

**THE COMPANIES ACT 1985 to 2006**

**A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

**COMPANY NUMBER: 4863144**

**ARTICLES OF ASSOCIATION**

**of**

**RUGBY FIRST LIMITED**

**(as adopted by special resolution of the Company on 29<sup>th</sup> July 2010)**

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**PART A**

**PRELIMINARY**

1. For the purposes of these Articles:

1.1 Regulations 2 to 35 inclusive, 54, 55, 57, 59, 72 to 80 (inclusive), 102 to 108 inclusive, 110, 114, 116 and 117 of Table A in the schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 2007 and 2008 and the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 (“the Regulations”) and by the Companies Act 1985 (Electronic Communications) Order 2000 and as from time to time amended (“Table A”) shall not apply to the Company but, subject as aforesaid and subject to the modifications expressed in Table C to the Regulations, the following and the remaining regulations in Table A, shall be the articles of association of the Company.

1.2 Any reference in these Articles to any enactment shall be construed as a reference thereto as consolidated, amended, modified, or re-enacted from time to time.

**INTERPRETATION**

2. In these Articles:

“the Company” means the company intended to be regulated by these Articles;

“the Act” means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

“these Articles” means the Articles of Association of the Company;

“clear days” in relation to a period of notice means the period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

“executed” means any mode of execution;

“Extraordinary General Meeting” shall mean any General Meeting of the Members of the Company which is not the Annual General Meeting;

“Local Authority Associated Person” means a local authority or any other person or entity which is under the control of or subject to the influence of a local authority as those terms are used for the purposes of Sections 67-69 Local Government and Housing Act 1989;

“Office” means the Registered Office of the Company;

“seal” means the common seal of the Company if it has one;

“Secretary” means the secretary of the Company or any other person appointed to perform the duties of the Secretary of the Company, including a joint assistant or deputy secretary;

“Member” means a member of the company;

“Director” means a director of the Company acting individually;

“Objects” means the objects of the company as set out in the Part B of the Articles from time to time;

“the Board” means the Board of Directors of the Company;

“Board Member” means a member of the Board of Directors from time to time of the Company;

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

Subject to this Article words and expressions contained in these Articles shall, unless the context requires otherwise, bear the same meanings as in the Act.

## **MEMBERS**

3. As regards admission and qualification for membership:

3.1 There shall be no maximum number of Members of the Company.

3.2 Such persons as are admitted to the membership in accordance with the Articles shall be members of the Company. No person shall be admitted as a Member of the Company unless approved by the Board. Every person who wishes to become a Member shall deliver to the Company an application for membership in such form as the Board shall require executed by him/her.

3.3 The following or their nominated representative shall be entitled on their own application to be permanent Members of the Company.

- (a) Warwickshire County Council
  - (b) Rugby Borough Council
  - (c) Warwickshire Police Authority
  - (d) The Rugby branch of the Coventry and Warwickshire Chamber of Commerce
  - (e) Any person who for the time being is appointed Executive Director/Managing Director of the Company for such time as his/her appointment continues
- 3.4 No person, other than a person appointed under Article 3.3 shall be admitted as a Member unless he/she supports the aims and objects of the Company and wishes to take an active part in the support and furtherance thereof and his/her application for membership is approved by resolution of the Board. The Board shall not be required or obliged to give reasons for refusal of any application for membership which shall be at the Board's absolute discretion.
- 3.5 No person who is a local authority or Local Authority Associated Person may be appointed as a Member or to represent a Member of the Company if at the time the appointment is to take effect the number of Members or representatives of members who are also a local authority or Local Authority Associated Persons represents 20% or more of the total number of members or their representatives voting.
- 3.6 The provisions of Section 112 of the Act shall be observed by the Company and every Member of the Company shall either sign a written consent to become a Member or sign the register of members on becoming a member.
- 3.7 Membership of the Company is personal and is not transferable.
- 3.8 A person shall cease to be a Member if he/she shall give a letter of resignation to the Board or if his/her membership is terminated under Article 4.
- 3.9 The Board shall have the right at any time to invite any person or organisation to attend any of the meetings of the Company as an observer without the power to vote.
4. As regards expulsion and termination generally:
- 4.1 If any Member shall fail to observe any of the Articles or rules of the Company made under powers vested in the Board or whose conduct is prejudicial to the Company or who shall fail without reasonable excuse to attend three consecutive meetings of the Company without any sufficient reason, the Board may convene an Extraordinary General Meeting of the Company to consider passing a special resolution to expel such Member and on such special resolution being passed the name of the Member shall be removed from the register of members and he/she shall cease to be a Member.

