

THE COMPANIES ACTS 1985 and 1989

PRIVATE COMPANY LIMITED BY GUARANTEE AND NOT  
HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF THE RURAL SERVICES PARTNERSHIP  
LIMITED

**INTERPRETATION**

1. In these Articles:-

“the Act” means the Companies Act 1985, as amended from time to time but so that any reference to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force.

“Calendar Year” means the period of 12 calendar months from the 1st day of January to the 31st day of December immediately subsequent.

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“the Board” means the Board of Directors of the Company from time to time acting together.

“Year” means the period of 12 calendar months from the 1st day of January to the 31st day of December in each year.

“the seal” means the Common Seal of the Company.

“Secretary” means any person appointed to perform the duties of the Secretary of the Company.

“SPARSE-Rural” means a Special Interest Group of the Local Government Association membership of which is open to County, District and Unitary Councils in England which are classed as being “Predominantly Rural”. It is, in effect, a sister organisation to the Company and when working with the Company does so under the name of the Rural Services Network. Its members, however, are not members of the Company.

“the United Kingdom” means Great Britain and Northern Ireland.

Expressions referring to writing or signed shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Words importing the singular shall include the plural and words importing the masculine shall include the feminine and vice versa in each case and unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification of the Act in force as at the date of the adoption of these Articles of Association.

## **OBJECTS**

2. The Company is established for the objects expressed in the Memorandum of Association.

## **MEMBERS**

3.
  - (a) The subscribers to the Memorandum of Association and each of the persons, authorities, societies, organisations, companies, partnerships, unincorporated associations or other bodies set out in Clause 4 below on the date of the adoption of these Articles, being full voting members of the Unincorporated body known as the Rural Services Partnership shall be members of the Company. Every such member shall (or in the case of a member not being an individual shall by a duly authorised representative) be deemed to have signed a written consent to become a member..

N.B. For the avoidance of doubt members of the Community, Associate and Affiliate Groups of the Unincorporated body known as the Rural Services Partnership are not and shall not be full voting members of that body and therefore shall not be Members of the Company. They shall have no responsibility, accountability or liability for either the assets or liabilities of the Company

- (b) As at the date of the adoption of these Articles of Association there shall be one class of members designated the A members, and shall have the rights attaching to their membership hereinafter set out.

## **CLASSES OF MEMBERS**

4.
  - (a) The first Members of the Company are as set out in Annex 1 to these Articles of Association.

(b) The Board is empowered at any time and from time to time to approve the admission to membership of the Company of persons, authorities, societies, organisations, companies, partnerships, unincorporated associations or other bodies other than those named above who are accepted by the Board as having a genuine interest in supporting the Company's objects as set out in the Memorandum of Association (and in the event of such admission to membership the Board shall, if more than one class of Membership is adopted in the future, also nominate the class of membership to which such new member or members shall belong) PROVIDED THAT

(i) no person, authority, society, organisation, company, partnership, unincorporated association or body shall be admitted as a member unless such admission is first approved by the Board (or on behalf of the Board by a duly authorised Officer of the Company). Every such person, authority, society, organisation, company, partnership, unincorporated association or body must, to the satisfaction of the Board and as a condition precedent to the making by it of an application for membership of the Company have as an activity or object involvement in the provision of services to the most rural areas of England or promoting, researching, campaigning or lobbying for the interest of residents, businesses and communities of such areas; and

(ii) the proposed new member has submitted to the Company at its registered office marked for the attention of the duly appointed Company Secretary of the Company an application for membership of the Company in such form as the Board shall require by which the proposed new member shall undertake both to the Company and to each of the members hereof to comply in all respects both with the Memorandum of Association and with these Articles which application shall be duly signed by or for and on behalf of the proposed new member by a duly authorised representative.

