offers wonderful views over the Caribbean Sea and islands. The closest island, Bequia, has the Admiralty Bay yacht harbour and a convenient airstrip. The mountainous main island of St. Vincent is visible beyond. Closer, to the east the famed Mustique, and south is Canouan where Raffles recently completed their exceptional development with golf course.
The 376-acre Isle a Quatre remains uninhabited, and untouched - a tremendous opportunity. In the tropical woodland hills can be found the ruins of a family home of the grandfather of Sir James Mitchell, former prime minister of the country, who owns the island along with his daughters Sabrina, Gretel, Louise and Gabija. The island has been in the family for over 100 years.

Following the successful Mustique and Canouan models, an Act of Parliament provides for substantial and compelling arrangements - a 20 year tax holiday, incentives, exemptions, and residency for the purchaser, company and investors.
Conditions include the establishment of a high quality private island environment with boutique hotel, villas and infrastructure.
In preparation for the sale a holding company with limited liability has been set up, Quatre Isle Resort Ltd. It has never traded and has no liabilities.
With the legal framework in place, the greater part of the island is offered for sale for the creation of a sustainable and successful Private Island resort.

Isle a Quatre has south coast bays of pristine coral sand beaches and fringing coral reefs. There are dramatic cliffs and coves on the north shore, elevated hillsides, and expansive spaces for development.

Isle a Quatre is close to the Tobago Cays National Park - a group of desert islands set in a coral sand lagoon encircled by five miles of coral reef - a world renowned and protected marine environment and one of the best sailing regions in the world.



Location Map

Site Map

Trail
Coral Reef
Mangrove
Sand
Approximate elevation in feet
0 100 200 300 400 and above
Approximate sea depth in feet
0 -6 -32 and bellow
50 0 100 200 300 metres
N
Soldier Bay
Grand Bay
Bednoe Bay
Lagoon Bay
Mahaut Bay
479
381 G/IQ 16
100
200
300
400

Site Overview:

Location

Isle a Quatre, is located at 12.57 N, 61.15 W. in the independent country of St. Vincent and the Grenadines, a multi island state located to the south of the Caribbean archipelago 160 km west of Barbados.

Area and Dimensions

The surveyed area of Isle a Quatre is approximately 376 acres.
The length of the island is approximately 3km (1.86miles) and varies in width between 250m to 975m.
The coastal length is approximately 9.85km (6.12 miles).
The highest point is 146 m (479ft) above sea level.

Climate

Located in the tropics, Isle a Quatre enjoys an annual temperature of 28°C and benefits from warm clear seas and gentle trade winds.
The island is located at 12.57 degrees north latitude, considered as the lower hurricane risk area. The country has not been hit by a major hurricane in over 100 years.

Air Access / Sea Access

Isle a Quatre is a short boat journey from Bequia and an exhillerating sail to Mustique or Canouan. All the islands are only a few minutes by light aircraft
Nearest airports are Bequia, Mustique, and Canouan for direct scheduled and private flights to Barbados, St Lucia, and Martinique. The principal in-transit airport is Barbados with direct flights to UK, Europe and the Americas
The proximity of Bequia which has an airstrip is a major advantage, as it will provide easy access. The Bequia (JF Mitchell) airstrip is 3,600 ft long and 100 feet wide. The St. Vincent (ET Joshua) airstrip is 4,650 ft long and 150 ft wide. Other local airports are: Mustique, Canouan and Union Island. The construction of an International airport in St. Vincent is underway.
Bequia's south coast offers easy access to Isle a Quatre by boat in sheltered waters.

