

3SFire Ltd – Stakeholder Committee Terms of Reference

Introduction

Hampshire Fire and Rescue Authority (“the Authority”) is the sole shareholder of 3SFire Ltd (“the Company”). The Company is a local authority trading company limited by shares. HFRA has delegated all shareholder functions, except insofar as these are expressly reserved, to a committee of the Authority known as the “3SFire Ltd Stakeholder Committee” (“the Committee”).

The Authority accepts and understands that the directors of the Company from time to time (“the Directors”) are responsible for the management of the Company’s business, subject to the powers that are reserved to the Company’s shareholder by statute and/or the Company’s Articles of Association (“the Articles”), further details of which appear below.

Composition

The Committee will be made up of 5 members of HFRA, appointed according to the overall proportionality of HFRA from time to time.

The Committee members (including the Chairman and Vice Chairman of the Committee) will be appointed by HFRA at its Annual General Meeting and/or at other times of the year as required.

Role of the Committee

The day to day direction and management of the Company will solely be a matter for the Directors (and for the executive directors to the extent of their delegated authority to bind the Company).

The Committee shall, without in any way issuing directions or instructions to the Directors in respect of the day to day business of the Company, undertake the shareholders’ functions. This includes those functions that: (a) are expressly delegated to shareholders; (b) are to be exercised by the shareholders by operation of law; and/or (c) are expressly reserved in the Articles to HFRA, but excludes the shareholder functions reserved to the Authority as set out later in these Terms of Reference.

Specifically, and without limitation, the Committee’s functions shall include:

1. Appointing and removing Directors;
2. Reviewing and amending the Articles;
3. Exercising the “Shareholders’ reserve power pursuant to Article 4(1), and under which “the shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action”;
4. Receiving reports from the Directors in relation to the following:
 - a. proposed resolutions, approvals and actions;
 - b. the Company’s accounts;
 - c. the Company’s business plan; and
 - d. such other matters as the Committee determines from time to time;
5. Discharging the shareholders’ voting rights and responsibilities at General Meetings of the Company and/or as required by law. (NB As a corporate member, HFRA has authorised the Chairman and/or Vice Chairman of the Committee to act as HFRA’s authorised representative at General Meetings of the Company pursuant to Article 39

of the Company's Articles and section 323 Companies Act 2006. Further, HFRA also expressly authorises the Chairman and/or Vice Chairman of the Committee to sign any resolution or other document necessary to implement any decision of the Committee. Any such resolution or document that is duly signed by the Chairman or Vice Chairman shall be deemed to be signed by HFRA as shareholder).

6. Exercising the Authority's financial controls over the Company pursuant to Article 67 of the Company's Articles, including providing such consents as may be required.

Functions Reserved to the Authority

If the Directors are considering:

- (a) The Company participating in any scheme of arrangement or any other composition or arrangement in respect of the debts or liabilities of the Company;
- (b) The Company passing any resolution or the taking of any other steps to wind the Company up or to dissolve the Company;
- (c) making any application for an administration order or taking any steps required for the appointment of an administrator out of court;
- (d) admitting any person (whether by subscription or transfer) as a member of the Company; and/or
- (e) increasing or varying the Company's authorised share capital, creating new shares, altering the rights or obligations attaching to any of its shares, or granting any option over shares;

then any shareholder decisions or consents that are required shall be made or granted by HFRA.

Meetings

The Committee will meet at least **four times per year** at the Authority's offices in Eastleigh. The Chairman may convene other meetings of the Committee as required.

Quorum

The quorum of the Committee shall be in accordance with the Authority's Constitution.

Publication of Information

Notice of the Committee's meetings, the agenda, papers and minutes will be published on the Authority's website in accordance with the Authority's Constitution and obligations under relevant local government law.