## **RIGHTS ATTACHED TO MEMBERSHIP**

5

(a) (Voting)

The number of votes which each member shall be entitled to exercise shall be as follows:-

<b>CLASS MEMBER</b>	<b>OF</b>	<b>NAME OF MEMBER</b>	<b>NO. OF VOTES</b>
<u>A MEMBERS</u>			1 each

(b) Appointment of Directors

(i) A Members

The A members shall be entitled to appoint up to twelve Directors to the Board. Appointment of the Directors shall be made by a simple majority resolution of a meeting of the A Members duly convened for that purpose. Appointment of the Directors shall be broadly representative of the major service sectors which make up the Membership of the company itself. The resolution shall be treated as notice in writing setting out the wishes of the A Members to appoint the relevant A Director(s), and shall be submitted not earlier than 1st December immediately prior to the commencement of a Calendar Year in respect of which the appointee is to serve as an A Director (save for the appointment of the first Directors who shall be as set out in Article 33).

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(c) Removal of Directors by their respective Appointors

Each of the Directors shall be capable of removal by their respective appointors in the same manner as their respective appointments are effected. The respective appointors shall in such circumstance indemnify the Company against any and all consequences of any such removal by the appointing member.

(d) Duration of Directors' Appointments

Each of the Directors shall (save for the first named Directors as set out in Article 33, the duration of whose appointments shall be determined as set out in that Article) hold office for a period of one year and such Directors shall be capable of being replaced or re-elected by an ordinary majority vote of their respective appointors passed at a meeting of the relevant class of members of the Company. Nominations for the appointment of a replacement of each Director (of whatever class) shall be made either orally as a proposition to a General Meeting at which the appointment of Directors is to be considered or in writing to the registered office from time to time of the Company marked for the attention of the duly appointed Chief Executive of the Company PROVIDED THAT such nominations shall not be received by the Company prior to 1st December immediately prior to the commencement of a Year in respect of which the appointee

is to serve as a Director (save for the appointment of the first Directors of each class). Each of the existing Directors from time to time shall be eligible for re-election and in the event that no nomination of an appointee to replace an existing Director is made prior to the commencement of the Year in respect of which nominations are then capable of being received such existing Director's office shall continue automatically in respect of that Year only.

(e) Variation of Rights

Whenever the rights attaching to any class of members are to be varied or abrogated the consent of not less than 75 per cent of that class of members shall be required at a meeting of the members of that class. All the provisions of these Articles relating to General Meetings shall apply equally to meetings of each class of members save only that the quorum required to constitute a valid meeting of that class of members shall be ten members of that class (provided always that Section 381 A of the Act shall apply). The respective rights of each of the members of the Company shall be personal to that member and shall not be capable of transfer.

**RETIREMENT AND REMOVAL FROM AND CESSATION OF MEMBERSHIP**

6

- (a) A member of any class of members may at any time retire from the Company as a member by giving not less than twelve months written notice to the Secretary of the Company at the Company's registered office from time to time. Upon retirement the member's name shall be removed from the register of members and upon such removal such member shall cease to be a member PROVIDED ALWAYS that the minimum number of members shall be twenty.
- (b) A member of any class of members may be removed as a member of the Company if 75 per cent of the members of the Company present in person or by proxy in general meeting vote by special resolution in favour of such removal PROVIDED ALWAYS that no member shall be capable of being so removed by the other members only of that class. The member who it is proposed to be removed (or its duly authorised representative) shall be entitled to be heard at the meeting at which the resolution to remove such member is proposed.
- (c) If a resolution to remove a member is duly passed in accordance with these Articles the member so removed shall be deemed to have retired whereupon that member's name shall be removed from the register of members and such member shall cease to be a member as soon as he or its name is so removed.
- (d) In addition, members shall be disqualified from membership of the Company in the following circumstances:-