- 4.2 Any Member who is the subject of a resolution to expel under the terms of the preceding Article shall be entitled to address the said Extraordinary Meeting either in person or through a representative.
- 4.3 Every nomination made by any Member pursuant to Article 3.3 shall be reviewed every third year by the body or bodies that made the nomination. Every such nomination shall be confirmed in writing in such form as the Board shall require in respect of the body or bodies confirming the appointment for the following three years. A representative whose appointment is not so confirmed shall automatically cease to be entitled to represent the Member with effect from the expiry of the said three year period. A representative shall be eligible for reappointment at any time.
- 4.4 No Member of the Company is entitled to any refund of subscription or membership fee on ceasing to be a Member for any reason.

### **GENERAL MEETINGS**

5. The Company shall hold an Annual General Meeting each year in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it; and 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 the Company holds its first Annual General Meeting within eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such times and such places as the Board shall appoint.
6. The Board may call an Extraordinary General Meeting when it thinks fit and an Extraordinary General Meeting must also be convened on the requisition of members pursuant to the provisions of the Act.

### **NOTICE OF GENERAL MEETINGS**

7. An Annual General Meeting and an Extraordinary General Meeting called for the passing of a special resolution shall be called by at least twenty-one clear days notice in writing. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice in writing but a General Meeting may be called by shorter notice if it is agreed as follows;
  - (a) in the case of an Annual General Meeting, by all the Members entitled to attend and vote; and
  - (b) in the case of any other meeting by a majority in number of Members having a right to attend and vote, being a majority together holding not less than 95 percent of the total voting rights at the meeting of all the members.
8. The notice shall specify the time date and place of the meeting and the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall specify the meeting as such. The text of all special, extraordinary and elective resolutions to be proposed at the meeting must be set out in the notice.

9. The notice shall be given to all Members and to the Directors and auditors for the time being of the Company but if anyone entitled to receive notice does not receive it, this does not invalidate the proceedings at the meeting if the failure to notify was accidental.

## **PROCEEDINGS AT GENERAL MEETINGS**

10. No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. A quorum shall be one-tenth of all members entitled to vote upon the business to be transacted or four (whichever shall be the greater) present in person or by proxy.
11. If a quorum is not present within half an hour of the time appointed for the meeting or, if during a meeting a quorum ceases to be present, the meeting shall be adjourned to such time and place as the Board may determine but those persons present may agree in principle upon the business set out in the notice to be transacted at the meeting, subject to the ratification of such business at the adjourned meeting.
12. The Chairperson (“the Chair”) if any, of the Board or in his/her absence, the Vice-Chairperson, if any, of the Board or in his/her absence, some other Board Member nominated by the other Board Members present shall preside as the Chair of the meeting, but if the Chair is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act, the Board Members present shall elect one of their number to be the Chair, and if there is only one Board Member present and willing to act, he/she shall be the Chair.
13. If no Board Member is willing to act as the Chair, or if no Board Member is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote, shall choose one of their number to be the Chair.
14. The Chair may, with the consent of a meeting at which a quorum is present (and shall if required by a simple majority of Members present at the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business that properly might have been transacted at the meeting had an adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days’ notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
15. Subject to Article 19 and Article 23 no Member shall be entitled to more than one vote at any meeting of the Company.
16. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded;
  - (a) by the Chair; or

