LEGAL TEXT FOR PROPOSED MODIFICATION P303

SECTION C: BSCCO AND ITS SUBSIDIARIES (V16.0)

4. MANAGEMENT OF BSCCO

4.1 Appointment of Board of Directors

Amend paragraph 4.1.3 to read as follows:

4.1.3 The Board shall provide written terms of reference for the Nomination Committee which shall, inter alia, specify that:

(a) the Nomination Committee shall, in recommending appointments to the Board, have appropriate regard to reflecting different classes of, or categories of, industry participants on the Board;

(b) a majority of the Directors (excluding the chairman) shall have relevant electricity industry experience; and

(c) at least two Directors shall be ~~(industry)~~, in the Nomination Committee's reasonable opinion, suitably independent from the electricity industry; ~~in that such individual or a Related Person (in relation to that individual) shall not, at any time in the period of 5 years before their proposed appointment, have been:~~

~~(i) a Panel Member; or~~

~~(ii) an employee, director or representative of any Party, a class of Parties (including as a representative of an industry trade association or other industry group), a BSC Agent or other agent of BSCCo.~~

4.4 Expenses and remuneration

Amend paragraph 4.4.2 to read as follows:

4.4.2 In addition to reimbursement under paragraph 4.4.1, ~~any~~each Director ~~appointed under paragraph 4.1.3(c)~~ shall be entitled to be paid by BSCCo such remuneration and benefits as may be determined by the Panel Chairman after consultation with the Panel.

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