- (i) if (being an individual) he is or may be suffering from a mental disorder and either:-
    - (a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or equivalent; or
    - (b) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
  - (ii) if (being an individual, partnership or other unincorporated association or body) he or it shall do or shall apply for an interim order (within the meaning of the Insolvency Act 1986) or enter into any individual voluntary arrangement(s) with his or its creditors or suffer the making of a statutory demand or the presentation of a petition for a bankruptcy order or make any arrangements or composition with his or its creditors or have any distress or other seizure upon execution or other legal process levied against him or it (or his estate if an individual) or if such member (if an individual) shall die: or
  - (iii) if (being an individual) he shall die.
  - (iv) if (being a Local Authority or other body created by statute) it shall cease to exist in its own right.
  - (v) if the Member shall have failed to pay the appropriate annual subscription fee relevant to its membership status (as determined by the Company in General Meeting) within five (5) months of being invoiced in respect thereof
- (e) Membership of the Company shall not be transferable and shall cease on death in the case of an individual, or upon the winding up, the appointment of a Receiver or the striking off from the Register at Companies House in the case of a limited company or upon the dissolution in the case of a partnership, an unincorporated association or body or a local authority or other body created by statute.

#### **GENERAL MEETINGS [SEE ALSO CLAUSE 64 ANTE]**

7. Subject to the provisions of any elective resolution of the Company for the time being in force, the Company shall in each Calendar Year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that Calendar Year, and shall specify the meeting as such in the notices calling it; not more than fifteen months shall elapse

between the date of one Annual General Meeting of the Company and that of the next PROVIDED THAT so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation, it need not hold it in the Calendar Year of its incorporation or in the following Calendar Year. The Annual General Meeting shall be held at such time and place as the Board shall appoint. All General Meetings other than Annual General Meetings shall be called General Meetings.

8. The Board may, whenever it thinks fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings may also be convened by such requisitionists and in such manner as is provided by Section 368 of the Act. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two members of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

#### **NOTICE OF GENERAL MEETINGS**

9. An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an Annual General Meeting or for the passing of a special resolution shall be called by ten days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in the case of special business, the general nature of that business and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such persons as are under these Articles and the Act entitled to receive such notices from the Company PROVIDED THAT a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:-
  - (a) in the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and
  - (b) in the case of any other meeting, by a majority in number of members having a right to attend and vote at the meeting, being a majority together representing (subject to the provisions of any elective resolution of the Company for the time being in force) not less than fifty per cent of the total voting rights at that meeting of all the members.
10. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting (duly served in accordance with Article

59) by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

11. The business to be transacted at any Annual General Meeting shall include (but not be limited to) the consideration of the annual accounts of the Company and the reports of the Directors and of the Auditors, the election (or re-election as the case may be) of the Directors pursuant to Article 5(d) (provided that nothing herein shall oblige the Company to hold an Annual General Meeting purely for the purposes of the replacement or re-election of the first appointed Directors) the appointment of and the fixing of the remuneration of, the Auditors of the Company and the passing of an ordinary resolution to elect a Vice-Chairman of the Company from among the members of the Company.
  
12.
  - (a) No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business; five members present shall be a quorum.
  
  - (b) If within half an hour from the time appointed for the meeting a quorum is not present, or if a meeting become inquorate under Article 12(a) the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Board may determine and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the holding of the meeting the members present shall be a quorum.
  
13. The Chairman of the Board or in his absence, the Vice Chairman of the Company shall preside as Chairman at every General Meeting of the Company, or if the Chairman or Vice Chairman shall not be present within fifteen minutes after the time appointed for the holding of the meeting the Directors present shall elect one of their number to be Chairman of the General Meeting. The Chairman of a General Meeting shall in the event of an equality of votes have a second or casting vote.
  
14. If at any General Meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chairman of the General Meeting.



15. The Chairman of a General Meeting may, with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

16. (a) At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-

- (i) by the Chairman; or
- (ii) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iii) by any three members present in person or by proxy.

Unless a poll is demanded in accordance with this Article 16 a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn before the poll is taken but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of the show of hands declared before the demand for a poll was made.

(b) A Director shall be entitled to attend and speak at a General Meeting whether or not such Director is a member of the Company.

(c) In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of a General Meeting shall have a second or casting vote.

