

From: Caroline Thomson

To: Nicholas Kroll  


Dear Nicholas

Further to recent discussions with partners and a review of the published feedback to the BBC Trust consultation on Project Canvas, we enclose a proposal to revise the governance structure for the proposed joint venture.

We believe that the changes serve to better align the joint venture governance structure with the overall principle of openness underpinning the wider proposals. They include three key changes:

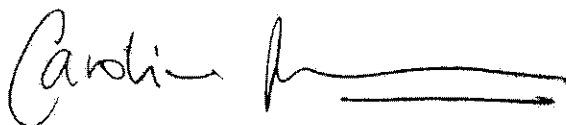
- Removing the designation of shares as being either 'PSB' or 'ISP' to ensure there is no artificial barrier to membership from participants across the relevant value chain
- Removing the proposed 'PSB' majority and replacing this with an equal share of votes for all shareholders
- Clarifying the terms of admission for new joiners

These changes do not affect the underlying principles of the venture published in July 2009, which include the management of the venture against a clear set of company objects (which enshrine BBC policy objectives), the principle of majority voting and the use of admission criteria for new entrants, which have received positive feedback from stakeholders.

We set out the rationale for the revised proposals below and attach an overview of the key terms, admission criteria and proposed draft commercial objects, which include those terms previously published and already subject to consultation.

We look forward to your response

Regards



Caroline Thomson  
Chief Operating Officer, BBC