

**Reference Memorandum for Agenda 5**  
**Conditions**  
**Thai Textile Industry Public Company Limited**  
**Item 4: Board of Directors**

No. 16 The number of Directors in the Company will be established by the Shareholders Meeting; however, there must be at least 5 members but no more than 17 members on Board, which at least half of the members must have residency in Thailand

No. 17 The Directors must have the following qualities:

- 17.1 Be mature age
- 17.2 Non bankrupt and fully capable
- 17.3 Never been sentenced by the highest court to serve jail term for crimes committed
- 17.4 Never been laid off or fired from a company or government agency for crimes committed

No. 18 Shareholders are to elect the Directors based on the following:

- 18.1 Each shareholder's share equals to one vote
- 18.2 Each shareholder must use all their shares, according to 18.1, to vote for one or many to be Directors, but cannot separate number of votes to each individual.
- 18.3 The Board members will be selected accordingly to the number of votes received from highest to lowest, until the required number of Directors is fulfilled. In case the number of Directors exceeded the required number, the Chairman of the Board can cast a vote as the final say.

No. 19 Directors may be shareholders of the Company.

No. 20 At each Shareholders Meeting, 1/3 or closest to 1/3 of the total number of Directors are to be deemed to have completed their term of duty.

For the first and second year after registration of the Company, the Directors that must leave the Board are selected by raffle method. For the remaining years, the Directors that are on the Board the longest will rotate off the Board.

The Directors that are rotated off the Board have the right to be voted back on to the Board.

No. 21 The Directors may also leave the Board if they meet the following criteria:

- 21.1 Died
- 21.2 Resigned
- 21.3 Disqualified
- 21.4 The Shareholders Meeting voted out
- 21.5 Court order to leave the Board

No. 22 Any Director wishing to resign must present a resignation letter to the Company and effective immediately when the Company receives the resignation letter.

The Director may also inform the council member if they wish to do so.

No. 23 If the entire Board of Directors are voted out, they may remain on Board to manage the Company until a new Board of Directors are selected and voted in, unless the Court ordered the resignation as per 21.5

The Board of Directors must hold a Shareholders Meeting to select a new Board of Directors within 1 month after the dissolution of the Board. The invitation to the Shareholders Meeting must be sent out at least 14 days before the meeting.

No. 24 If a seat on the Board of Directors is open due to circumstances other than being rotated out, the Board of Directors may select a person, who meets the criteria in No. 17, to fill the open seat, unless the term on the Board is less than 2 months left.

The Board of Directors decision must receive at least 3 / 4 of the votes from the entire Board of Directors.

The person replacing the Director can only be on Board for as long as the term of the Director that had left.

No. 25 Any Director on the Board may be voted off the Board of Directors during the Shareholders Meeting, if there are at least 3 / 4 votes of all the shareholders, who have voting rights, and the total number of shares equal to at least half of all the shares of those attending the Shareholders Meeting.

No. 26 In case the Board has fewer Directors than needed to run the Shareholders Meeting, the remaining Directors on the Board may call a Shareholders Meeting to select and elect new Directors to fill the Board of Directors.

The Shareholders Meeting is to be held within 1 month after the Directors on the Board are less than the required number to call a formal meeting.

The person replacing the Director can only be on Board for as long as the term of the previous Director had left.

No. 27 The Board of Directors will elect one Director to be the Chairman of the Board.

The Board of Directors may select one or more Directors to be the Deputy Chairman, which their duties will be as the Chairman of the Board assigned.

No. 28 The Board of Directors must meet at least every 3 months at the Company head office or any location, which the Board of Directors deem appropriate.

No. 29 At the Board of Directors Meeting, there must be at least 1 / 4 of all the Board Directors present to have a formal meeting. In case the Chairman of the Board is not present, the Deputy Chairman will act as the Chairman of the Board and conduct the meeting. If the Deputy Chairman is not able to conduct the meeting for any reason, then the Directors of the Board will select a Director to Chairman of the meeting and conduct the meeting.

The decision from the Board of Directors meeting will be made by majority rule.

Each Director will have 1 vote for each session, unless the Director has a conflict of interest, then the Director is excused from voting on that session. If the result is a tie, then the Chairman of the meeting will have a final vote.

No. 30 The Chairman of the Board will call the Board of Directors Meeting and can assign a person to notify the Directors with an invitation letter no less than 7 days before the meeting. In the case of an emergency to protect the benefits of the Company, the Chairman of the Board can call a Board of Directors Meeting by other means and set a meeting date to be earlier accordingly.

Two or more Directors on the Board can call a Board of Directors Meeting, which the Chairman of the Board will set a meeting date to be within 14 days after receiving the notice from the Directors.

No. 31 The Directors must inform the Company immediately when the following occurs:

31.1 A conflict of interest, either directly or indirectly, in business during the fiscal year by stating clearly the conditions, those involved, and the conflict involving the Directors, if any.

31.2 Were holding shares or loans from the Company or Subsidiary Company, which may have increased or decreased during the fiscal year.

No. 32 The Directors must comply to the rules and regulations, and mission of the Company.

The Board of Directors may assign a Director, or many Directors, or any person to act in proxy of the Board of Directors.

No. 33 The Directors have the right to remuneration, bonuses, or other benefits as given by the Shareholders Meeting, which could be an exact amount or a rough estimate amount for as long as a change is called for. The Directors will also receive allowances and benefits according to the Company.

This should not affect the rights and benefits of the employees of the Company, should they be elected as the Director of the Board of the Company.

No. 34 The Board of Directors has the authority to form a group of Managing Directors to manage the Company as per the instructions of the Board of Directors, and appoint a Director to be the Chairman of the Managing Directors.

The Managing Directors have the rights to receive benefits and allowances specified by at the Board of Directors Meeting, without any impact to them receiving these benefits and allowances.

No. 35 The Board of Directors have the authority to appoint 2 Directors to act as representatives of the Company and sign documents and use company seal which binds the Company.