17. Except as provided in Article 18, if a poll is duly demanded it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

18. A poll demanded on the election of a Chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
19. No notice shall be required to be given of a poll vote taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

## **VOTES OF MEMBERS**

20. Subject to the provisions of Article 16(c) above the members shall each have such number of votes as is specified in Article 5(a).
21. An authority, society, organisation, company, partnership, unincorporated association or other body being a member of the Company shall vote by its duly authorised representative (who, for the avoidance of doubt may be a duly appointed Director as the case may be) who subject to the terms of Article 20 above shall be entitled to exercise such powers on behalf of the authority, society, organisation, company, partnership, unincorporated association or other body as the body which duly appoints him could have exercised. The Company shall be under no obligation to verify the authority of such representative to vote on behalf of a body which he purports to represent but notwithstanding such provision the Chairman of the relevant General Meeting shall be entitled to request and if so requested the representative shall produce prior to his using any vote such evidence as the Chairman shall require to show that the representative is duly authorised to vote on behalf of the member which he purports to represent. In the event that a member which has appointed a representative generally for all purposes to vote on its behalf in connection with the affairs of the Company, wishes to revoke such authority, written notice of such revocation shall be given to the duly appointed Company Secretary of the Company at the Company's registered office. Any vote cast shall be and remain valid notwithstanding any prior determination of such authority unless the notice of determination was delivered to and received by the duly appointed Company Secretary prior to the date of the relevant meeting.
22. No objection shall be raised to the qualification of any person using a vote except at the meeting at which the vote is cast (or the adjournment of such meeting). Every vote not disallowed at the meeting at which it is cast shall be valid.
23. No member shall be entitled to vote at any General Meeting (whether in person in the case of an individual or by a duly authorised representative in the case of an authority, society, organisation,



I/We \_\_\_\_\_ of \_\_\_\_\_ in the County of \_\_\_\_\_  
being a member/members of the above named Company, hereby  
appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him  
\_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for  
me/us on my/our behalf at the (Annual or Extraordinary, as the case  
may be) General Meeting of the Company to be held on the  
day of \_\_\_\_\_  
20 \_\_\_\_\_ and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

This form is to be used \*in favour of the resolution numbered [ ]  
against

Unless otherwise instructed, the proxy will vote as he thinks fit.

\* Strike out whichever is not desired".

29. The instrument appointing a proxy shall be deemed to confirm authority to demand or join in demanding a poll.
30. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Company Secretary at the Company's registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **THE BOARD**

31.
  - (a) The maximum number of Directors shall be twelve provided that such maximum number may be changed from time to time by special resolution of the members. The minimum number of Directors shall be two, PROVIDED THAT if there shall not be in existence at least one Director of each such class or at least one Director of each such class who is, in accordance with the provisions of this Article entitled to vote and to be counted towards a quorum of the Board, such quorum shall comprise one Director of each of such classes of the Directors as may at that time be in existence and be so capable.
  - (b) Each of the Directors shall have a duty to expressly disclose any direct or indirect, personal or representative interest which he may have in any matter before the Board. Such disclosure shall be made at the Board meeting at which the issue first arises or at the first such

meeting immediately subsequent to the issue arising and shall in all respects be made as required by Section 317 of the Act.

- (c) The Board shall instruct the Secretary to duly note interests disclosed by Directors pursuant to the immediately preceding Article and such interests shall be recorded in a separate Register of Directors Interests by the Secretary and kept up to date at all times by him. Such Register shall be kept at the Registered Office of the Company together with the Company's other books and records and shall be open to inspection by all members during normal business hours upon reasonable notice being given.
  - (d) Where a Director has a personal financial interest (whether direct or indirect) in any matter which pursuant to this Article or to Section 317 of the Act he is required to disclose, he shall not be entitled to vote on such a matter or to count towards a quorum at a Board meeting held to consider that matter. Where such an interest is representational only and involves no personal financial benefit to the Director he shall be entitled both to vote upon such matter and to count towards a quorum for a meeting at which such matter is considered.
32. The Directors shall be paid all reasonable travelling, hotel and other out of pocket expenses properly incurred by them in attending and returning from meetings of the Board or any Committee of the Board or in connection with the business of the Company (but not for attending General Meetings of the Company) but shall not (with the exception of any Chief Executive Officer appointed pursuant to Article 36(b)) receive any salary or other form of remuneration whether in cash or in kind.

