

## SCHEDULES

### SCHEDULE 2

Section 7.

#### FURTHER PROVISIONS WITH RESPECT TO THE CONSTITUTION AND PROCEEDINGS OF ASSOCIATED BRITISH PORTS AND RELATED MATTERS

##### *Preliminary*

- 1 In this Schedule "director" means a director of Associated British Ports.

##### *Remuneration and other payments*

- 2 (1) The remuneration and allowances payable to directors by Associated British Ports shall be determined by the Holding Company.
- (2) The payment by Associated British Ports to or in respect of a former director of any pension or compensation for loss of office shall be subject to the approval of the Holding Company.

##### *Resignation and vacation of office*

- 3 (1) A director may resign his office by notice in writing to Associated British Ports.
- (2) The office of director is vacated if the director—
- (a) becomes bankrupt or makes an arrangement with his creditors, or in Scotland has his estate sequestrated or makes a trust deed for behoof of his creditors or a composition contract; or
  - (b) becomes of unsound mind ; or
  - (c) is absent from meetings of the directors for a period of more than six months without the permission of the directors.

##### *Proceedings of the directors*

- 4 (1) Subject to any rules which may be prescribed by the Holding Company, the directors may regulate their own procedure.
- (2) Unless the directors determine otherwise, the quorum necessary for the transaction of business by them is three.

##### *Chairman and deputy chairman*

- 5 (1) The directors may elect a chairman of their meetings and determine the period for which he is to hold office.
- (2) If the directors elect a chairman they may also elect a deputy chairman and determine the period for which he is to hold office.

*Committees of directors*

- 6 (1) The directors may delegate any of their powers to a committee consisting of one or more directors.
- (2) Subject to any rules which may be prescribed by the directors, such a committee may regulate its own procedure and may elect a chairman of its meetings.

*Executive directors*

- 7 (1) The directors may appoint one or more of their number as executive directors.
- (2) Such an appointment shall be for such period and on such terms as the directors think fit, but shall determine automatically if the person appointed ceases to be a director.
- (3) The directors may delegate any of their powers to an executive director on such terms and subject to such restrictions as they think fit
- (4) An appointment as executive director may be revoked at any time by the directors, but without prejudice to any claim for damages for breach of contract.

*Secretary*

- 8 (1) The directors shall appoint a secretary of Associated British Ports on such terms as to remuneration and otherwise as the directors think fit.
- (2) A secretary so appointed may be removed by the directors at any time, but without prejudice to any claim for damages for breach of contract
- 9 The fixing of the common seal of Associated British Ports shall be authenticated by the signature of the secretary or some other person authorised by the directors to act for that purpose.

*Auditors*

- 10 (1) The auditors of Associated British Ports shall be appointed by the Holding Company for such period as the Holding Company may determine but, without prejudice to any claim for damages for breach of contract, may be removed by the Holding Company at any time.
- (2) The amounts payable by Associated British Ports to its auditors in respect of remuneration and expenses shall be determined by the Holding Company.

*Validity of proceedings notwithstanding formal defects*

- 11 (1) The validity of proceedings of the directors is not affected by any vacancy among the directors.
- (2) Acts done by the directors, by a committee of directors or by any person acting as director are valid notwithstanding that it is afterwards discovered—
- (a) that there was some defect in the appointment of any such director or person acting as director; or
- (b) that any such director or person acting as director was disqualified from acting on grounds of interest or had ceased to hold office as director by virtue of paragraph 3(2).