- (b) by at least 4 Members having the right to vote at the meeting present in person or by proxy; or
  - (c) by a Member or Members representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting
17. Unless a poll is duly demanded a declaration by the Chair that a resolution has been carried or lost, whether unanimously, or by a particular majority, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.
  18. The demand for a poll may be withdrawn before the poll is taken but only with the consent of the Chair. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared on the demand for a poll.
  19. In the case of an equality of votes, whether on a show of hands or on a poll, the Chair shall be entitled to a casting vote in addition to any other vote he/she may have providing always that the Chair is not a Local Authority Associated Person.
  20. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll was demanded.
  21. Except as provided in Article 22, if a poll is demanded it may be taken in such manner as the Chair directs but the Chair has no authority in exercising this power to extend the poll to Members of the Company who are not present at the meeting in question. The result of the poll is deemed to be the resolution of the meeting at which the poll was demanded.
  22. A poll demanded on the election of a Chair, or on a question of adjournment of a meeting must be taken immediately. A poll demanded on any other question may be taken at such time as the Chair directs. If there is an interval before the time for closing the poll, the meeting may deal with any business other than the business being determined by poll.

## **VOTES OF MEMBERS**

23. Every Member of the Company whose name is entered in the Company's register of members shall be entitled to exercise one vote at every general meeting of the Company save that if the number of members which are local authorities or Local Authority Associated Persons exceeds 19% of the total number of members, then the votes cast by those members or their representatives shall be deemed in aggregate to constitute the lower of:- (1) the number of votes cast by them; and (2) the number of votes which is 19% of the total number of votes available to be cast on the resolution.

A resolution proposed at any general meeting will be approved if, in accordance with the provisions of this Article, a simple majority of the votes cast in the meeting are in favour of the resolution, except where the Act or these Articles prescribes a different majority.

24. No Member shall be entitled to vote at any General Meeting unless any monies then payable by him/her to the Company shall have been paid.
25. No objection shall be raised to the qualification of any voter except at the meeting or the adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chair whose decision shall be final and conclusive.
26. Any Member which is an organisation may by resolution of its committee or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the organisation which he/she represents as the organisation could exercise if it were an individual Member of the Company.

### **PROXIES AND REPRESENTATIVES**

27. Regulations 59 to 63 shall apply to the appointment of proxies and representatives save only as expressly qualified by any other provisions of these Articles.

### **ANNUAL GENERAL MEETING**

28. The Business to be transacted at the Annual General Meeting of the Company shall be in accordance with the provisions of the Act and shall include:
  - 28.1 Consideration and, if thought fit, the approval of the accounts of the Company for the most recent financial year of the Company and the report of the auditors.
  - 28.2 Consideration of the report of the Directors
  - 28.3 Nomination, appointment and the fixing of the remuneration of auditors where appointed.

### **BOARD OF DIRECTORS**

29. Until otherwise determined by Members in General Meeting the number of Board Members shall not be less than 4 or more than 20. No person shall be appointed a Director of the Company who does not represent a member of the Company.
30. No Director who is a Local Authority Associated Person may either:-
  - 30.1 be appointed to the Board if at the time the appointment is to take effect, the number on the Board who are Local Authority Associated Persons will represent 20% or more of the total number of Board Members; or
  - 30.2 be counted with any other Local Authority Associated Person to any extent greater in aggregate than 19% of the number of votes available to be cast on a resolution of the Directors.

31. The following Members for as long as they remain a Member of the Company shall be entitled to appoint a Director or Directors as its representative Director(s) as detailed below and shall also be entitled to remove and replace such appointee in each case by written notice to the Board accompanied (in the case of an appointment) by the appointee's signed consent to so act and all registration details for the appointee:

Rugby Borough Council – 2 Directors

Warwickshire County Council – 1 Director

Warwickshire Police Authority – 1 Director

Rugby branch of the Coventry & Warwickshire Chamber of Commerce  
– 1 Director

Additionally any person who is for the time being appointed the Executive Director/Managing Director of the Company and being a Member of the Company shall be entitled to nominate himself/herself as a Director of the Company for such time as his/her appointment continues.

