

dated

2016

The Mayor and Burgesses of the London Borough of Brent
and
[Property Investment Company] Limited

Shareholder's Agreement

in respect of [Property Investment Company] Limited

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Shareholder's Agreement

dated 2016

Parties

- (1) **The Mayor and Burgesses of the London Borough of Brent** of Civic Offices, Engineers Way, Wembley, Middlesex HA9 0FJ (the **Shareholder**).
- (2) **[Property Investment Company] Limited** (company no xxx) whose registered office is at Civic Offices, Engineers Way, Wembley, Middlesex HA9 0FJ (the **[Property Investment Company]**).

Introduction

- (A) The Company was incorporated in England under the Companies Act 2006 on [] 2016 and, at the date of this Agreement, [100] Shares are in issue and are registered in the name of and are beneficially owned by the Shareholder.
- (B) The Company has been established for the purpose of assisting the Shareholder achieve its regeneration objectives, including increasing the supply of housing across a range of tenures including for sale (on market or shared ownership terms) and rent (at market or at sub-market rent) and to generate return to the Shareholder from its housing and regeneration and investment activities.
- (C) This Agreement sets out the terms upon which the Shareholder will participate in the Company as its shareholder.

Agreed Terms

1 Definitions and Interpretation

1.1 In this Agreement:

Agreed Form means a form agreed by the Shareholder from time to time, a copy of which has been initialled for the purpose of identification by or on behalf of the Shareholder;

Articles means the articles of association of the Company;

Business means the business of the Company as set out in clause 2;

Business Day means a day (other than a Saturday or Sunday) on which the banks in the City of London are open for business;

CA2006 means the Companies Act 2006;

Council means the London Borough of Brent;

Debt Recovery Policy means the policy of the Company in relation to the recovery of debt to it by a tenant of a Dwelling as amended from time to time with the Shareholder's consent;

Director means a director of the Company;

Dwelling means any dwelling owned by the Company from time to time;

Environmental Information Regulations means the Environmental Information Regulations 2004;

Financial Model means the financial model set out in a [CD-R with file reference "xxx"] and initialled by way of identification by the signatories to this Agreement as amended from time to time with Shareholder's consent;

Finance Documents means a development facility agreement to be entered into by the Company and the Shareholder on or about the date of this Agreement, a loan note instrument to be entered into by the Company on or about the date of this Agreement, and any other funding and security documentation which is entered into by the Company relating to the provision of funding for the Business from the Council;

FOIA means the Freedom of Information Act 2000;

Information has the meaning given to it under section 84 of the FOIA;

Lettings Policy means the policy of the Company under which it will let Dwellings as amended from time to time in accordance with the Shareholder's consent;

Remuneration Policy means a policy adopted by the Company (following receipt of Shareholder's consent) in relation to the provision of remuneration (including salary, bonus, the provision of benefits-in-kind or otherwise) for employees (if any), officers and consultants;

Rent Policy means the policy of the Company in relation to settling rents of Dwellings as amended from time to time in accordance with the Shareholder's consent;

Request for Information has the meaning set out in the FOIA or any apparent request for information made under the FOIA or the Environment Information Regulations;

Sales Policy means the policy of the Company under which it will sell Dwellings as amended from time to time in accordance with the Shareholder's consent;

Shareholder's consent means consent of the Shareholder in accordance with clause 3.6;

Shareholder Consent Matters means those matters listed in schedule 1;

Shares means the ordinary shares of £1 each in the issued share capital of the Company.

Subsidiary has the meaning given in the CA2006;

United Kingdom means the geographical area of the United Kingdom of Great Britain and Northern Ireland as at the date of this Agreement.

1.2 A reference to a statutory provision includes a reference to:

1.2.1 a statutory amendment, consolidation or re-enactment (whether before or after the date of this Agreement),

1.2.2 statutory instruments or subordinate legislation (as defined in section 21(1) of the Interpretation Act 1978) or orders made under the statutory provision (whether made before or after the date of this Agreement), and

1.2.3 statutory provisions of which the statutory provision is an amendment, consolidation or re-enactment.

1.3 Reference to:

1.3.1 a person includes a legal or natural person, partnership, trust, company, government or local authority department or other body (whether corporate or unincorporate),

1.3.2 a statutory or regulatory body shall include its successors and any substituted body,

1.3.3 an individual includes, where appropriate, his personal representatives,

1.3.4 the singular includes the plural and vice versa, and

1.3.5 one gender includes all genders.