Legislative Framework:

Quatre Isle Act No.38 of 2006
The Act of Parliament is a specific agreement between the Government of St. Vincent and the Grenadines and The Quatre Isle Resort Company Ltd. It is an agreement enshrined in law, which encapsulates a special incentive regime designed to facilitate the Quatre Isle Resort Project.
Under the framework of the Act a 20-year renewable investment incentive freestanding statute for Quatre Isle has come into being. Similar acts exist for the Mustique Company Resort and the Canouan Resort.
Under the Act of Parliament the Government undertakes to do the following:

- Give a twenty year extension of incentive concessions
- Exempt the worldwide income of land owners on Quatre Isle
- Grant a zero tax benefit to the Company and purchasers, specifically there will be no income and capital gains tax on the Company or land owners, dividends also exempt from taxation
- Grant alien's land holding licenses to purchasers of land •Exempt the Company from any income tax
- Exempt the Company from tax or duties on the importation of goods
- Grant citizenship to Land owners on Quatre Isle
- Grant residence and work permits for qualified essential foreign staff

The Investment Company will undertake to do the following:

- Promote and oversee the development of the island as a first-class international resort
- Within five years to build a boutique hotel (size not specified)
- Within 20 years to sell lots for building purposes to the value of USD 100 million
- Ensure the privacy and security of purchasers
- Manage and implement a building code to govern the development of the island
- In 3 years spend not less than USD 10 million on infrastructure development
- Maintain the Quatre Isle Conservation Area
- Use best efforts to employ Vincentian nationals
- Provide training courses in culinary arts and other essential skills

Planning Authority
The Quatre Isle Act empowers the investor with its own internal planning authority as such that plans for the development require no further Government approval.
Planning approval for a resort development on the island was first granted in 1997 and a further design developed within the framework of the Act of Parliament, Quatre Isle Act No. 38 of 2006.

Special Tax Concessions:

No customs charges

The Quatre Isle Resort Company, its subsidiaries and all persons who purchase land on Isle A Quatre ('purchasers') are exempt from customs or other taxes on the importation of goods to Isle A Quatre. This customs exemption provides a great fiscal incentive to the construction, maintenance, improvement and proper functioning of property and services on Isle A Quatre. Customs charges in St. Vincent and the Grenadines are ordinarily high.

Right to Permanent Residence

Every purchaser of land on Isle A Quatre and his/her dependants have the right to permanent residence status in St. Vincent and the Grenadines.

Exemption from taxation on worldwide income and capital gains

The Quatre Isle Resort Company, its subsidiaries and all purchasers (as defined above) are exempt from taxation on their worldwide income and capital gains.

VAT on rental income

There is a 10% VAT payable on rental income on Isle A Quatre.