The Company may by special resolution from time to time resolve that such other persons or organisations which, in the opinion of the Board, represent persons or groups of persons having a substantial interest in the achievement of the Company's objects, shall be entitled to appoint nominees as Directors as if they had been named in this Article as persons having that right.

32. Subject to Articles 29 - 31 the Board may from time to time appoint as a Director any representative of a Member of the Company who is willing to act either to fill a casual vacancy or as an additional director provided that the maximum is not exceeded. Any such Board Member shall only hold office until the next Annual General Meeting but shall be eligible for re-nomination.
33. The Company may from time to time by special resolution appoint Directors and, where required for such appointment may by special resolution increase the maximum number of Board Members.
34. In addition and without prejudice to the provisions of section 168 of the Act the Company may by Ordinary Resolution remove any Board Member before the expiration of his/her period of office.

## **POWERS OF THE BOARD**

35. Subject to the provisions of the Act, the Articles and any direction given by special resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company except those required to be exercised by the Company at a general meeting. No alteration of the Articles and no such direction shall invalidate any prior act of the Board which would have been valid had that



alteration not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Board by the Articles and a meeting of the Board at which a quorum is present may exercise all the powers exercisable by the Board.

36. In addition to all powers hereby expressly conferred upon it and without detracting from the Company's powers under the Articles the Board shall have the following powers;
  - 36.1 To expend the funds of the Company in such manner as it shall consider most beneficial for the achievement of the objects set out in the Part B of the Articles and to invest in the name of the Company such part of the funds as it may see fit and to direct the sale and transposition of such investments and to expend the proceeds of any such sale in furtherance of the said objects;
  - 36.2 To enter into contract on behalf of the Company.
  - 36.3 To invite interested parties to attend as observers any meetings of the Board or any sub-committee meeting convened under Article 55.
  - 36.4 To appoint consultants from time to time to advise the Board and to agree their remuneration.
37. The Board may act notwithstanding any vacancy in its body; provided always that in case the number of Board Members shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles it shall be lawful for them to act as the Board solely for the purpose of admitting persons to membership of the Company, filling vacancies on the Board or of summoning a general meeting.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

38. As regards the appointment and retirement of Directors:
  - 38.1 Every appointment of a Director made by any Member pursuant to Article 32 shall be reviewed every third year by the body or bodies that made the appointment and where appropriate the Member shall remove that Director under its powers and appoint a replacement Director.
  - 38.2 No person may be appointed or re-appointed as a Director at any general meeting other than under and in accordance with Article 29 or unless he or she is appointed pursuant to Article 32 or 33 and providing that in the case of an appointment pursuant to Article 32 or 33 at least 28 clear days before the date appointed for the meeting, notice executed by a Member of the Company qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re-appointment together with notice executed by that person of his willingness to be appointed or re-appointed.

39. If at any time the number of Board Members who are also Local Authority Associated Persons represents 20% or more of the total number of Board Members, then those persons shall cease to be entitled to vote at any meeting of the Board until the number of Board Members who are also Local Authority Associated Persons has fallen below 20%
40. No person may be appointed a Board Member:-
- 40.1 Unless he/she has attained the age of 18 years; and
- 40.2 Unless he/she is or represents a Member of the Company; and
- 40.3 If he/she would be disqualified under the terms of Article 30
41. Any Director appointed to the Board (other than an alternate director) shall have the power at any time to appoint an alternate director provided that such alternate director is either another Director or any other person approved for that purpose by a resolution of the Directors (such approval not to be unreasonably withheld) and at any time may remove from office an alternate director appointed by him. Every appointment and removal of an alternate director shall be in writing signed by the appointor and (subject to any approval required) shall (unless all Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.
42. Where an alternate director is also a Director or acts as an alternate director for more than one Director, such alternate director shall be entitled at Board Meetings or any sub-committees to one vote for every Director whom he represents subject to Article 39 (in addition to his own vote if he himself is a Director), but he shall count as only one for the purposes of determining whether a quorum is present.
43. An alternate director shall be entitled to attend and to vote as a Director at any Board Meeting at which his appointor is not personally present and generally in the absence of his appointor at such Board Meetings to perform and exercise all functions, rights powers and duties as a Director of his appointor.
44. An alternate director shall not be entitled as such to receive any remuneration from the Company except only such part of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
45. The appointment of an alternate director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate office or if his appointor shall cease for any reason to be a Director.