1.4 Unless otherwise stated, a reference to a clause or schedule is a reference to a clause or schedule to this Agreement and a reference to this Agreement includes its schedules.

1.5 Clause headings in this Agreement are for ease of reference only and do not affect its construction.

1.6 In construing this Agreement the so-called ejusdem generis rule does not apply and accordingly the interpretation of general words shall not be restricted by words indicating a particular class or particular examples.

1.7 For the purposes of this Agreement **Party** means a party to this Agreement and reference to **Parties** shall be to all or more than one of them as applicable.

1.8 Where a provision of this agreement imposes an obligation, cost or liability on two or more Parties, that obligation, costs or liability shall be construed as being against those Parties jointly and severally, and where a provision of this Agreement gives a claim, benefit or right to two or more Parties, that claim, benefit or right attaches to those Parties jointly.

1.9 Where a consent and/or permission is required under this Agreement from one Party to the other that consent and/or permission should not be unreasonably withheld or delayed.

2 **Business**

2.1 The Business of the Company shall be:

2.1.1 to purchase land and property within the United Kingdom from either the Council or on the open market;

2.1.2 to develop, acquire, construct and/or refurbish residential homes (and retail and commercial premises) within the United Kingdom, but primarily in the London Borough of Brent, or such other reasonably close locations as may be defined

from time to time in the business plan, where such homes will be sold at market or on shared ownership terms or rented (either on the open market or at a sub-market rent) and in either case in accordance with the Lettings Policy and the Sales Policy (as the case may be);

2.1.3 to assist the Shareholder in achieving its regeneration objectives;

2.1.4 to operate as a commercial company and deliver a financial return to the Shareholder.

together with any activities reasonably incidental to the above.

2.2 The first Business Plan of the Company is set out in schedule 2 to this Agreement. The Company shall circulate a revised version of the then current Business Plan to the Shareholder by the end of November in each year and invite the Shareholder to provide comments on the proposed Business Plan or to provide Shareholder's consent. The Shareholder will use reasonable endeavours to respond by the end of the following February. Subject to the receipt of Shareholder's consent, before the end of each Accounting Period the Directors shall (in accordance with this Agreement) consider and, if appropriate, adopt an updated and revised Business Plan. No adoption, variation or replacement of any Business Plan shall take effect unless such adoption, variation or replacement has received Shareholder's consent.

2.3 Each Business Plan shall be substantially in the format of the first Business Plan and shall be for a at least a one year period.

2.4 Notwithstanding any other provision of this clause 2, following the requisite approval by the Directors of a new proposed Business Plan or an amended or updated and revised Business Plan, such draft Business Plan shall become, or such amended or updated Business Plan shall become, the Business Plan for the relevant Accounting Periods. For any period when a proposed Business Plan presented under clause 2.3 has not been approved and adopted by the Directors in accordance with this Agreement the relevant existing Business Plan shall continue to be the Business Plan of the Company.

2.5 The Company shall not remunerate its Directors other than as instructed by the Council.

3 Conduct of the Company's Affairs

3.1 Meetings of the Directors shall be held no less than four times in every year and at not more than three monthly intervals.

3.2 With the exception of those matters requiring Shareholder's consent pursuant to clause 3.6, the management of the Company shall be vested in the Directors. The Directors may appoint a managing director on such terms as they may think fit who shall be responsible for the day to day management of the Business within the terms of the Business Plan and this Agreement and perform such duties as may be delegated to him by the Directors. The Directors may also remove such managing director and appoint a replacement, on such terms as it may think fit providing that no appointment to the post of managing director (or such post with similar designation) shall be made without Shareholder's consent.

