



The Global Carbon Capture and Storage Institute

GCCSI

Legal and Governance Structure

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Foundation Members Meeting

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Preferred Legal and Governance Structure

To meet its objectives, it is recommended the GCCSI:

- Be established as a not-for-profit Australian company limited by guarantee;
- Have multiple membership open to Governments, industry and Non-Governmental Organisations; and
- The Board be skills based; and
- Board to be supported by an International Advisory Panel (IAP), Technical Advisory Committee (TAC) and other sub-committees as required.

Australian not-for-profit company limited by guarantee:

Key features

- Separate legal personality
- Liability of the members is limited
- Attract funding by means such as grants, donations, bequests
- Does not pay a share of any profits earned to members
- Internal management governed by the company's constitution
- Required to adhere to applicable provisions of the *Australian Corporations Act 2001*
- Must comply with certain reporting requirements under the Corporations Act

Australian not-for-profit company limited by guarantee:

Key features continued

- Must have at least one Member (Australia will be the first Member)
- Must have at least one company secretary who ordinarily resides in Australia
- A public company must have at least three directors. At least two directors must ordinarily reside in Australia

Members of the GCCSI

- Foundation Members who apply to be Members within 18 months of the GCCSI registration as a company; and
- Other organisations (including Governments) who demonstrate a legitimate interest in advancement of CCS including organisations that:
 - have demonstrated they will make a material contribution to the fulfilment of the objectives of the GCCSI or are likely to;
 - carry on a business or activity where the advancement of CCS is not merely incidental to its core business or activities; and
- Who apply to the Board, and are admitted as Members