#### **DISQUALIFICATION AND REMOVAL OF BOARD MEMBERS**

46. A Board Member shall cease to hold office if he/she:

- 46.1 Ceases to be a Board Member by reason of any provision in the Act or is disqualified from acting as a director;
  - 46.2 Becomes by reason of mental disorder, injury or illness incapable of managing his/her own affairs;
  - 46.3 By notice in writing to the Company resigns his/her office;
  - 46.4 The Member nominating him/her ceases to be a Member of the Company;
  - 46.5 Is absent without the permission of the Board from all its meetings whether of the Board or of relevant sub-committee of the Board held within any period of three months and the Board resolves by a simple majority that his/her office be vacated.
  - 46.6 Upon death, or if he/she becomes bankrupt or makes an arrangement with his/her creditors, or becomes of unsound mind, or is convicted of an indictable offence for which he/she is sentenced to a term of imprisonment;
  - 46.7 If he/she is removed by a simple majority of the members of the Company, following the procedure laid down in Section 168 of the Act or Article 34; or
  - 46.8 Is directly or indirectly interested in any contract with the Company and fails to declare the nature of his/her interest as required by Section 317 of the Act.
47. A Director shall not vote in respect of any contract in which he/she is interested or any matter arising out of it, and if he/she does not so vote, his/her vote shall not be counted.

#### **EXPENSES OF THE BOARD**

- 48. Board Members may, with the consent of the Board, be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with the discharge of their duties but otherwise shall be paid no remuneration in their capacity as Board Members.

#### **PROCEEDINGS OF THE BOARD**

- 49. Subject to the provisions of the Articles the Board may regulate their proceedings as they think fit. A Board Member may, and the Secretary at the request of three Board Members shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting to a Board Member who is absent from the United Kingdom. Questions arising at a meeting shall, subject to article 30, be decided by a majority of votes and in the case of an equality of votes the Chair shall have a second or casting vote provided always that the Chair is not a Local Authority Associated Person.
- 50. The quorum for the transaction of the business of the Board may be fixed by the Board but shall not be less than one half of its number or six Board Members present in person and entitled to vote, whichever shall be the lesser. Any meeting of the

Board at which at any time the number of directors or their alternates attending and eligible to vote at the meeting who are Local Authority Associated Persons exceeds 19% of the total number of Directors or their alternates attending and eligible to vote, shall not be or as the case may be shall cease to be quorate.

51. The Chairperson (“the Chair”) of the Board shall be the Board. Unless unwilling to do so, the Chair shall preside at every meeting of the Board at which the Chair is present. If the unwilling to preside or is not present within fifteen minutes after the time appointed for the meeting, the Board present may appoint one of its number to be the Chair of the meeting.
52. The Board may appoint one or more sub-committees consisting of one or more Board Members for the purpose of making any enquiry or supervising or performing any function or duty which in the opinion of the Board would be more conveniently undertaken or carried out by a sub-committee. Any sub-committee so formed shall conform to any regulations that may be imposed on it by the Board and all acts and proceedings of any such sub-committees shall be fully and promptly reported to the Board whose decision on any recommendations shall be final.
53. All acts done by a meeting of the Board, or of a sub-committee of the Board (or by an Executive Director) shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Board Member or that any of them was disqualified from holding office, or had vacated office, or were not entitled to vote, be, with the consent of the Board, as valid as if every such person has been duly appointed and was qualified and had continued to be a Board Member and had been entitled to vote.
54. A resolution in writing signed by all the Board entitled to receive notice of a meeting of the Board or of a sub-committee of the Board shall be as valid and effective as if it had been passed at a meeting of the Board or a sub-committee of the Board duly convened and held. Such a resolution may consist of several documents in the same form, each signed by one or more of the Board Members.
55. Any bank account in which any part of the assets of the Company is deposited shall be operated by the Board and shall indicate the name of the Company. All cheques and orders for the payment of money from such account shall be signed by such people being not less than two in number as authorised by the Board.