- 3.3 Without prejudice to the generality of the foregoing, the Directors will determine the general policies of the Company and the manner in which the Business is to be carried out, subject to the Business Plan, to those matters requiring Shareholder's consent pursuant to clause 3.6 and to any other express provisions of this Agreement. In particular, but without limitation to the generality of the foregoing, the Directors will shall exercise all voting rights and other powers of control available to them in relation to the Company so as to procure (in so far as they are able in the exercise of such rights and power) that, at all times during the term of this Agreement, the Company shall:
- 3.3.1 carry on and conduct its business and affairs in a proper and efficient manner, for its own benefit and in accordance with the Business Plan and with good business practices, and
- 3.3.2 transact all its business on arm's length terms.
- 3.4 The Company shall not carry out any activity which would render the holding of Shares by the Shareholder's unlawful provided that where a proposed change of law would render such shareholding unlawful the Shareholder will use its reasonable endeavours to take such steps as are necessary to allow it to continue lawfully to hold its Shares.
- 3.5 The Company will if it requires any approval, consent or licence for the carrying on of its Business in the manner in which it is from time to time carried on or proposed to be carried on, obtain and maintain the same in full force and effect.
- 3.6 The Company shall ensure that none of the Shareholder Consent Matters shall be carried out without the prior consent in writing of the Shareholder.
- 3.7 The Company shall permit any Director to discuss the affairs, finances and accounts of the Company and its subsidiaries with the Shareholder's designated officers and executives at any time. All books, records, accounts and documents relating to the business and the affairs of the Company shall be open to the inspection of any such person, who shall be entitled to make any copies thereof as he or she deems appropriate to keep the Shareholder properly informed about the business and affairs of the Company or to protect its interests as Shareholder. Any information secured as a consequence of such discussions and examinations shall be kept confidential by the requesting Shareholder and its designated officers and executives in accordance with the terms of clause 5.
- 3.8 The Company agrees with the Shareholder that it will maintain effective and appropriate control systems in relation to the financial, accounting and record-keeping functions of the Company and will generally keep the Shareholder informed of the progress of the Company's business and affairs and in particular will procure that the Shareholder is given such information and such access to the officers, employees and premises of the Company as it may reasonably require for the purposes of enabling it to monitor its investment in the Company.
- 3.9 The Company shall not breach nor cause the Shareholder to be in breach of the Local Authorities (Companies) Order 1995.

4 Covenants

The Company covenants to the Parent in accordance with the terms of Schedule 3.

5 Termination

5.1 This Agreement shall terminate upon

- 5.1.1 the written agreement of the Parties in accordance with the terms agreed; or
- 5.1.2 when a resolution is passed by the Shareholder or creditors of the Company, or any order made by a court or other competent body or person instituting a process that shall lead to the Company being wound up and its assets being distributed among the creditors, Shareholder or other contributors; or
- 5.1.3 the Company ceasing to carry on its business; or
- 5.1.4 the Company being convicted of a criminal offence; or
- 5.1.5 [upon the Council giving not less than 30 days written notice of the date on which this Agreement will terminate.]

6 Confidentiality

6.1 Each Party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other Party except as permitted by clause 6.2.

6.2 Each Party may disclose the other Party's confidential information:

- 6.2.1 to its employees, officers, representatives or advisers who need to know such information for the purposes of carrying out the Party's obligations under this Agreement. Each Party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other Party's confidential information comply with this clause 6; or
- 6.2.2 as may be required by law, court order or any governmental or regulatory authority.

6.3 Each Party acknowledges that the other Party is subject to the requirements of the FOIA and the Environmental Information Regulations, and shall facilitate the other Party's compliance with its Information disclosure requirements pursuant to and in the manner provided for in clauses 6.4 and 6.7.

6.4 If either Party (the **Recipient**) receives a Request for Information in relation to Information that the other Party is holding and which the Recipient does not hold itself, the Recipient shall refer to the other Party such Request for Information as soon as practicable and in any event within five (5) Business Days of receiving a Request for Information, and the other Party shall:

- 6.4.1 provide the Recipient with a copy of all such Information in the form that the Recipient requires as soon as practicable and in any event within 10 Business Days (or such other period as the Recipient acting reasonably may specify) of the Recipient's request; and
 - 6.4.2 provide all necessary assistance as reasonably requested by the Recipient to enable the Recipient to respond to a Request for Information within the time for
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compliance set out in Section 10 of the FOIA or Regulation 5 of the Environmental Information Regulations.

6.5 Following notification under 6.4, and up until such time as the other Party has provided the Recipient with all the Information specified in clause 6.4, the other Party may make representations to the Recipient as to whether or not or on what basis Information requested should be disclosed, and whether further information should reasonably be provided in order to identify and locate the information requested, provided always that the Recipient shall be responsible for determining, at its absolute discretion:

6.5.1 whether Information is exempt from disclosure under the FOIA and the Environmental Information Regulations; and

6.5.2 whether Information is to be disclosed in response to a Request for Information, and in no event shall the other Party respond directly to a Request for Information unless the Request for Information is addressed to it.