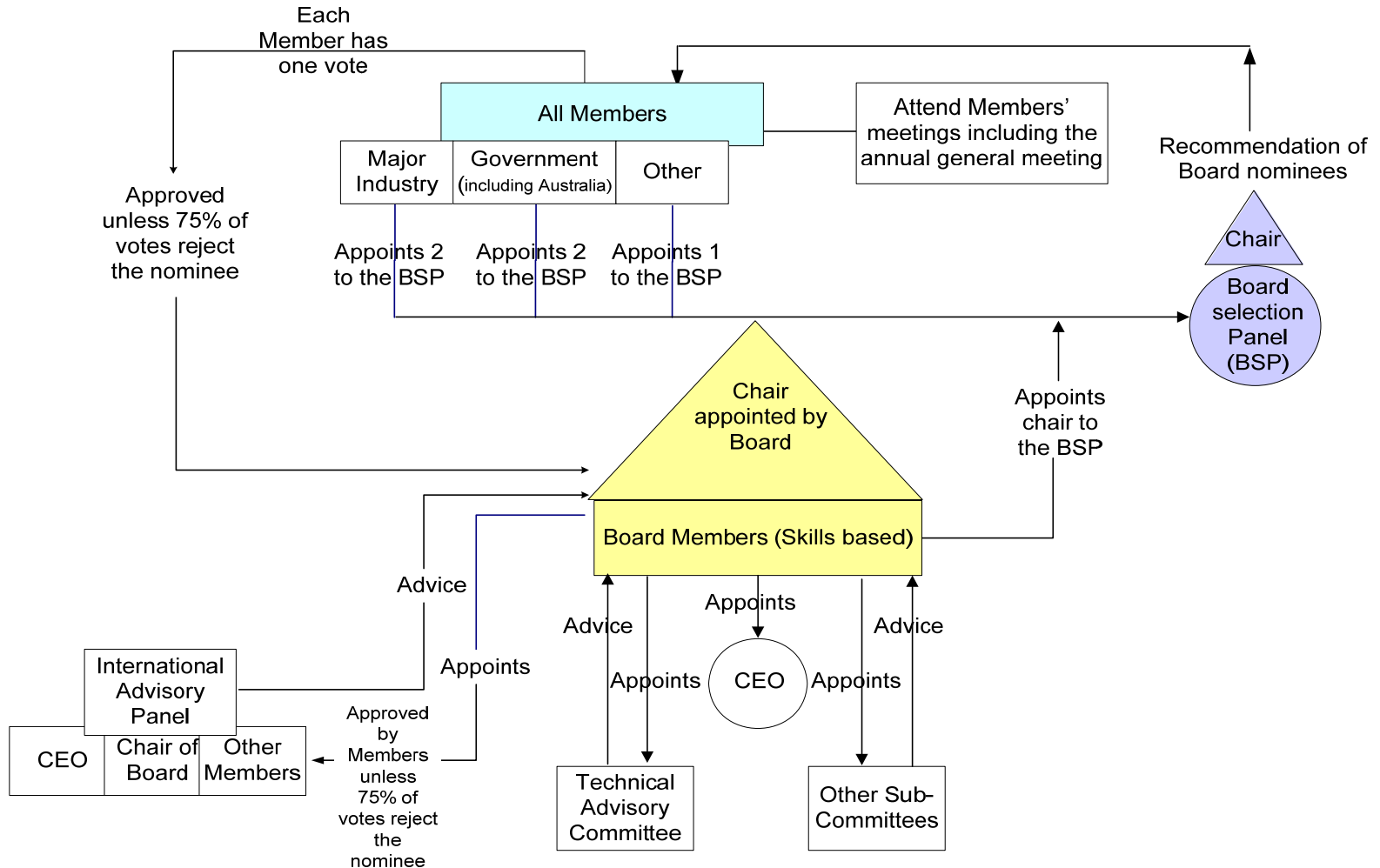
Membership rights

- Contribute to strategic priorities and work program of the GCCSI; and
- The right to:
 - Vote on amendments to the Constitution;
 - Attend and vote at Members' meetings including the AGM;
 - Approve ongoing appointments to the Board and the International Advisory Panel;
 - Appoint members to the Board Selection Panel (BSP);
 - Receive relevant financial, directors' and auditor's report; and
 - Remove a director from office, by Members' resolution.

Members' liabilities

- The liability of the Members is limited to the amount the Members undertake to contribute to the property of the company **if it is wound up** (it is proposed that such a guarantee be a nominal sum e.g. \$10).
- The liability of a Member may extend beyond such amounts if it has a role in the affairs of the company through some other capacity; e.g. if the member provides services to the company.

Governance arrangements



The Board itself will have the ability to appoint additional directors to fill casual vacancies on the Board and can appoint 1 director to fill a gap in the Board's skill set, which will be approved by the Members unless 75% of Members' votes reject the appointee.