Views of Baliceaux and Battowia islands in the distance

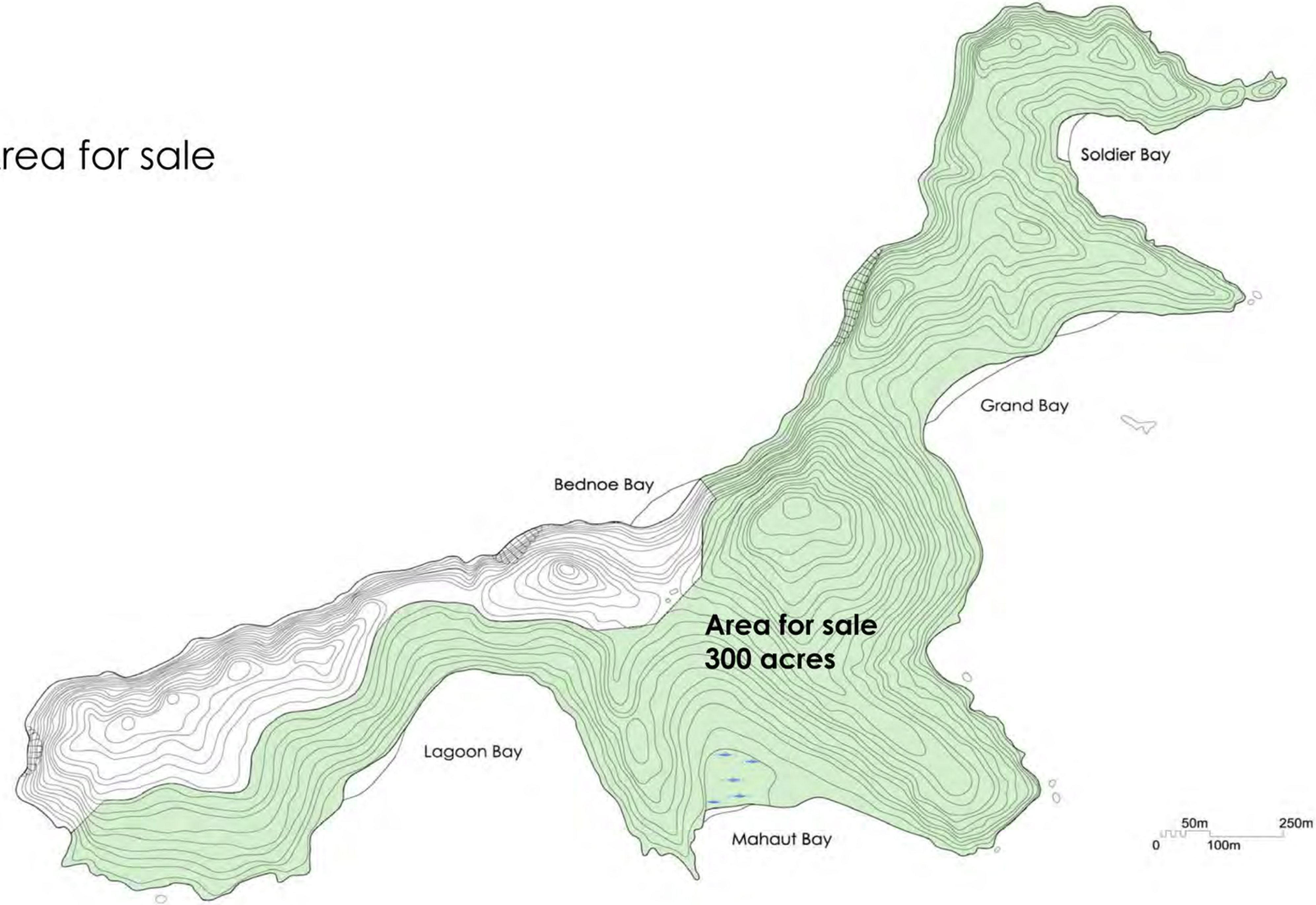
Lagoon Bay

Grand Bay

Heads of Terms:

• Vendor (owner of Quatre Isle Resorts Company Ltd, whose asset is the entire island of Isle A Quatre) to sell 300 acres for a luxury development (the island is approx. 376 acres);
• Vendor to to sell 95% of the shares in the said Company;
• Purchase price for 300 acres and 95% shares of the Company is EURO 42 million;
• Vendor to retain 76 acres (the location of which is pre-determined);
• Vendor to retain nominal 5% interest in the said Company;
• Purchaser to pay for the expense of establishing the infrastructure on the island, in addition to the payment of the purchase price;
• Vendor to contribute EURO 3 million to infrastructure cost;
• Vendor to retain a right to commercial licenses for the operation of luxury villa development on their retained land;
• Vendor to build on their retained land a series of luxury villas compatible with the quality of the Resort;
• Vendor to commence building the first villa immediately upon the infrastructure being in place;
• Vendor to retain a Directorship on the Board of the Company, as well as a Directorship on the Planning Committee governing the development of the island;
• Vendor and Purchaser to agree to keep 15% of their lands as forest or beach conservation area;
• The Purchaser is obligated under the terms of the Quatre Isle Resort Company Act No 38 of 2006, which includes building a boutique hotel, and developing infrastructure on the island (a minimum of US$10 million, timeframe for expenditure not restricted);
• Purchaser to pay a refundable deposit of EURO 1 million upon the agreement of the Heads of Terms ;
• Purchaser to pay a deposit of the balance of 10% of the purchase price upon signing Sale Agreement;
• The balance of the Purchase Price to be paid upon Vendor obtaining Alien's Landholding Licence.