## **SECRETARY**

56. Subject to the provisions of the Act, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board.
57. A provision of the Act or of these Articles requiring or authorising a thing to be done by or to a Board Member and the Secretary shall not be satisfied by its being done by

or to the same person acting both as Board Member and as, or in place of, the Secretary.

## **MINUTES**

58. The Board shall keep minutes in books kept for the purpose;
- 58.1 Of all appointments of officers made by the Board; and
- 58.2 Of all resolutions and proceedings at all meetings of the Company and of the Board and of sub-committees of the Board including the names of the Board Members present at each such meeting.

## **THE SEAL**

59. The seal if any shall only be used with the authority of the Board or of a sub-committee authorised by the Board. The Board may determine who shall sign any instrument to, which the seal is affixed and unless otherwise so determined it shall be signed by a Board Member and by the Secretary or a second Board Member.

## **ACCOUNTS**

60. Accounts shall be prepared in accordance with the provisions of the Act.

## **ANNUAL REPORTS AND RETURNS**

61. The Board shall comply with all the requirements of the Act with regard to the preparation and submission of an annual report and return.

## **NOTICES**

62. Regulations 111 to 115 of Table A shall apply.

## **INDEMNITY**

63. Subject to the provisions of the Act every Board Member or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him or her in the capacity in defending any proceedings, whether civil or criminal, in which judgement is given in his or her favour or in which he is acquitted or in connection with any application in which relief is granted to him or her by any court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

## **RULES**

64. The Board may from time to time make such rules or bye-laws as it may deem necessary, expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes and conditions of membership. In particular but without limitation to the generality of the foregoing, it may be such rules or bye-laws regulate;
- 64.1 The admission and classification of Members (including the admission of organisations to membership) and the rights and privileges of such members, and the conditions of membership and the terms on which subscriptions, if any, shall be paid by Members;
- 64.2 The conduct of Members in relation to one another and to the employees of the Company;
- 64.3 The setting aside of the whole or any part or parts of the premises of the Company at any particular and for any particular purpose;
- 64.4 The procedure at General Meetings and at the meetings and committees of the Board in so far as such procedure is not regulated by these Articles;
- 64.5 Generally, all such matters as are commonly the subject matter of company rules.
65. The Company in General Meeting shall have the power to alter, add to or repeal the rules or bye-laws and the Board shall adopt such means as it thinks sufficient to bring to the notice of Members all such rules or bye-laws, which shall be binding on all Members provided that no such rule or bye-law shall be inconsistent with, or shall affect or repeal anything contained in the Articles.

**Articles which prior to 1 October 2009 comprised the Memorandum of Association**

**PART B**

1. The name of the Company (hereinafter called “the Company”) is “Rugby First Limited.”
2. The registered office of the Company is to be situated in England and Wales.
3. The objects for which the Company is established (“the Objects”) are, within the Area of Benefit:
  - 3.1. to initiate and promote the establishment of a business improvement district (“BID”) in accordance with Part 4 of the Local Government Act 2003 (as the same may be consolidated, amended, modified or re-enacted from time to time) (“the Legislation”) for the purpose of financing, constructing, managing and operating improvements to the BID.
  - 3.2. to act as a BID body for the purposes of the Legislation and for the purposes of being the body responsible for the implementation of the BID proposals, any alteration proposals and any renewal proposals for the BID.
  - 3.3. To carry out any activity which positively contributes to the Area of Benefit

- 3.4. to pursue the regeneration of the town centre of the Area of Benefit
- 3.5. without limitation to the generality of the foregoing to devise, undertake, and promote policies which build a positive image of an attractive flourishing town centre meeting the needs of all its users and
- 3.6. to promote and to encourage all those associated with the Area of Benefit to take an interest in the town centre and the facilities and opportunities which it offers and to maximise the use of the town centre as an area to provide opportunities and support for all its users

For the purpose of this paragraph the Area of Benefit shall be the Rugby Borough, Warwickshire.