33 The first Directors of the Company shall be :-

Graham Charles Biggs;and  
David Bruce Inman

## **A DIRECTORS** -

The first Directors named above shall hold office until 1<sup>st</sup> January 2011 when nominations shall be made for other and/or additional Directors to be appointed by the various classes of members respectively in accordance with the provisions of Article 5.

## **ALTERNATE DIRECTORS**

34. Alternative Directors may be appointed.

## **BORROWING POWER**

35. The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking and the property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party subject to such consents as may be required by law.

## **POWER AND DUTIES OF THE BOARD**

- 36.
- (a) The daily affairs of the Company shall be managed by the Board, which may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of the Act or these Articles and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
  - (b) The Board shall be entitled to appoint or otherwise secure the services of a Chief Executive Officer of the Company who shall at all times be an ex officio Director. The terms upon which such Chief Executive Officer shall be appointed by the Board shall be at the discretion of the Board
  - (c) The Board shall be entitled to appoint one of its number to be the Chairman of the Board and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of the Board at which he is present. If there is no Director holding the office of Chairman, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the numbers of the Board present may appoint one of their number to be Chairman of the meeting.
37. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
38. The Board shall cause minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers and/or observers made by the Board;

- (b) of the names of the Directors present at each meeting of the Board and of any committee of the Board;
- (c) of all resolutions and proceedings at all meetings of the Company, and of the Board and of committees of the Board.

### **DISQUALIFICATION OF MEMBERS OF THE BOARD**

39. The office of Director shall be vacated if the Director:-
- (a) (being an individual) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (b) becomes prohibited from being a Director by reason of any order made under any provision of the Act or any other statute or otherwise becomes prohibited by law from being a member of the Board; or
  - (c) (being an individual), he becomes incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs; or
  - (d) is directly or indirectly interested in any contract with the Company and fails to declare the nature and extent of his interest pursuant to Section 317 of the Act.
  - (e) is absent for more than three consecutive meetings of the Board without first having gained authorisation for such absence from such meetings of the Board; or
  - (f) resigns his office by notice in writing to the Company.
  - (g) having been appointed as a non local authority associated person becomes so associated.
  - (h) loses elected office of the local authority if appointed a Director by any such local authority.
  - (i) if employed by an appointing Member ceasing to be so employed.
40. A Director may be removed from the Board in accordance with Article 5.

### **PROCEEDINGS OF THE BOARD**

41. The Board may meet together for the despatch of business, adjourn, and subject to the terms hereof regulate its meetings as it think fit. Questions arising at any meeting of the Board shall be decided by a majority of votes PROVIDED THAT in the event of an equality of votes the Chairman of the Board meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director

shall, at any time summon a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from the United Kingdom.

42.

- (a) The quorum necessary for the transaction of the business of the Board shall be not less than one third in number of the Board. In the event that more than one class of Member is established that there shall not remain in existence at least one Director of each class or there shall not be at least one Director of each class capable of counting towards a quorum in accordance with the terms of Article 31 then a quorum of the Board shall comprise one Director of each of such classes of Directors as may at that time be in existence or capable of voting (as the case may be).
- (b) The Chief Executive Officer shall not vote or count in the quorum at Board meetings in relation to any matter concerning his/her appointment or reappointment as a Director or the terms of his/her employment with the Company.
- (c) The Board shall be empowered to invite such other persons to its meetings as it in its sole discretion may deem appropriate and such invitees shall act only in the capacity of observers, consultants or advisors and shall not be entitled to vote.

