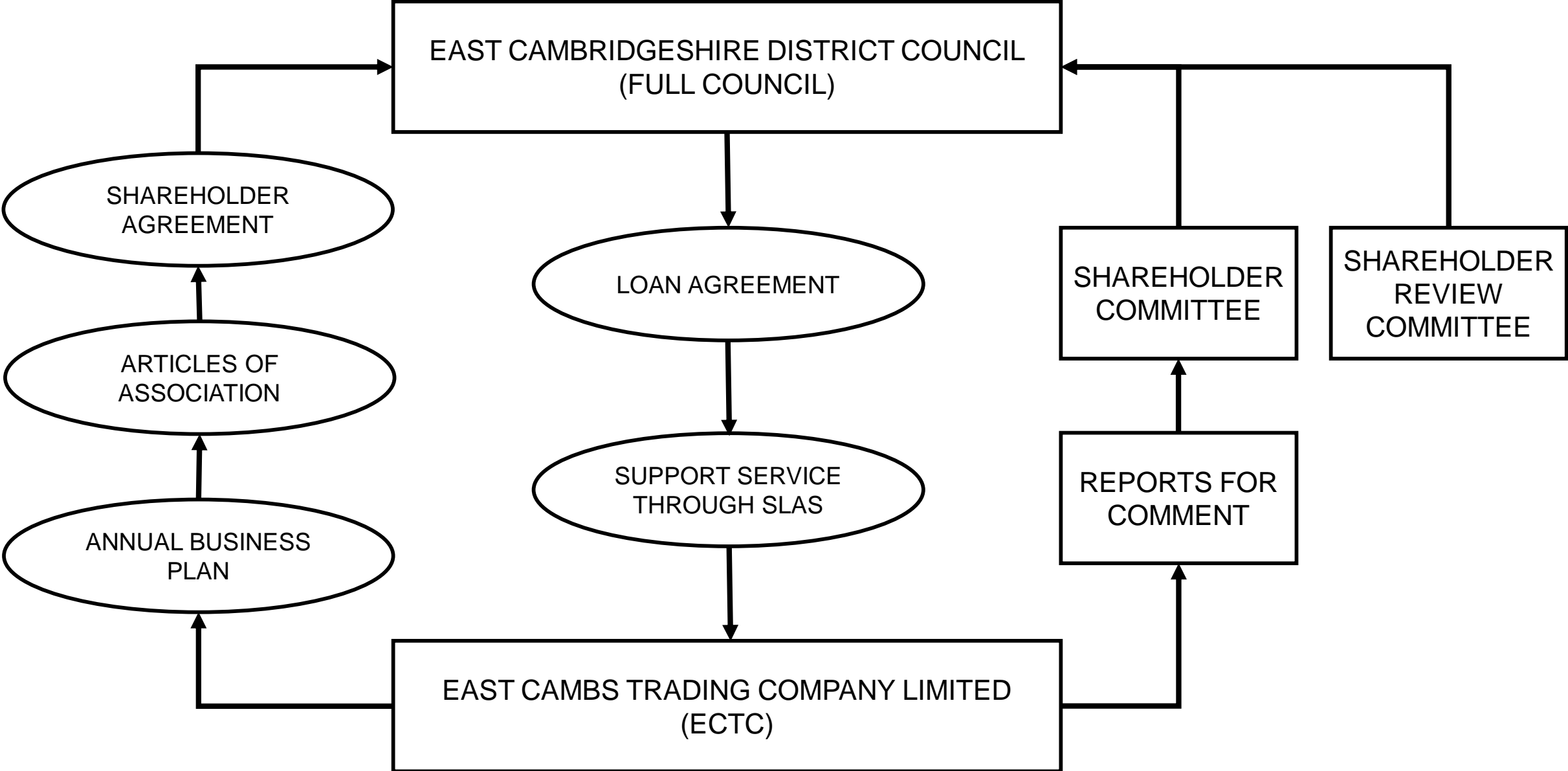


STRUCTURE AND CONTROL FUNCTIONS



ROLES AND RESPONSIBILITIES

ECTC

Annual Business Plan

- Produced for comment to Shareholder Committee (Dec)
- Consider comments from Shareholder Committee and amend if appropriate
- Final draft for information to Shareholder Committee (January)
- Produced for approval by Full Council (Feb)

Quarterly Update

To Shareholder Committee for information a report that provides the following information:

- Services provided by ECTC with quality performance matched against contractually agreed service levels
- Progress against the Business Plan & financial projections
- Management accounts and key financial metrics
- Review of future service developments & opportunities
- Information and assessment of any additional ad hoc requests

SHAREHOLDER COMMITTEE

The role is not operational and does not have powers to make decisions on behalf of the Council or ECTC.

Annual Business Plan

- Receive and comment on draft Annual Business Plan (Dec)
- Receive and note Annual Business Plan (Jan)

Quarterly Update

Receive quarterly update for noting

ECTC Chairman

Recommend to Full Council, where relevant, the appointment of the Chairman of the Board

ECTC Board

Recommend to Full Council, where relevant, the constitution of the Board of Directors

Shares

Make recommendations to Full Council on how it should exercise the functions flowing from its ownership of shares

SHAREHOLDER REVIEW COMMITTEE

The committee has been established to consider and make recommendations to Full Council, as necessary, on:

- The progress and effectiveness of the current Shareholder Committee
- Overall governance and constitutional issues relating to the Shareholder Committee
- Other potential options/arrangements for a Shareholder Committee of the Council that is able to effectively monitor and scrutinise ECTC

For the avoidance of doubt the committee has not been established to review ECTC governance, operation and performance. These rights are reserved for the Shareholder Committee and Full Council as defined by the Shareholder Agreement.

FULL COUNCIL

Decisions reserved for Full Council:

- Matters relating to the control of shares
- Amendments to Articles of Association
- Matters relating to the payment of a dividend
- Matters relating to the company structure of ECTC
- Matters relating to the cessation of ECTC
- Matters relating to the business if it is not considered to be ancillary or incidental to the approved business
- Appointment/removal of a Director
- Remuneration of any Director
- Entering into a service contract, terms of appointment or other agreement with a Director
- Remuneration of any ECTC employee exceeding £100,000
- Establishing or amending any profit-sharing, share option, bonus or other incentives of any nature for Directors and employees
- Making any bonus payment to any Director or key employee
- Borrowing any monies (other than normal trade credit)
- Changing the name or registered office
- Approval to the annual business plan