

## **SHAREHOLDER COMMITTEE – 28<sup>TH</sup> JUNE 2018 – SUMMARY OF KEY CHANGES – highlighted in yellow on the Terms of Reference and Shareholder Agreements**

### **Appendix 1 – Terms of Reference for East Cambridgeshire Trading Companies Shareholder Committee**

Paragraph 3.2 – ADD the words “For the avoidance of doubt, the list of items in this clause 3.2 is not exhaustive” at the end of the paragraph. (This would ensure that this paragraph mirrors the corresponding paragraph in both company’s Shareholders’ Agreement at paragraph 5.5 in both Shareholders’ Agreements).

Paragraph 3.2 – AMEND to reflect the Board of Directors send a report **quarterly** to the Shareholder Committee and not twice a year.

Paragraph 3.3 – AMEND the sentence to read “To comment and make recommendations, as appropriate, on the matters as set out in the Shareholders’ Agreement for that particular Trading Company that are reserved for decision by Full Council”.

Paragraph 3.4 - DELETE “To host an annual Shareholder meeting for all Members of the Council” and ADD “a Members’ Seminar Update on the trading companies”.

### **Appendix 2 – Shareholder Agreements for ECSS Limited and ECTC Limited (not differentiating between Appendix 2A and 2B as these are intended to be common changes)**

Paragraph 2.2 – DELETE the words “by the end of December in each year” and ADD the words “annually **in advance of** the coming financial year”.

Paragraph 3.4 – ADD the words “and Members of the Shareholder Committee as” after the words “any officers and employees” in the first sentence, and ADD the words “of the Council” after “employees” and DELETE reference to Members. For the avoidance of doubt, the sentence would then read “The Company shall permit any Director to discuss the affairs, finances and accounts of the Company and its subsidiaries at any time with any officers and employees of the Council and the Shareholder Committee as designated in writing by the Council for this purpose”.

Paragraph 5.5 – AMEND to reflect the Board of Directors send a report **quarterly** to the Shareholder Committee and not twice a year.

Paragraph 5.7 – REINSTATE the first sentence in its entirety (for the avoidance of doubt, the sentence commencing “The Company shall supply members of the Shareholder Committee etc.”) and ADD the words “on request” to the second sentence so that it reads “The Company will supply the members of the Shareholder Committee **on request** with all information and data reasonably requested by the Shareholder Committee to enable it to reach an informed judgment on any matter within its purview”.

Paragraph 6.1 – REINSTATE the sentence “forming any Subsidiary Undertaking or acquiring shares in any other company or participating in a joint venture (incorporated or not)” and REINSTATE the sentence “replacing or modifying the Business Plan”.

**Appendix 3 – Modus Operandi** – please see the amended Modus Operandi (now entitled Memorandum of Understanding).