- 4. In furtherance of the Objects but not otherwise the Company may exercise the following powers:
  - 4.1. 4.1 to promote provide and carry on or assist in any way in the promotion provision and carrying of any kind pursuant to the objects set out in Clause 3 and to arrange and hold meetings conferences and lectures in furtherance thereof,
  - 4.2. subject to such consents as may be required by law to purchase take on lease or in exchange hire or otherwise acquire any real or personal property and any rights or privileges and to construct maintain and alter any buildings or erections which the Company may think necessary for the promotion of its Objects,
  - 4.3. to solicit receive and accept financial assistance donations endowments gifts (both testamentary and inter vivos) devises bequests and loans of money rents hereditament and other property whatsoever, real or personal,
  - 4.4. to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, to operate bank accounts in the name of the Company as well as to deposit with any local government authority capable of taking such deposits, the Company's funds or part thereof and to operate such an account held in the name of or per pro the Company;
  - 4.5. to raise funds and invite and receive contributions and in particular but without limitation, to propose and promote in accordance with the Legislation the imposition by any competent billing authority upon non-domestic rate payers whether within or outside the Area of Benefit of an additional levy (howsoever described in the Legislation) and in addition to invite voluntary contributions from any source in each case in accordance with the Legislation and any relevant statutory regulations and to exercise all the Company's powers for the renewal of such funding;
  - 4.6. subject to clause 5 below to employ such staff as are necessary for the proper pursuit of the Objects and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants;
  - 4.7. to enlist the support of and to co-operate with local government and other statutory authorities, voluntary and other organisations and individuals representative of any community or communities within the Area of Benefit or otherwise likely to be affected by the furtherance or achievement of the Objects or who may be independently operating wholly or partly in furtherance of the Objects or similar purposes and to exchange information and advice with them;
  - 4.8. to exercise all of the powers that are from time to time granted to or available to the Company by the Legislation or as may be granted to it by any delegation of authority by any statutory or public body;

- 4.9. to conduct or commission the conducting of market research, canvassing, lobbying, advertising and promotion;
  - 4.10. to acquire, alter or improve and (subject to such consents as may be required by law) to charge or otherwise dispose of property;
  - 4.11. to establish and support any wholly owned subsidiary of the Company for the purpose of carrying on all or any part of the Objects;
  - 4.12. subject to such consents as may be required by law to borrow or raise money for the furtherance of the Objects in such manner and on such security as the Company may think fit and to sell, dispose, let, mortgage or charge and to grant licences, options, rights and privileges in respect of the undertaking and all or any of the real or personal property and assets, present or future of the Company;
  - 4.13. to invest and deal with the monies of the Company not immediately required for the furtherance of the Objects in or upon such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and to hold or otherwise deal with any investment made;
  - 4.14. to carry out all or any of the Objects and to do all or any of the above acts matters or things and to exercise all or any of the above powers in any part of the world and either as principals, agents, trustees or otherwise and either alone or in conjunction with others and either by or through sub-contractors, agents, trustees or otherwise;
  - 4.15. to act as agent or broker for any person, firm, organisation or company and to undertake and perform any form of contract;
  - 4.16. to carry on any trading operation which may be carried on in conjunction with the Objects and enter into agreements for all or any of the following purposes that is to say:-
    - 4.16.1. the supply by the Company to any person of any goods or materials;
    - 4.16.2. the provision by the Company to any person of any administrative, professional or technical services;
    - 4.16.3. the use by any person of any vehicle, plant or apparatus belonging to or facilities under the control of the Company and the placing at the disposal of any person, the services of any person employed in connection with the item in question
      - 4.16.3.1. provided in each case the Company shall before doing so have regard to whether any exercise of its powers under this paragraph will be likely to:-concern surplus capacity;
      - 4.16.3.2. profitably exploit surplus capacity; and
      - 4.16.3.3. benefit the Area of Benefit;
- and will not detract or derogate from the purpose of the business improvement district arrangements as set by the Legislation and generally
- 4.17. to indemnify every Board Member or other officer or auditor of the Company out of the assets of the Company against liability incurred by him or her in that capacity in defending any proceedings whether civil or criminal, in which judgement is given in his or her favour or in which he or she is acquitted or in connection with any



application in which relief is granted to him or her by any court from any liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company;

4.18.

