



## Corporate Governance Guidelines

### 1. Corporate Governance Guidelines

The Consortiums' Bylaws provide the Board of Directors (the "Board") will not be less than three, or more than twelve directors. The Board will periodically review the appropriate size of the Board. The Board will have a majority of directors who meet the criteria for independence from stock manipulation of the consortium. The nominating and Corporate Governance Committee is responsible for assessing, on an annual basis, the skills and characteristics that candidates for election to the Board at its next annual meeting should possess, as well as the composition of the Board as a whole, and for making appropriate recommendations to the Board.

This assessment will include the qualifications under applicable independence standards and other standards applicable to the Board and its committees, as well as consideration of skills and experience in the context of the needs of the Board. The Board shall consider on a case-by-case basis the independence of each director. The Nominating and Corporate Governance in accordance with the policies and principles of the charter, will recommend for directorship of full Board. The invitation to join the Board should be extended by the Chairman of the Board or the Company's Chief Executive (the "CEO"), on behalf of the Board. The Chairman of the Board will be elected by the other directors. Both independent and management directors, including the CEO, are eligible for the appointment as the Chairman. No director should serve on so many other company boards that his or her ability to devote the time and attention to duties to the Board or to the Company's affairs would be compromised. Determination of the existence of such a situation would be subject to the discretion of the Nominating and Corporate Governance Committee. Directors should advise the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another company's board. In addition, before accepting an invitation to serve on another company's board, directors should consult with the Company's general counsel to determine that the new directorship would not cause any conflict of interest.

The Board does not believe it should establish terms or limits or a mandatory retirement age. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they present the disadvantage of causing the loss of the contributions of directors who have been able to develop, over a period of time, extensive insight into the Company and its operations and who is capable of providing continuing contributions to the Board. As an alternative to term limits, the Nominating and Corporate Governance Committee will review each director's qualifications, suitability and willingness to continue on the Board in connection with the selection of nominees to take office when the director's term expires. This review will allow each director the opportunity to confirm his or her desire to continue as a member of the Board.



### 2. Director's Responsibilities

The basic responsibility of the director's is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The directors shall also be entitled to have the Company purchase reasonable directors and officers liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by applicable law and the Company's certificate of incorporation, bylaws and any indemnification agreements approved by the Board, and to the exculpation in English Law and the Company's certificate of incorporation.

Directors are expected to attend Board meetings and meetings of committees on which they serve and to spend time needed to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should be ordinarily be distributed in writing (including electronic form) to the directors before the meeting, and directors should review these materials in advance of the meeting. The Chairman may invite certain members of management, including the CEO and the General Council, to attend meetings on a regular basis or invite members of management to attend meetings as needed.

The Board has no policy requiring either that the positions of the Chairman of the Board and of the Chief Executive Officer should be separate or that they should be occupied by the same individual. In addition, the Board has no general policy on whether, if such offices are separate, the Chairman of the Board should be selected from the non-employee directors or be an employee. The Board believes that this issue is properly addressed as part of the succession planning process.

The Chairman of the Board, together with the CEO and the Corporate Secretary, will prepare and distribute to the directors and any members of the management who regularly attend Board meetings an annual schedule of meetings for the Board and the standing committees of the Board. To the extent practicable, the schedule shall reflect agenda subjects that are generally of a recurring nature and are expected to be discussed during the year in question.

The Chairman of the Board and the CEO will together establish the agenda for each Board meeting, which, if practicable, will be distributed to each director in advance of the meeting. Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company's long term strategic plans and the principle issues that the Company will face in the future during at least one Board meeting each year.

The non-management directors will meet regularly in executive session without management participation at least semiannually. In addition, if the group of non-management directors includes a director who is not independent under British listing standards, the independent directors will meet in executive session at least annually. The directors meeting in executive session do not constitute a formal committee of the Board and therefore shall not take corporate action at such sessions, although the participating directors may make recommendations for consideration by the full Board. The chairman of



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the Company's Audit Committee and Nominating and Corporate Governance Committee will chair these meetings on a rotating basis. In addition, interested parties may communicate directly with the independent directors by submitting a communication in an envelope addressed to the "Board of Directors (independent members)" in care of the Company's Corporate Secretary or, for Company employees only, be complying with the procedures set forth in the Company's Code of Business Conduct.

The Board believes that management should speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. However, it is expected that the Board members would do this with the knowledge of management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management.

### 3. Board Committees

The Board will have at all times an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. All the members of these committees will meet the requirements if "independent directors" under English listing standards.