Area for sale



Isle A Quatre with views of Mustique in the distance

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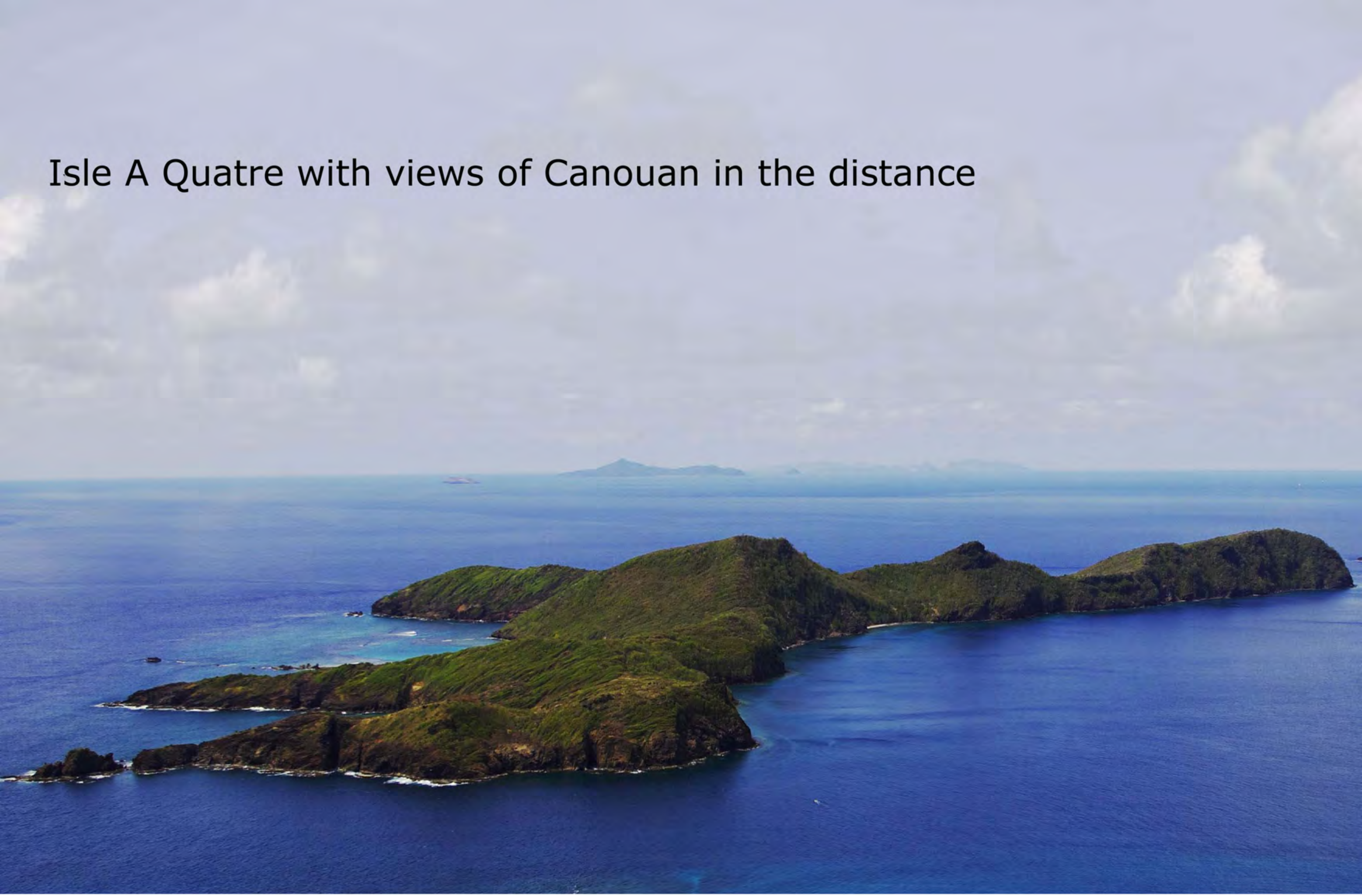

Isle A Quatre with views of Canouan in the distance

Aerial view of Isle A Quatre

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