

Appendix 1b



dated

2025

Bath & North East Somerset Council

and

Aequus Construction Limited

and

[*Aequus Regeneration Bath Quays*] LLP

Limited Liability Partnership Agreement

in relation to [*Aequus Regeneration*] LLP

Trowers & Hamlins LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GB
t +44 (0)121 214 8800
f +44 (0)121 214 8801
www.trowers.com

— **trowers.com**

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Deed

dated 2025

Parties

- (1) **Bath & North East Somerset Council** of The Guildhall, High Street, Bath BA1 5AW (**Council**);
- (2) **Aequus Construction Limited** a company incorporated and registered in England and Wales with company number 10832066 whose registered office is at Cambridge House, Henry Street, Bath, England BA1 1BT (**ACL**); and
- (3) **[Aequus Regeneration Bath Quays] LLP** a limited liability partnership incorporated and registered in England and Wales with registration number [*] whose registered office is at [Cambridge House, Henry Street, Bath, England BA1 1BT] **TBC (LLP)**.

Introduction

- (A) The Members are the persons who have signed their names on the incorporation document which has led to the incorporation of the LLP under the Act. The LLP was incorporated on [*].
- (B) The Members and ADL entered into the SHA.
- (C) The Members have agreed to enter into this Agreement with the LLP to set out the basis on which the LLP is to be organised and the rights and obligations of the Members of the LLP.

Agreed terms

1 Definitions and interpretation

- 1.1 In this Agreement the following terms have the following meanings unless inconsistent with the context:

Accounting Period means in relation to the first Accounting Period, the period commencing on the date of incorporation of the LLP and ending on 31 March 2027 and, in relation to any other Accounting Period, a period of 12 calendar months ending on the Accounting Reference Date in each year of this Agreement;

Accounting Reference Date means 31 March or such other date as determined in accordance with this Agreement;

Act means the Limited Liability Partnerships Act 2000 and any amendments to that Act;

ADL means Aequus Developments Limited (CRN: 10060817) whose registered office is at Cambridge House, Henry Street, Bath, England BA1 1BT;

[Aequus Business Plan] means the business plan of the Aequus Group Companies as approved by the board of AGHL; *[please confirm or amend as appropriate]*

Aequus Group Companies mean AGHL, ACL and ADL;

AGHL means Aequus Group Holdings Limited (CRN:14025216) whose registered office is at Cambridge House, Henry Street, Bath, England BA1 1BT;

Auditors means such auditors as appointed by AGHL in accordance with this Agreement;

Bank means the bankers from time to time of the LLP;

Business means the business of development and regeneration of housing projects in accordance with, to the extent applicable, the Business Plan or any such other business determined in accordance with this Agreement;

Business Day means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

Business Plan means the Business Plan as agreed by the Members in accordance with the provisions of this Agreement and as the same may be varied or updated from time to time in accordance with the provisions of this Agreement;

Capital Account means the account established for each Member by the LLP in accordance with this Agreement to which its capital contribution to the LLP is credited;

Chair means one of the Representatives elected to be chair by their fellow Representatives;

Companies Act means the relevant provisions of the Companies Act 2006 (as amended), as are applied to LLPs in accordance with regulations made under the Act;

Current Account means the account established for each Member by the LLP in accordance with this Agreement to which all Profits payable to the Members by the LLP are credited or against which drawings and any Losses attributable to the Members are debited;

Designated Members means all the Members or such of the Members as are designated in accordance with this Agreement;

Insolvency Act 1986 means the relevant provisions of the Insolvency Act 1986 (as amended), as are applied to LLPs in accordance with regulations made under the Act;

Interest means the totality of a Member's contractual and/or statutory rights, title, interest and obligations attaching to its membership of the LLP, including without limitation all and any rights and obligations under contracts of any kind between that Member and the LLP;

LLP Operational Board means the board of persons appointed in accordance with clause 16.2;

Loss means in relation to any Accounting Period, the net amount of any losses of the LLP for that Accounting Period, as calculated in accordance with the accounting practices and policies of the LLP from time to time;

Members means a person having an Interest and as at the date of incorporation of the LLP mean the Council and ACL;

Members' Group means the group of Members' Representatives established in accordance with clause 15;

Name means [Aequus Regeneration] LLP, or such other name of the LLP as may be agreed between the Members and registered at Companies House from time to time

Profits means the profits of the LLP for an Accounting Period as shown in the annual accounts of the LLP after all expenditure and provisions including the payment of all interest, if any, accrued and payable on moneys borrowed by the LLP and any salaries paid or payable by the LLP;

Registered Office means Cambridge House, Henry Street, Bath, England BA1 1BT;

