

Eastwick and Sweetwater

Project Board Terms of Reference

1 Introduction

1.1 These Terms of Reference apply to the Project Board in relation to the Project.

1.2 The Terms of Reference set out to:

1.2.1 outline the responsibilities and level of authority of the Project Board;

1.2.2 provide a sound and clear basis for the conduct of the Project Board's business in terms of procedure of meetings, contract management and variations (if any) to the Project;

1.2.3 an audit trail of decisions made for the Project;

1.2.4 to review and consider (where appropriate) the recommendations of the Steering Group

2 Project Board Membership and Support

2.1 Project Board membership is set out at clause 8 of the Development Agreement.

2.2 The Project Board will be attended by a nominated senior director from each of the Project Organisations and one lead officer from each LLDC, PfP and BBI will be required to attend Project Board meetings.

2.3 Each member of the Project Board shall be entitled to appoint an alternate provided prior written notice is given to the other members of the Project Board such alternate to attend the meeting and comment on his/her behalf provided that all nominated representatives and their alternates have the power to make decisions as required.

2.4 The Project Board is to allow any other party to attend where decisions are to be made where that party has authority to authorise such decisions.

3 Project Board Meetings

3.1 The Project / Development Director is delegated to formulate the agenda, circulate papers (if

required) and write minutes for the Project Board meetings. In the absence of the Project Director, delegated authority is provided to the JV Development Manager

3.2 The Project Board will meet quarterly in accordance with Clause B of the Development Agreement. Other meetings may be called as required in order to ensure timescales are met for decision making in accordance with the Project.

3.3 Written reports shall be received from the Steering Group at least one week before a meeting and the Project Board shall consider the report prior to the scheduled meeting.

3.4 Where urgent decisions are required either in the case of a Project Board matter referred to at paragraph 6 below or where a matter has been referred by the Steering Group and a meeting cannot reasonably be called to make that decision, a recommendation report will be circulated by email for approval, giving reasons for the urgency and an absolute deadline for response.

3.5 The Project Board shall act reasonably and without delay in providing decisions on matters to be reviewed within the Project Board.

3.6 Where the requirement under the terms of the Development Agreement is for LLDC to approve a matter or provide consent then the Project Board shall ensure that prior to any Project Board meeting the relevant matter has been discussed in advance with LLDC and that the relevant member of the Project Board representing LLDC's interest has either the requisite authority to proceed or the relevant member of LLDC with decision making authority attends the relevant Project Board meeting.

3.7 For the avoidance of doubt, the Project Board will not give LLDC authority on matters reserved for LLDC within the Development Agreement and the same will apply to the joint venture and its shareholders

4 Quorum

4.1 The quorum for the Project Board is one member from each of the LLDC, PfP and BBI

4.2 There will be no decision made at any meeting unless there is a quorum of members at the

commencement of discussion of the decision items. If a member is unable to attend a meeting in person then that member may attend the meeting via conference call in which case the meeting will be quorate.

5 Chairing of meetings

The chairing of meetings will rotate on an annual basis between LLDC and the joint venture. The role of the chair will be to ensure issues are properly considered. It is proposed that the first Chair will be a nominated LLDC Representative

6 Functions of the Project Board

6.1 The main function of the Project Board is to meet the requirements set out in the Development Agreement to ensure the effective delivery of the key outputs of the Project in line with the agreed Business Plan

6-2 The Project Board will fulfil the following roles:

6.2.1 reviewing and agreeing any Referred Matter (as the same is defined in the SCG Terms of Reference);

6.2.2 Reviewing and updating the Business Plan as referred to in clause 6 of the Development Agreement;

6.2.3 reviewing and agreeing any of the matters referred to in clause 8.4 of the Development Agreement;

6.2.4 dealing with disputes and references to planning counsel as set out on clause 9.6.1;

6.2.5 dealing with the Milestones in accordance with clause 35.2 (subject to LLDC approval within the Development Agreement);

6.2.6 Reviewing the implementation and reporting of the Sales & Marketing Strategy (subject to LLDC approval within the Development Agreement)

7 Review of the Business Plan

7.1 It is acknowledged that one of the key roles of the Project Board is to review and approve the Business Plan.

Problem solving and dispute resolution

The Project Board's objective will be to achieve consensus in decision making and to act reasonably to ensure that the Project continues. The Project Board will act in good faith with all parties and will take into account any financial impact a decision will have on each of the Project Organisations. Failure to agree will result in application of the provisions of the Development Agreement for problem solving and dispute resolution.

Confidentiality

All business and proceedings of the Project Board shall be regarded as confidential unless and until published in the ordinary course of the Organisation's business.