43. If any vacancy shall occur in the Board the continuing Directors may act notwithstanding any such vacancy but, if and so long as their number is reduced below the number fixed by these Articles as the necessary quorum of Directors the continuing Directors or Director may only act for the purpose of summoning meetings of each of the classes of members of the Company to appoint Directors.

44.

- (a) The Board may delegate any of its powers to committees consisting of such number of members of their body as they think fit; the Board may also delegate any of its powers to special working groups formed to carry out particular projects which special groups shall in each case include at least one member of the Board. Any committee or special working group so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it or them by the Board and shall report all acts and proceedings to the Board as soon as reasonably practicable. The level of decisions (financial or otherwise) which the Board sees fit to so delegate from time to time shall be at the discretion of the Board.
- (b) In addition to the power on the part of the Board to delegate its powers contained in Article 44(a) above the Board shall from time to time be entitled to delegate any of its powers and/or functions to the Chief Executive Officer or Secretary of the Company. The level of decisions



(financial or otherwise) which the Board sees fit to so delegate from time to time shall be at the discretion of the Board.

45. The Board shall be entitled to nominate a member of any such committee constituted under Article 44(a) as the Chairman of that committee. If the Board does not make such nomination the committee may itself elect a Chairman of its meetings; if no such Chairman is elected, or if at any meeting of the Chairman is not present within ten minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.
46. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members of the committee present, and in the case of an equality of votes the Chairman of the committee shall have a second or casting vote.
47. All acts done by any meeting of the Board or of a committee of the Board, or by any person acting as a Director, or under powers delegated under Article 44(b) shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member of the Board or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Board.
48. A resolution in writing, signed by all the members of the Board for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.

## **OBSERVERS**

49.
  - (a) The Directors may by unanimous resolution agree to allow persons or bodies not being Members of the Company to attend and participate in Board Meetings as Observers but not to vote. Such Observers may be excluded from any Board Meeting or any part thereof if commercially or financially sensitive information is to be discussed or presented. Such decision to exclude shall be determined by the Board at its sole discretion.
  - (b) The Board may by majority resolution withdraw such Observer status from any person or body at anytime.

## **SECRETARY**

50. Subject to Section 13(5) of the Act, the Company Secretary shall be appointed by the Board for such term at such remuneration and upon such conditions as the Board may think fit and any Secretary so

appointed may be removed by it PROVIDED ALWAYS that no member of the Board may occupy the salaried position of Secretary. The terms upon which such Secretary shall be appointed by the Board shall be at the discretion of the Board

51. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a member of the Board and the Secretary shall not be satisfied by its being done by or to the same person acting both as member of the Board and as, or in place of, the Secretary.

## **THE SEAL**

52. If the Company has a seal the Board shall provide for its safe custody and it shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by a member of the Board and shall be countersigned by the Secretary or by a second member of the Board or by some other person appointed by the Board for that purpose.

## **ACCOUNTS**

53. The Board shall cause accounting records to be kept in accordance with the provisions of the Act.
54. The accounting records shall be kept at the registered office of the Company or, subject to the provisions of the Act, at such other place or places as the Board thinks fit, and shall always be open to the inspection at the offices of the Company.
55. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being members of the Board, and no member (not being a member of the Board) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Board or by the Company in General Meeting.
56. Subject to the provisions of any elective resolution of the Company for the time being in force, the Board shall from time to time in accordance with the provisions of the Act, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those provisions.
57. Subject to the provisions of any elective resolution of the Company for the time being in force, a copy of every balance sheet (including every

document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the auditor's report, and Board's report, shall not less than twenty-one days before the date of the meeting be sent to every member of the Company and every person entitled to receive notice of General Meetings of the Company.