6.6 The Parties acknowledge that (notwithstanding the provisions of clause 6.1) the Recipient may, acting in accordance with the Department of Constitutional Affairs' Code of Practice on the Discharge of Functions of Public Authorities under part I of the Freedom of Information Act 2000, be obliged under the FOIA or the Environmental Information Regulations to disclose Information concerning the other Party:

6.6.1 in certain circumstances without consulting with the other Party; or

6.6.2 following consultation with the other Party and having taken their views into account.

6.7 Each Party shall transfer to the other Party any Request for Information which it receives but is addressed to the other Party as soon as practicable and in any event within 3 Business Days of receiving it.

6.8 The Parties acknowledge that any lists provided which list or outline confidential information are of indicative value only and that a Recipient may nevertheless be obliged to disclose confidential information in accordance with the clause 6.

7 No Partnership

Nothing in this Agreement gives rise to a partnership between the Parties or constitutes one Parties as the agent of the other.

8 Contracts (Rights of Third Parties) Act 1999

8.1 Unless the right of enforcement is expressly granted, it is not intended that a third party, other than a lawful successor in title or a lawful assignee, should have the right to enforce a provision of this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.

8.2 The Parties may rescind or vary this Agreement without the consent of a third party to whom an express right to enforce any of its terms has been provided.

9 **Costs of this Agreement**

Each party shall pay its own costs in connection with the negotiation, preparation, execution and performance of this Agreement and of each department referred to in it.

10 **Waiver**

10.1 The rights of each of the Parties in respect of a breach of this Agreement shall not be affected by completion, by its rescinding, or failing to rescind, this Agreement, or failing to exercise, or delaying in exercising, a right or remedy, or by anything else, except a specific authorised written waiver or release. A single or partial exercise of a right or remedy provided by this Agreement or by law does not prevent its further exercise or the exercise of another right or remedy.

10.2 Waiver of a breach of a term of this Agreement, or of a default under it, does not constitute a waiver of another breach or default nor affect the other terms of this Agreement.

10.3 The rights and remedies provided in this Agreement are cumulative and not exclusive of any other rights or remedies.

11 **Variation**

A purported variation of this Agreement is not effective unless in writing and signed by or on behalf of the Shareholder.

12 **Invalidity**

If a provision of this Agreement is held to be illegal or unenforceable, in whole or in part, under an enactment or rule of law, it shall to that extent be deemed not to form part of this Agreement and the enforceability of the remainder of this Agreement shall not be affected. The Parties agree to negotiate in good faith to agree the terms of a mutually satisfactory provision to be substituted for the provision found to be illegal or unenforceable.

13 **Entire Agreement**

13.1 This Agreement (together with any documents entered into under it or at the same time as it) supersedes all prior understandings and agreements between the Parties (whether written or oral) relating to its subject matter and contains the entire agreement between the Parties relating to its subject matter.

13.2 Each Party acknowledges that it does not enter into this Agreement on the basis of, and does not rely on, warranties or representations made, or agreed to, by any person (whether a party to this Agreement or not).

13.3 Each Party waives its rights against the others in respect of warranties and representations (whether written or oral) not expressly set out or referred to in this Agreement.

13.4 Nothing in this clause 13 limits or excludes liability for fraud.

14 Status of this Agreement

- 14.1 In the event of any ambiguity or discrepancy between the provisions of this Agreement and the Articles, then it is the intention of the Shareholder that the provisions of this Agreement shall prevail. Accordingly, the Shareholder shall take all such steps and do all such acts and things as may be necessary or desirable, including, without limitation, exercising all voting and other rights and powers of control available to it in relation to the Company, so as to give effect to the provisions of this Agreement and shall further if necessary procure (insofar as it is able to do so by the exercise of those rights and powers) any required amendment to the Articles.

15 Consents

- 15.1 Consents, notices, approvals or agreements to be given by the Shareholder under this Agreement shall be given in writing.
- 15.2 Where this Agreement provides that a matter is subject to the consent, approval or Agreement of any Party then (except as expressly provided otherwise), it shall be in the absolute discretion of the Party concerned as to whether (and if so, on what terms and conditions) the consent, approval or agreement is made.

16 Communications

- 16.1 Any notice or other communication under or in connection with this Agreement shall be in writing and shall be delivered personally or sent by first-class post or by email as follows:

16.1.1 if to the Shareholder, to:

Address: Civic Centre, Engineers Way, Wembley, Middlesex HA9 0FJ

Email: []

marked for the attention of [];

16.1.2 if to the Company, to:

Address: Civic Centre, Engineers Way, Wembley, Middlesex HA9 0FJ

Email: []

marked for the attention of [];

or to such other person, address, or email as any Party may specify by notice in writing to the other.