4.19. to pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company including, subject to clause 5 below, any professional costs; to do all such other lawful things as are necessary or conducive for the achievement of the Objects.

5. The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in these Articles and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Company and no members of the Board of Directors shall be appointed to any office of the Company paid by salary or fees, or, save as hereinafter provided, receive any remuneration or other benefit in money or money's worth from the Company other than in respect of reasonable and proper expenses for any services rendered to the Company.

Provided that nothing herein shall prevent any payment in good faith by the Company:-

5.1 of all usual and proper professional or other charges to any member of the Board of Directors who is a Solicitor, Accountant or otherwise engaged in a profession for work done by him or his firm in connection with the discharge of the objects of the Company;

5.2 of reasonable and proper remuneration to any member, officer or servant of the Company (not save as herein provided being a member of its Board) for any services rendered to the Company;

5.3 of reasonable and proper remuneration to any member of the Board appointed as Chief Executive of the Company for any services rendered by him to the Company.

5.4 of interest on money lent by any member of the Board at a rate not exceeding 2% per annum over the rate at which deposits in sterling of an amount equivalent to the amount of any loan are, at the date of such loan available in London Interbank market for a period of 12 months to the Company's bankers;

5.5 of reasonable and proper rent for premises and property demised or let by any member of the Company, or of its Board

5.6 to any Member of its Board for out of pocket expenses

5.7 of premiums on the indemnity insurance referred to in clause 4.15

6. Upon winding up or dissolution of the Company, all sums carried to the credit of the BID revenue account/s or BID operating account/s of the Company as maintained in accordance with the Legislation shall be applied in accordance with arrangements made under the Legislation.

7. If upon a winding up or dissolution of the Company, there remains after:-

7.1 arrangements made in accordance with paragraph 6 of this Part B of the Articles (and the Company's complete compliance with the Legislation in respect of any property whatsoever); and

7.2 the satisfaction of all its debts and liabilities (including without limitation the costs of winding up the Company's affairs)

any property whatsoever the same shall subject to the proviso stated below, be distributed:-

- a) to the extent that the same were so provided among those donors and grant making bodies who have made voluntary financial contributions to the Company for business improvement district purposes in the 12 months prior to the termination of the last chargeable period prior to the date of a distribution under this paragraph as a class ("Class A") and all persons who were liable in respect of BID levy imposed by the Company in the chargeable period last elapsed prior to the date of distribution under this paragraph as a class ("Class B") such distribution in the case of Class A, being made as nearly as practicable pro rata to each such contributor's total contribution in the period (not exceeding 12 months) prior to the commencement of a winding up of the Company and in the case of Class B, such distribution being made equally amongst such contributors as are within the Area of Benefit at any date specified for such purpose by the Officer unless in each case in the opinion of the Officer the cost of making a distribution to contributors or any class of contributors in accordance with the foregoing procedures, would be disproportionate to the benefit in which case any distribution shall be made as the Officer thinks fit provided that it shall be paid or distributed among the members of the Company only to the extent such persons fall within Class A or Class B aforesaid and not in their capacity as members of the Company and
- b) to the extent that the same were so provided, among those donors and grant making bodies who have made voluntary financial contributions to the Company in the 12 months prior to the termination of the last chargeable period prior to the date of a distribution under this paragraph for the pursuance of the objects of the Company other than for business improvement district purposes

8. The liability of the Members is Limited.
9. Every Member of the Company undertakes to contribute such amount as may be required (not exceeding one pound) to the assets of the Company if it should be wound up while he is a Member or within one year after he ceases to be a Member, for payment of the Company's debts and liabilities contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves.
10. Words and expressions used herein shall have the same meanings (where the context permits) as they are given in Part A of the Articles of Association with which the Company is incorporated.