

P161 LEGAL TEXT**SECTION C: BSCCO AND ITS SUBSIDIARIES**

Amend as follows:

4. MANAGEMENT OF BSCCO**4.1 Board of Directors**

4.1.1 The Board shall comprise ~~five~~ seven Directors as follows:

- (a) the person who is Panel Chairman for the time being, who shall be Chairman of the Board;
- (b) two persons who are Industry Panel Members, nominated in accordance with paragraph 4.2;
- (c) two persons nominated by the Panel Chairman in accordance with paragraph 4.3;
- (d) the person who is Chief Executive of BSCCo for the time being;
- (e) the person who is Chief Finance Officer of BSCCo for the time being.

4.1.2 The business and proceedings of the Board shall not be invalidated by reason of there being at any time fewer than the numbers of Directors provided for in paragraph 4.1.1 by reason of any casual vacancy.

4.2 Industry Directors

4.2.1 The Panel shall decide upon the Industry Panel Members who are to be Directors of BSCCo subject to and in accordance with this paragraph 4.2.

4.2.2 Whenever (upon a vacancy arising pursuant to paragraph 4.2.4) a requirement arises for a Director(s) to be nominated from among Industry Panel Members, the Panel shall consider and resolve upon which of them shall be so nominated, provided that:

- (a) if any Panel Member shall so require, the Panel shall resolve separately and by secret ballot, in relation to each Industry Panel Member, whether he shall be nominated;
- (b) if the Panel does not resolve to nominate at least the number (one or two as the case may be) of Directors which are to be nominated, the Chairman shall decide which Industry Panel Member(s) (in addition to any nominated by the Panel) shall be nominated as Director(s);
- (c) if the Panel resolves to nominate more than the number (one or two as the case may be) of Directors which are to be nominated, the Chairman shall decide which of the Industry Panel Member(s) so resolved upon shall be nominated as Director(s).

4.2.3 An Industry Panel Member shall not vote upon a proposal that he be nominated as Director.

- 4.2.4 An Industry Panel Member appointed as Director shall hold the office of Director until:
- (a) his term of office as Panel Member expires in accordance with Section B2.7.3; provided that he shall be eligible for re-appointment but shall not automatically continue to hold the office of Director by virtue of re-appointment as a Panel Member; or
 - (b) if earlier, he ceases to hold office as a Panel Member pursuant to Section B2.7.4(b), (c) or (d); or
 - (c) he ceases to hold office in accordance with the provisions of the Articles of Association of BSCCo.

4.3 ~~Other~~ Directors nominated by the Panel Chairman

4.3.1 The Panel Chairman shall decide, after consultation with the Panel, upon the person or persons to be nominated from time to time as Director(s) under paragraph 4.1.1(c), and shall notify the Panel Secretary of his decision.

4.3.2 A person appointed as Director under paragraph 4.1.1(c):

- (a) shall hold office for a term not exceeding two years, but shall be eligible for re-appointment on expiry of such term;
- (b) may resign or be removed from office in accordance with the provisions of the Articles of Association of BSCCo.

4.4 Expenses and remuneration

4.4.1 Each Director shall be entitled to be reimbursed by BSCCo for the reasonable costs and expenses (including travel and accommodation costs) properly incurred by such Director in attending meetings of or otherwise in the conduct of the business of the Board.

4.4.2 In addition to reimbursement under paragraph 4.4.1, any Director appointed under paragraph 4.1.1(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.

4.4.3 Except as provided in paragraphs 4.4.2 and 4.6.2, no Director shall be entitled (in that capacity) to be paid any remuneration or benefits other than his costs and expenses in accordance with paragraph 4.4.1.

4.4.4 The secretary of BSCCo shall not be entitled to remuneration in that capacity, but without prejudice to the terms on which he is employed by BSCCo.

4.4.5 The remuneration and benefits payable to a Director pursuant to paragraphs 4.4.2 and 4.6.2 (if any) shall be disclosed in the Annual BSC Report.

4.5 Indemnity

4.5.1 The Directors of BSCCo shall be indemnified by BSCCo as and to the extent provided in the Articles of Association of BSCCo.

4.6 ~~Chief e~~Executive and Chief Finance Officer

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- 4.6.1 After consultation with the Panel, the Board shall appoint, and may from time to time remove, reappoint or replace, persons (not being the same individual) a person, not being a Director, to be the eChief eExecutive and Chief Finance Officer of BSCCo.
- 4.6.2 The persons appointed as the Chief Executive and the Chief Finance Officer shall be employed or otherwise engaged by BSCCo on such terms as the Board shall decide.
- ~~4.6.3 The Chief Executive shall not be a Director but shall be entitled to receive notices of and to attend and speak (but not to vote) at all meetings of the Board, and (if requested by the Chairman of the Board) shall be required to attend such meetings, provided that the Board may require him to be absent from any part of a meeting at which any matter concerned with his employment or engagement by BSCCo is to be considered.~~
- 4.6.4³ The Board shall delegate to the Chief Executive authority to conduct the day to day business of BSCCo.
- 4.6.4 A person appointed as a Director under paragraphs 4.1.1(d) and 4.1.1(e) shall hold the office of Director until:
- (i) he ceases to hold office in accordance with his terms of engagement with BSCCo; or
- (ii) he ceases to hold office in accordance with the provisions of the Articles of Association of BSCCo.
- 7.5 Directors and secretary**
- 7.5.1 The board of directors of each Subsidiary of BSCCo shall at all times comprise the persons who are for the time being Directors of BSCCo, and the company secretary of such Subsidiary shall be the person who is for the time being company secretary of BSCCo.
- 7.5.2 Any person who is appointed or re-appointed as, or who resigns or is removed as, Director or company secretary of BSCCo shall be appointed or re-appointed, or shall resign or be removed, as a director or (as the case may be) the company secretary of each Subsidiary of BSCCo; and a director or the company secretary of such a Subsidiary shall not resign as such unless he resigns at the same time as a director or (as the case may be) the company secretary of BSCCo.
- 7.5.3 The persons who ~~is~~are for the time being Chief Executive and Chief Finance Officer of BSCCo shall act in the same capacity as chief executive and chief finance officer respectively of each Subsidiary of BSCCo, under such terms of reference as the board of directors of such Subsidiary may determine.

- 7.5.4 Each director of a Subsidiary shall be entitled to be reimbursed by BSCCo for the reasonable costs and expenses (including travel and accommodation costs) properly incurred by such director in attending meetings or otherwise in the conduct of the business of the board of directors of the Subsidiary and not otherwise reimbursed under paragraph 4.4.1.
- 7.5.5 No director of a Subsidiary shall be entitled (in that capacity) to be paid any remuneration or benefits other than his costs and expenses in accordance with paragraph 7.5.4.

ANNEX X-1: GENERAL GLOSSARY

Insert the following new definition:

“Chief Finance Officer” means the person appointed from time to time as chief finance officer of BSCCo by the Board in accordance with Section C4.6;