## **AUDIT**

58. Auditors shall be appointed by the Board and their duties regulated in accordance with the provisions of the Act.

## **NOTICES**

59. A notice may be given by the Company to any member either personally or by sending it by post to him or his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying first class and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of 24 hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

60. Notice of every General Meeting shall be given in any manner hereinbefore authorised to:-

- (a) every member except those members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them;
- (b) every person being a trustee in bankruptcy of a member where the member but for his bankruptcy would be entitled to receive notice of the meeting;
- (c) the auditors for the time being of the Company;
- (d) each member of the Board; and
- (e) those persons/bodies referred to in Articles 42 (b) and (c).

No other person shall be entitled to receive notices of General Meetings.

## **DISSOLUTION**

61. Clause 8 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.

## **RULES OR BYE-LAWS**

62.

- (a) The Board may from time to time make such Rules or Bye-Laws as it may deem necessary or expedient or convenient for the proper conduct and management of the Company; and for the purposes of prescribing classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, it may by such Rules or Bye-Laws regulate:-
- (i) the admission and classification of members of the Company (or the Board), and the rights and privileges of such members, and the conditions of membership and the terms of which members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by members;
  - (ii) the conduct of members of the Company in relation to one another, and to the Company's employees or office holders;
  - (iii) the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
  - (iv) the procedure at General Meetings and meetings of the Board and committees of the Board in so far as such procedure is not regulated by these presents;
  - (v) and generally, all such matters as are commonly the subject matter of company rules.
- (b) The Company in General Meeting shall have power to alter or repeal the Rules or Bye-Laws and to make additions thereto and the Board shall adopt such means as it deems sufficient to bring to the notice of members of the Company all such Rules and Bye-Laws, which so long as they shall be in force, shall be binding on all members of the Company. Provided nevertheless, that no Rule or Bye-Law shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or Articles of Association of the Company.

## **INDEMNITY**

63.

- (a) Every member of the Board or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court, and no member of the Board or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, but this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.
- (b) The members of the Board shall have power to purchase and maintain for any member of the Board, Officer or Auditor of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.

#### MEETINGS WITH SPARSE-Rural

- 64 The Company may hold joint General and/or Board member level meetings with the members (or Executive members in the case of Board level meetings) of SPARSE-Rural. Any such meetings will not constitute formal General or Board Meetings of the Company and cannot commit the Company or, as the case may be, Board to any particular decision unless the provisions as to quorum and voting numbers relevant solely to the Company's representation thereat are met as though they were General Meeting or Board Meetings of the Company itself



## APPENDIX 1

### LIST OF FIRST MEMBERS OF THE RURAL SERVICES PARTNERSHIP LIMITED

COMPANY
<b>AMBULANCE</b>
North West Ambulance Trust
South Central Ambulance NHS Trust
<b>COLLEGES</b>
Askham Bryan College
Bicton College of Agriculture
Huntingdonshire Regional College
Kings College London (Social Care Workforce Research Unit)
Forest of Dean
Walford & North Shropshire College
<b>COMMUNITY</b>
Oxfordshire Ass. Of Local Councils
Senior Council For Devon
Shropshire Association of Local Councils
<b>CONNEXIONS</b>
Careers South West
Connexions Cumbrian
Connexions Somerset
<b>CONSUMER ORGANISATIONS</b>
Consumer Council for Water
Consumer Focus
Federation of Petroleum Suppliers
Institute of Economic Development
<b>ENVIRONMENTAL</b>
Dartmoor National Park Authority
Exmoor National Park Authority
Forestry Commission England
<b>FIRE &amp; RESCUE</b>
County Durham & Darlington Fire & Rescue Service
Cornwall County Fire Brigade
Cumbria Fire and Rescue
Devon & Somerset Fire and Rescue Service
Dorset Fire & Rescue Authority
Hereford & Worcester Fire & Rescue Service
Gloucester Fire & Rescue Service
Hertfordshire Fire & Rescue Service
Lincolnshire Fire & Rescue Service
Norfolk Fire & Rescue Service
Northamptonshire Fire & Rescue Service
North Yorkshire Fire & Rescue
Northumberland Fire & Rescue Service