- 16.2 In the absence of evidence of earlier receipt, any notice or other communication shall be deemed to have been duly given:

16.2.1 if delivered personally, when left at the address referred to in clause 16.1;

16.2.2 if sent by mail, other than airmail, two Business Days after posting it;

16.2.3 if sent by fax, on completion of its legible transmission; and

16.2.4 if sent by email, when sent and there has been no communication by the recipient to the senders that the email has not been received,

provided always that a notice given in accordance with the above but received on a day which is not a Business Day or after business hours on a Business Day will only be deemed to be given on the next Business Day.

16.3 The original of any notice or other communication by fax shall be forwarded to the recipient(s) but the non-arrival of that original shall not affect the validity of the notice or other communication by fax.

17 **Counterparts**

17.1 This Agreement may be executed in a number of counterparts and by the Parties on different counterparts, but shall not be effective until each Party has executed at least one counterpart.

17.2 Each counterpart, when executed, shall be an original, but all the counterparts together constitute the same document.

18 **Governing Law and Jurisdiction**

18.1 This Agreement and the rights and obligations of the Parties shall be governed by and construed in accordance with the laws of England and Wales.

18.2 The Parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales in respect of any dispute or claim arising out of or in connection with this Agreement or any of the documents to be executed pursuant to this Agreement or their subject matter or formation (including non-contractual disputes or claims). This Agreement has been executed as a deed and delivered on the date stated at the beginning of this Agreement.

Schedule 1

Shareholder Consent Matters – Part A (Corporate Matters)

The Company shall not, unless it has Shareholder's consent:

- 1 vary in any respect its articles of association or the rights attaching to any of its shares; or
 - 2 permit the registration (upon subscription or transfer) of any person as a member of the Company other than the Shareholder in accordance with the terms of this Agreement or agree any rights or restrictions attaching to any shares or memberships allocated to such new shareholders or members as applicable ; or
 - 3 increase or reduce the amount of its issued share capital except as provided in this Agreement, grant any option or other interest (in the form of convertible securities or in any other form) over or in its share capital, redeem or purchase any of its own shares or effect any other reorganisation of its share capital; or
 - 4 issue any loan capital or enter into any commitment with any person with respect to the issue of any loan capital; or
 - 5 make any borrowing other than under the Finance Documents; or
 - 6 apply for the listing or trading of any shares or debt securities on any stock exchange or market; or
 - 7 pass any resolution for its winding up or present any petition for its administration (unless it has become insolvent); or
 - 8 engage in any business other than as contemplated by the Business Plan or defray any monies other than in good faith for the purposes of or in connection with the carrying on of such business; or
 - 9 form any Subsidiary or acquire shares in any other company or participate in any partnership or joint venture (incorporated or not); or
 - 10 close down any business operation, or dispose of or dilute its interest in any Subsidiary for the time being, or dispose of any material asset unless in each case such closure or disposal is expressly contemplated by the Business Plan; or
 - 11 agree to enter or enter into any acquisition or disposal of any material assets by the Company the total of which exceeds £0.5m except unless such acquisition or disposal is expressly contemplated by the Business Plan; or
 - 12 sell or dispose of any part of the business of the Company, unless such sale or disposal is expressly contemplated in the Business Plan; or
 - 13 agree or approve any other material services the total value of which exceeds £50,000 per annum to be provided by the Company to a third party unless such activity is expressly contemplated by the Business Plan; or
 - 14 amalgamate or merge with any other company or business undertaking; or
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- 15 alter its name or registered office; or
 - 16 enter into any transaction or arrangement of any nature whatsoever (including, for the avoidance of doubt, a service contract) with any of its directors or any person who is connected (within the meaning of sections 1122 and 1123 of the Corporation Tax Act 2010) to any of its directors whether or not any other person shall be party to such transaction or arrangement; or
 - 17 enter into any arrangement, contract or transaction outside the normal course of its business or otherwise than on arm's length terms; or
 - 18 appoint any agent (not being a sub-contractor) to conduct the whole or any part of the business of the Company, other than the appointment of an agent to conduct an area of the business of the Company; or
 - 19 enter into, as lessor or as lessee, any finance lease if doing so would mean that the aggregate value of such arrangements entered into exceeds £50,000; or
 - 20 create or permit to be created any mortgage, charge, encumbrance or other security interest whatsoever on any material asset, shares, income or its business in whole or in part or any of its shares other than:
 - 20.1 as contemplated in the Finance Documents;
 - 20.2 liens arising in the ordinary course of business; or
 - 20.3 any charge arising by the operation or purported operation of title retention clauses and in the ordinary course of business; or
 - 21 adopt or amend its annual Business Plan; or
 - 22 change its financial year end: or
 - 23 make or permit to be made any material change in the accounting policies and principles adopted by the Company in the preparation of its audited accounts except as may be required to ensure compliance with relevant accounting standards under the Companies Act 2006 or any other generally accepted accounting principles in the United Kingdom; or
 - 24 make or agree to 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 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 (other than in the normal course of trading); or
 - 25 give any guarantee, suretyship or indemnity to secure the liability of any person or assume the obligations of any person outside the scope of its Business Plan; or
 - 26 factor or assign any of its book debts; or
 - 27 establish or amend any profit-sharing, share option, bonus or other incentive scheme of any nature for directors, officers or employees; or
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- 28 establish or amend any pension scheme or grant any pension rights to any director, officer, employee, former director, officer or employee, or any member of any such person's family; or
 - 29 appoint, remove or dismiss any director or company secretary; or
 - 30 adopt or amend its Remuneration Policy; or
 - 31 agree to remunerate (by payment of salary, bonus, the provision of benefits-in-kind or otherwise) or to increase the remuneration of any employee, officer or consultant to the Company unless the annual aggregate amount of such remuneration (by payment of salary, bonus, the provision of benefits-in-kind or otherwise) is in accordance with the Company's current Remuneration Policy or Business Plan; or
 - 32 institute, settle or compromise any material legal proceedings (other than debt recovery proceedings in the ordinary course of business or in accordance with the Debt Recovery Policy or where the value of such claim is reasonably believed by the Company to be less than £50,000) instituted or threatened against it or submit to arbitration or alternative dispute resolution any dispute if the effect of this is that its solvency may be imperilled, or it may require additional funding in order to undertake its Business Plan; or
 - 33 undertake any business or action which is inconsistent with the Business Plan then in force or omitting to undertake any action which is required by that Business Plan except with the prior written consent of the Council; or
 - 34 approve any matter that is reasonably likely to have an adverse effect on the reputation of the Council; or
 - 35 change the nature of the business or commence any new business which is not ancillary or incidental to the business of the Company, save as expressly contemplated in the business plan; or
 - 36 make any agreement with any revenue or tax authorities or make any claim, disclaimer, election or consent for tax purposes in relation to the Company or its business if the effect of this is that its solvency may be imperilled, or it may require additional funding in order to undertake its Business Plan; or
 - 37 give notice of termination of any arrangements, contracts or transactions the total value of which exceeds £1,000,000 per annum or materially varying any such arrangements, contracts or transactions where such termination is likely to have an adverse impact on the financial status of the Company; or enter into any contract with a value in excess of £1,000,000; or
 - 38 appoint and approve the appointment terms (including any remuneration terms) of the Directors; or
 - 39 appoint and approve the appointment terms (including any remuneration terms) of the chief executive officer / managing director of the Company; or
 - 40 declare or pay any end of year dividend of the Company (where applicable); or
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41 grant rights (by licence or otherwise) in or over any intellectual property owned or used by the Company.

Shareholder Consent Matters – Part B (Operational Matters)

The Company shall not unless it has Shareholder Consent:

- 42 make any amendments to the Lettings Policy and/or Sales Policy;
 - 43 make any amendments to the Rent Policy;
 - 44 make any amendments to the Debt Recovery Policy;
 - 45 make any amendments to the Financial Model;
 - 46 make any amendments to the Remuneration Policy.
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Schedule 2

First Business Plan

Schedule 3

Company Covenants

The Company covenants to the Shareholder as follows:

- 1 To comply with the Lettings Policy and the Sales Policy
 - 2 To comply with the Rent Policy
 - 3 To comply with the Debt Recovery Policy
 - 4 To only acquire land if the acquisition is in accordance with the Financial Model
 - 5 To maintain the Shareholder's financial year end as the Company's financial year end.
-

In witness whereof the parties have executed this Agreement as a deed.

The **Common Seal** of the **Mayor**)
and **Burgesses of the London**)
Borough of Brent was hereunto)
affixed in the presence of:)

.....
Authorised Signatory

executed as a deed by)
[Property Investment Company])
acting by:)

a director in the presence of:
Director

Witness signature

Name

Address