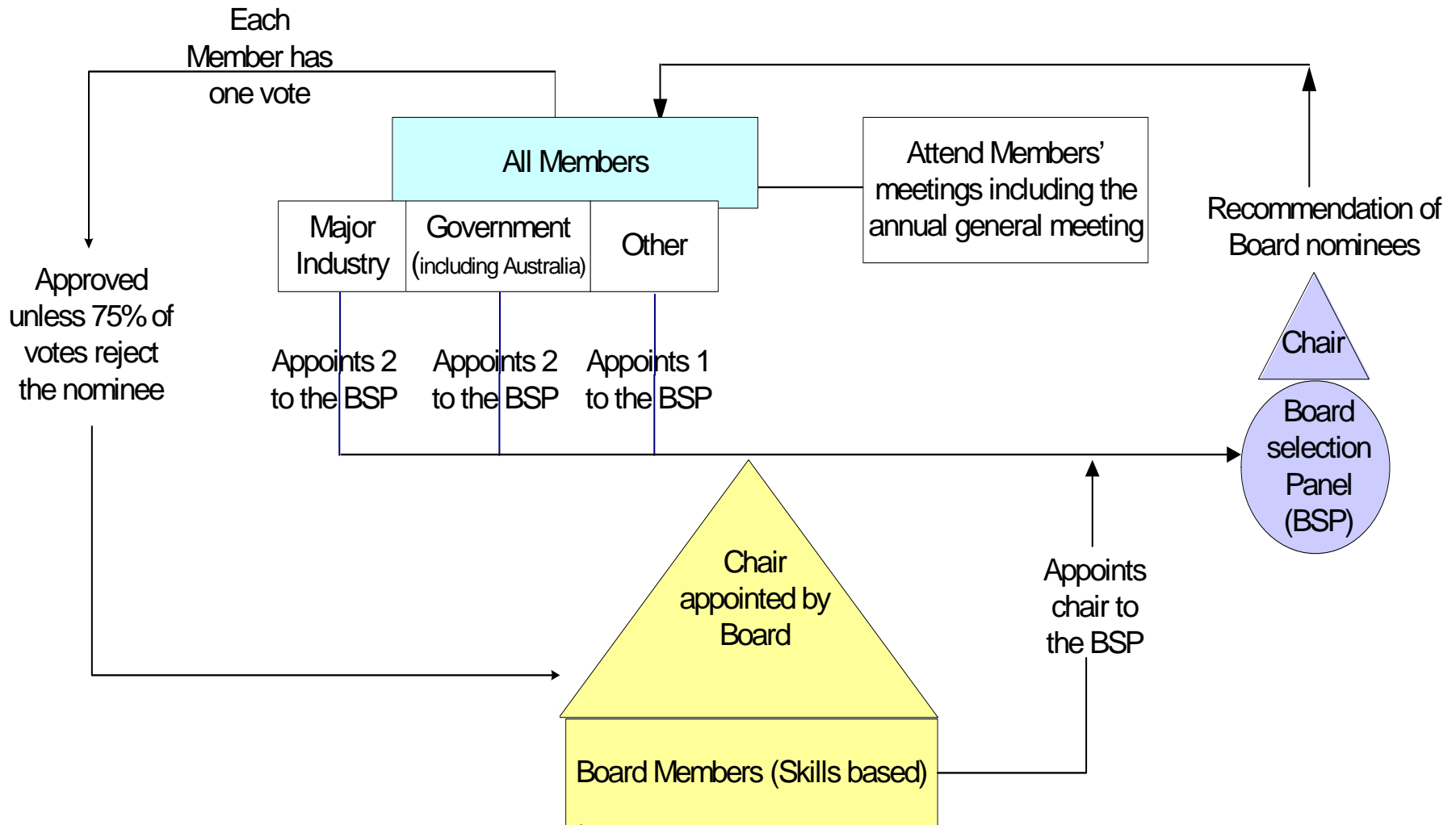
GCCSI Board Structure

- Independent skills based Board (draft selection criteria developed)
- Seven members
- Subject to directors' duties under *Corporations Act*
- First Board Chair to be appointed by Australia
- Board members appointed by Board Selection Panel
- Board nominees automatically approved unless 75% of members' vote to reject the nominee

Duties of Directors

- Undertake of a range of duties designed to protect the corporation including, equitable and fiduciary duties and statutory law and common law duties including to:
 - Exercise care and diligence;
 - Act in good faith in the best interests of the company and for a proper purpose;
 - Not improperly use their position or information gained by virtue of their position;
 - Notify other directors of a material personal interest; and
 - Prevent insolvent trading by the company.
- Oversee, guide and monitor the management and strategic direction of the company;
- Manage and direct the business of the company
- Exercise all of the company's powers apart from those to be exercised by member resolution

