

Annex C

Schedule 1

Matters reserved for the Shareholder

Without the prior written consent of the Shareholder, the Company shall not:

- 1.1 alter its objects or Articles or adopt any Articles or pass any resolutions inconsistent with them;
- 1.2 grant any interest or other rights to any party in relation to the Company;
- 1.3 issue debentures;
- 1.4 create or acquire a subsidiary or dispose of shares in a subsidiary;
- 1.5 appoint or dismiss a Director;
- 1.6 permit an issue, transfer, or transmission of shares to anyone other than the Shareholder;
- 1.7 unless required to do so by law, do or permit to be done anything as a result of which it may be wound up (whether voluntarily or compulsorily), except as provided for in this agreement;
- 1.8 enter into a scheme of arrangement within the meaning of s895 and Part 26 of Companies Act 2006;
- 1.9 create a fixed or floating charge, lien (other than a lien arising by operation of law) or other encumbrance over all or part of its undertaking or assets, except to secure its indebtedness for sums borrowed in the normal course of the business;
- 1.10 borrow amounts in excess of a maximum aggregate sum outstanding at any time of £10,000;
- 1.11 except where a matter is included in the budget, make a loan or advance or give credit;

- 1.12 give a guarantee or indemnity to secure the liabilities or obligations of any person;
- 1.13 factor or assign any of its book debts;
- 1.14 sell, lease, create an interest in or otherwise dispose of the whole or a material part of its undertaking or assets, or contract to do so;
- 1.15 enter into a contract or arrangement, or amend and/or terminate and/or suspend any contract or arrangement, which creates a potential liability for the company in excess of £500,000, or makes any material change in the nature of the business;
- 1.16 enter into or vary a contract or arrangement (whether legally binding or not) with a Shareholder or director of the Company or with any person as nominee for any of them other than as permitted under the Service Agreement (including any ancillary agreements);
- 1.17 take or agree to take or dispose or agree to dispose of an interest in, or licence over, land;
- 1.18 enter into a partnership, profit-sharing or joint venture agreement;
- 1.19 adopt a pension scheme or similar arrangement;
- 1.20 permit the registration (upon subscription or transfer) of any person as a member of the Company;
- 1.21 apply for the listing or trading of any shares or debt securities on any stock exchange or market;
- 1.22 pass any resolution for its winding up or presenting any petition for its administration;
- 1.23 alter the name of the Company or its registered office;
- 1.24 alter the Area in which the Company is to operate;
- 1.25 adopt or amend the strategic business plan in respect of each financial year;

- 1.26 change the nature of the Company's business or commencing any new business by the Company which is not ancillary or incidental to the business;
- 1.27 form any subsidiary or acquire shares in any other company or participating in any partnership or joint venture (incorporated or not);
- 1.28 amalgamate or merge with any other company or business undertaking;
- 1.29 make any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits or in the ordinary course of business) or grant any credit (other than in the normal course of trading) or give any guarantee (other than in the normal course of trading) or indemnity;
- 1.30 grant any rights (by licence or otherwise) in or over any intellectual property owned or used by the Company;
- 1.31 establish or amend any profit-sharing, option, bonus or other incentive scheme of any nature for Directors or the Managing Director or the Senior Management Team of the Company, or to establish or amend such a scheme for other employees other than one which is self-financing or dependent on the annual budget being achieved;
- 1.32 agree to remunerate (by payment of fees, the provision of benefits-in-kind or otherwise) any officer of or consultant to the Company at a rate in excess of £50,000 per annum or increasing the remuneration of any such person by a rate in excess of £2,000 per annum; or
- 1.33 determining and approving all matters relating to terms and conditions of the service contract for the Managing Director, including any remuneration or variation to the remuneration of the Managing Director;
- 1.34 approve any early retirements or ill-health retirements;

- 1.35 permit any dividends or other distributions to be paid;
- 1.36 agree any remuneration of any Directors of the Company;
- 1.37 appoint or remove the Chair of the Company;
- 1.38 permit a transfer of shares (under Article **Error! Reference source not found.**), a transmission of shares (under Article **Error! Reference source not found.**), calculate or pay dividends (under Article **Error! Reference source not found.**) or capitalise profits (under Article **Error! Reference source not found.**);
- 1.39 approve any scheme of delegation or any amendments to said scheme of delegation under Article 13;
- 1.40 approve a decision which could otherwise be taken by a Council Director, but which would, if being taken by the Council, amount to a key decision (see here); or
- 1.41 exercise any powers to issue instructions to company Directors.