COMPANY
Oxfordshire Fire & Rescue Service
Shropshire & Wrekin Fire Authority
Suffolk County Fire & Rescue Service
Surrey Fire & Rescue Service
Warwickshire Fire & Rescue Service
West Sussex Fire & Rescue Service
Swindon & Wiltshire Fire Brigade
<b>HEALTH CARE/HOSPITALS</b>
Cumbria Partnership NHS Foundation Trust
Cumbria Primary Care Trust
Dorset Health Care NHS Foundation Trust
Dorset Primary Care Trust
North Lancashire Primary Care Trust
North Somerset Primary Care Trust
Norfolk Primary Care Trust
Northumbria Healthcare NHS Foundation Trust
Nottingham Healthcare NHS Trust
Shropshire Primary Care Trust
Scarborough & North East Yorkshire Healthcare NHS Trust
Tees Esk & Weir Valleys NHS Trust
West Sussex Primary Care Trust
<b>HOUSING</b>
Dartington Housing Association
Devon & Cornwall Housing
Eden Housing Association
English Rural Housing Association
Hastoe Housing Association
Nottingham Community Housing Association
Sanctuary Housing Association
Shropshire Rural Housing Association
Shropshire Housing Group
Somer Community Housing Trust
Two Castles Housing Association Ltd
<b>L &amp; S COUNCIL</b>
Lincoln & Rutland LSC
<b>NATIONAL ASSOCIATIONS</b>
Age Concern
Association for Market Towns
Business in the Community
Countryside Alliance
Commission for Rural Communities
Federation of Small Businesses
National Association for Voluntary & Community Action (NAVCA)
Institute of Rural Health
National Association of Citizens Advice Bureaux
National Association of Local Councils
National Farmers Union
NHS Confederation



<b>COMPANY</b>
<b>National Federation of Enterprise Agencies</b>
<b>National Federation of Sub Postmasters</b>
<b>Patients Association</b>
<b>Plunkett Foundation</b>
<b>Rural Shops Alliance</b>
<b>Sustainability South West</b>
<b>WRVS</b>
<b>PARTNERSHIPS</b>
<b>Chichester in Partnership</b>
<b>Melton Community Partnership</b>
<b>POLICE AUTHORITIES</b>
<b>Cumbria Police Authority</b>
<b>Leicestershire Constabulary</b>
<b>West Mercia Police Authority</b>
<b>PROBATION</b>
<b>West Mercia Probation Area</b>
<b>TRAIN OPERATORS</b>
<b>First Greater Western</b>
<b>London and Midland Trains</b>
<b>Northern Rail</b>
<b>National Express</b>
<b>Trans Pennine Express</b>
<b>TRANSPORT - BUSES</b>
<b>Arriva Buses</b>
<b>EYMS Group Limited</b>
<b>Community Transport South West</b>
<b>First Group (Buses)</b>
<b>Norfolk Green Bus Company</b>
<b>Western Greyhound Ltd</b>
<b>TRUSTS</b>
<b>Carnegie UK Trust</b>
<b>Development Trusts Association (Local)</b>
<b>OTHERS</b>
<b>ACoRP</b>
<b>ACRE</b>
<b>Arthur Rank Centre</b>
<b>APSE</b>
<b>Arts Council England (South West)</b>
<b>Bedfordshire Rural Communities Charity</b>
<b>Calor Ltd</b>
<b>EAGA</b>
<b>East Yorks &amp; Humber Rural Affairs Forum</b>
<b>North West Rural Affairs Forum</b>
<b>Istop Community Kiosk (Colorama P)</b>
<b>Landex</b>

<b>COMPANY</b>
<b>LANTRA</b>
<b>Littoral</b>
<b>MIND</b>
<b>South East Rural Community Council</b>
<b>Ruralnet UK</b>
<b>South Holland Rural Action Zone</b>
<b>The Silvanus Trust</b>
<b>Travel Watch South West</b>
<b>Upper Eden Community Plan</b>