Members of these committees will be appointed or approved at least annually by the Board following receipt of the recommendations of the Nominating and Corporate Governance Committee and with consideration given to the desires of individual directors. In making its determinations, the Board shall consider, among other things, the need for continuity, subject matter expertise, and applicable Securities and Exchange Commission ("SEC"), the English and Internal Revenue Service ("IRS") requirements. A director who is part of an interlocking directorate (i.e. a director of the Company who is employed by another corporation for which the CEO or another executive officer of the Company serves on the board) may not serve on the Compensation Committee. The composition of the committees will be reviewed annually to ensure that each if its members meet the criteria set forth in applicable rules and regulations of the SEC, the English and the IRS and other applicable rules and regulations.

Each committee will designate one member of the committee to be its chairman (unless appointed by the Board). Each of the committee referred to in the preceding paragraph to have a written charter adopted by the Board. The charters will set forth the purposes and responsibilities if the committees as well as qualifications for committee membership, procedures for committee members appointment and removal, committee structure and operations and committee reporting to the Board.

The chairman of each committee, together with other members and senior management as appropriate, will develop the committee's written agenda for each meeting.

Committee members and other directors may suggest the addition of any matter to the agenda for any committee meeting. Any committee member may raise at any committee meeting subjects that are not on the agenda for the meeting. At the beginning of the year, each committee referred to above will



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establish a schedule of agenda subjects to be discussed during the year (to the extent these can be foreseen). The schedule for each committee will be furnished to all directors. Each committee referred to in the preceding paragraph shall have the authority, to the extent it deems appropriate, without consulting or obtaining the approval of any officer of the Company in advance, to engage and obtain advice and assistance from legal, accounting or other advisors. The Company shall provide for appropriate funding for payment of compensation to any such advisors, as well as administrative expenses necessary or appropriate in carrying out committee duties.

The Board may, from time to time, establish or maintain additional committees as necessary and appropriate.

### **4. Director Access to Officers, Employees and Other Advisors**

Directors have full and free access to officers and employees of the Company. Any meetings or contracts that a director wishes to initiate may be arranged through the CEO or the Corporate Secretary or made directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the CEO on any written communications (including email) between a director and an officer or employee if the Company.

### **5. Director Compensation**

The Compensation Committee, in accordance with the policies and principles set forth in its charter, will determine or recommend to the Board the form and amount of director compensation. Directors who are Company employees shall not be separately compensated for their services as directors. The Board believes that rather than paying out profit that reduces company flexibility payments should be proportioned as stock, or stock options or other forms of compensation that correlate with the market value of the Company.

### **6. CEO Evaluation**

The Compensation Committee will oversee the annual assessment of the performance of the CEO, as provided in its charter. The Board of Directors will review the Compensation Committee's report with a view to ensuring that the CEO is providing appropriate leadership for the Company in the long and short term.



### **7. Annual Performance Evaluation**

The Board of Directors will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nominating and Corporate Governance Committee will oversee such annual evaluation, solicit comments from all directors and report annually to the Board with an assessment of the performance of the Board, its committees and individual directors. This assessment will then be discussed and taken into account at the full Board in its consideration of any appropriate action or response.

### **8. Director Orientation and Continuing Education**

Each new director should participate in an orientation program, which should be conducted promptly after his or her initial election or appointment. This orientation will include presentations by senior management to familiarize new directors with the Company's operations, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct, its principle officers and its internal and independent auditors. Other directors are also welcome to attend any of these orientation programs. The Board believes it is appropriate for directors, at their discretion, to have access to educational programs related to their duties as directors on an ongoing basis to enable them to better perform their duties and to recognise and deal appropriately with issues that arise. The Company will provide appropriate funding for any such program in which a director wishes to participate. Directors will get approval from the Chairman of the Nominating and Corporate Governance Committee prior to attending Continuing Personal Development courses (CPD).

### **9. Management Succession**

The Nominating and Corporate Governance Committee shall periodically review succession planning with the CEO, and the Nominating and Corporate Committee should make an annual report to the Board on succession planning with respect to the CEO and other executive officers of the Company. The Nominating and Corporate Governance Committee will work with the incumbent CEO to identify potential successors to the incumbent CEO. The designation of the CEO is a decision for the Board.

### **10. Conflicts of Interest**

If an actual or potential conflict of interest develops because of significant dealings or competition between the Company and a business with which the director is associated, the director should report the matter promptly to the Chairman for evaluation by the Board. A significant conflict must be resolved or the director should resign. If a director has a personal interest in a matter before the Board, the director should disclose the interest to the full Board and should consider whether it is appropriate to excuse himself or herself from participation in a discussion and any vote on the matter.



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### 11. Review of these Guidelines

The operation of the Board is a dynamic and evolving process. Accordingly, these guidelines will be reviewed periodically by the Board or a committee and any recommended revisions will be submitted to the full Board for consideration.