

## **Boomerang Plus plc (the "Company")**

### **Terms of Reference for the Nomination Committee**

#### **1. Constitution**

The Committee shall be established by resolution of the Board and shall be known as the Nomination Committee (the "**Committee**").

#### **2. Membership**

2.1 The members of the Committee shall be appointed by the Board and shall consist of the Chairman of the Board who shall normally attend meetings and two further members. A majority of the members of the Committee should be independent non-executive directors of the Board.

2.2 In order to fulfil the Committee's overall purpose the members of the Committee should:

- (a) have no personal financial interest, other than as shareholders in the Company (if applicable), in the Committee's decisions;
- (b) have no "cross-directorships" which could be thought to offer scope for mutual agreements to nominate candidates;
- (c) be independent of the Company's management and free from any business or other relationship with the Company or any member of the Company's group which could materially interfere with the exercise of their independent judgement; and
- (d) have a good understanding, enhanced as necessary by appropriate training or access to expert advice, of the ambit of the Committee's business;

2.3 A quorum shall be three members and shall include a majority of independent non-executive directors.

2.4 The Chairman of the Committee shall be appointed by the Board to hold office for a period determined by the Board and shall be either the Chairman of the Board or an independent non-executive director.

2.5 The Committee may at each meeting appoint one of their number to be the Secretary of the Committee.

#### **3. Frequency of meetings**

3.1 The Committee shall meet at least once annually. Otherwise meetings shall be held as required. The Board may request a meeting if they consider that one is necessary.

3.2 At least seven days' notice of any meeting of the Committee shall be given, although such notice may be waived or shortened with the consent of all the members of the Committee for the time being.

#### **4. Authority**

4.1 The Committee is authorised by the Board to pursue any activity within its terms of reference.

4.2 The Committee is authorised by the Board at the expense of the Company to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

## 5. Duties

5.1 The duties of the Committee shall be to consider the appointment of all potential members of the Board of Directors, whether executive or non-executive and to make proposals to the Board as to the appointment of members of the Board. In particular the Committee is required to:

- (a) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise, save that appointments as Chairman or Chief Executive should be matters for the whole Board;
- (b) before making an appointment, evaluate the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
- (c) review annually the time required from a non-executive Director and assess whether the non-executive Director is spending enough time to fulfil their duties;
- (d) consider candidates from a wide range of backgrounds;
- (e) give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and the skills and expertise therefore needed on the Board, reporting to the Board regularly;
- (f) regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
- (g) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- (h) make a statement in the annual report about its activities; the process used for appointments and explain if external advice or open advertising has not been used; the membership of the Committee, number of Committee meetings and attendance over the course of the year;
- (i) ensure that on appointment to the Board, non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
- (j) consider and make recommendations to the Board about the re-appointment of any non-executive Director at the conclusion of their specified term of office or retiring in accordance with the Company's Articles of Association; and
- (k) consider and make recommendations to the Board on any matter relating to the continuation in office of any Director at any time.

**6. Procedures**

- 6.1 The Secretary of the Committee shall circulate the minutes of meetings of the Committee to all members of the Board. All decisions of the Committee shall be reported to the Board.
- 6.2 The Chairman of the Committee shall be available at the Annual General Meeting of the Company to respond to any shareholder questions on the activities and responsibilities of the Committee.
- 6.3 The Committee shall conduct an annual review of its work and these terms of reference and shall make recommendations about this to the Board.
- 6.4 Members of the Committee shall be provided with appropriate and timely training.

**29 October 2007**