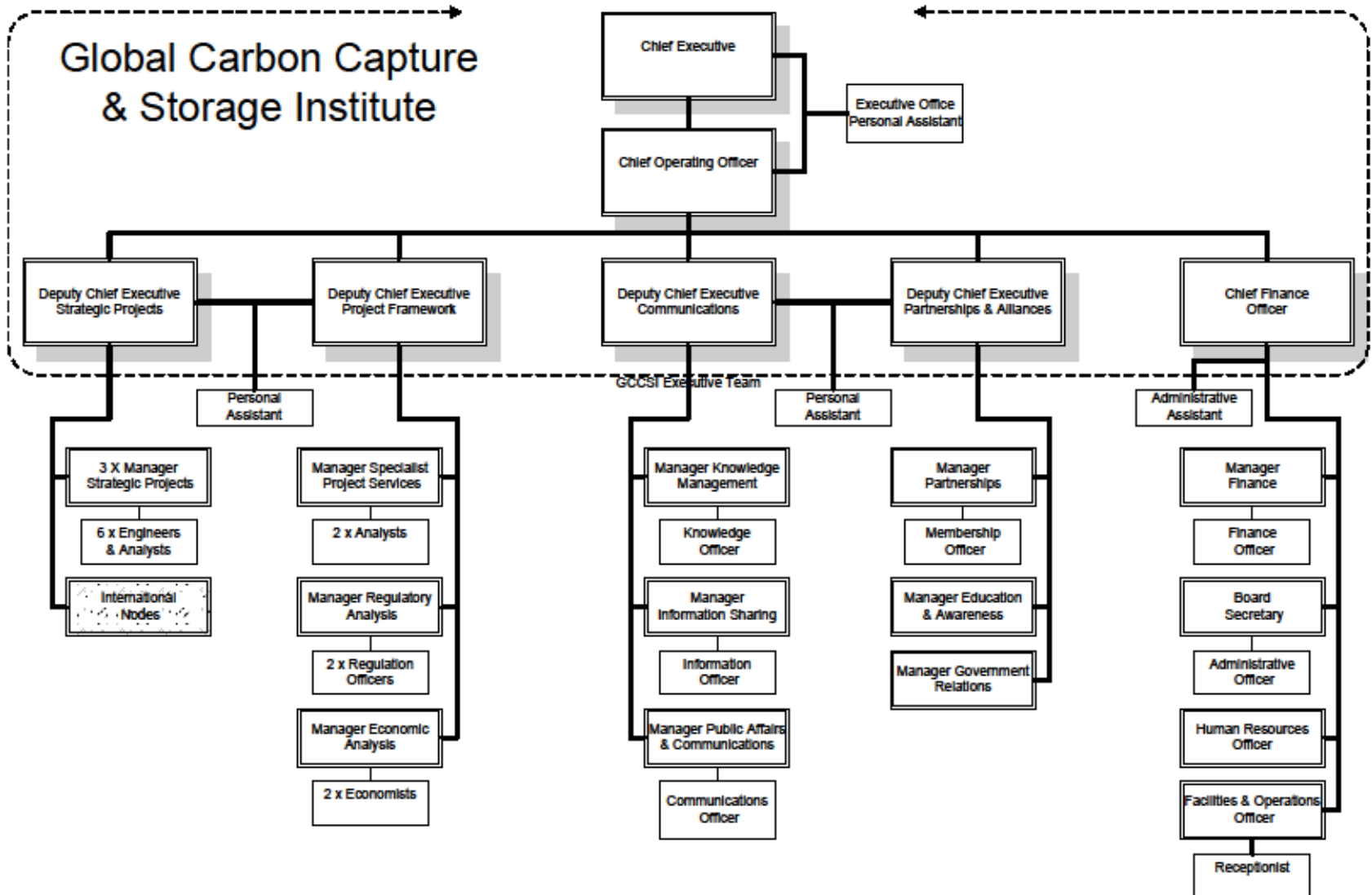
Board Selection Panel (BSP) process



Company start up

- Interim CEO and Deputy CEO appointed by Australian Government
- Board will appoint the permanent CEO
- Global search for suitable candidates has begun
- The Australian Government as the sole member at the GCCSI establishment, it will select the first CEO, the first company secretary and three initial directors – one will be the first Board Chair.

GCCSI Structure and Staffing continued





An Australian Government Initiative