Relevant Percentage means in relation to a Member, such proportion of the capital contributions advanced by such Member to the LLP, expressed as a percentage of the total amount of the capital contributions advanced by the Members to the LLP at the relevant time as set out in Schedule 1Part 1

Representatives mean the persons appointed to represent the Members that will comprise a Council Representative and the ACL Representative as set out in clause 15.2;

Reserved Matters mean the matters specified in Schedule 2; and

SHA means the shareholders agreement signed in 2018 between (1) Council (2) ADL and (3) ACL;

- 1.2 Terms defined in the SHA shall have the same meanings in this Agreement, unless indicated to the contrary.
- 1.3 Clause and Schedule headings shall not affect the interpretation of this Agreement.
- 1.4 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.5 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.
- 1.6 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.8 This Agreement shall be binding on, and enure to the benefit of, the parties to this Agreement and their respective personal representatives, successors and permitted assigns, and references to any party shall include that party's personal representatives, successors and permitted assigns.
- 1.9 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.10 A reference to **writing** or **written** includes email unless otherwise stated in this Agreement.

- 1.11 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.12 References to clauses and Schedules are to the clauses and Schedules of this Agreement and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.13 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

Any reference to a document being **in the agreed form** means a document in a form agreed by the parties.

- 1.14 Any reference to the death of any Member, in the case of any Member being a body corporate, includes reference to the winding up, dissolution or striking off the register of that Member.

2 **Incorporation**

- 2.1 The LLP was incorporated on [*].
- 2.2 The LLP shall keep the certificate of registration of the LLP to be issued by the Registrar of Companies at the Registered Office.

3 **Application of the SHA**

- 3.1 The parties agree that:

3.1.1 except where:

- (a) there are express provisions in this Agreement relating to a matter for which there are also provisions in the SHA, which would otherwise apply to the LLP; and
- (b) varied or contradicted by the other provisions of this Agreement, the provisions of the SHA shall apply to the LLP;

3.1.2 in the event of a conflict between the provisions of the SHA and this Agreement, the terms of this Agreement shall prevail.

4 **Commencement, Business and duration**

- 4.1 This Agreement shall be deemed to have commenced on incorporation of the LLP.
- 4.2 The LLP carries on the Business.

5 **Name and Registered Office**

- 5.1 The LLP is incorporated with the Name and Registered Office.
- 5.2 The Designated Members may change the Name and the Registered Office at any time in accordance with clause 18.

5.3 The Designated Members shall notify any change in the Name or the Registered Office to the Registrar of Companies in accordance with the Act.

6 **Decision -Making**

6.1 Except as set out in clause 6.2, insofar as a matter relating to LLP is a Reserved Matter, the Members' Group nor the LLP Operational Board as the case may be shall not make any decision in relation to, or undertake, that Reserved Matter except with the prior approval of the Council or the LLP Operational Board (where applicable) as set out in Schedule 2.

6.2 Clause 6.1 shall not apply in connection with any decision or action relating to a Reserved Matter:

6.2.1 approved in a Business Plan then in force; or

6.2.2 which has been properly delegated in accordance with this Agreement to the LLP Operational Board or relevant ACL officer or employee or any other person; or

6.2.3 to the extent the same decision has been taken by the Council in accordance with an agreement between the Council and the LLP.

6.3 For the avoidance of doubt, the LLP Operational Board may make any decision in relation to, or undertake, any matter which is not a Reserved Matter where that matter is outside the terms of the LLP's Business Plan (as part of the Aequus Business Plan) provided that the matter is only outside the terms of the Business Plan by reason of potential additional expenditure which itself does not exceed any threshold in the Reserved Matters.

6.4 Any variation to the list of Reserved Matters must be approved by the Council in writing. The Reserved Matters may be varied and/or replaced in part or entirely by the Council at its absolute discretion. Upon the Council giving notice in writing to the LLP that such a variation or replacement has occurred, this Agreement and Schedule 2 shall be deemed modified from the date specified in the varied or replacement schedule.

6.5 If any agreement between the Council and the LLP is validly varied in accordance with its terms, the relevant sections of its Business Plan shall be deemed amended on and with effect from the date of the variation of the agreement to the extent (but only to the extent) such amendment is necessary to ensure that the Business Plan is fully consistent, and does not conflict, with the terms of that agreement.

6.6 Except as set out above in this clause 6, the LLP Operational Board shall have full and complete authority, power and discretion to direct, manage and control LLP and the Business, affairs and properties of the LLP, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incidental to the management of the Business.

6.7 The LLP agrees that it shall, in a proper and efficient manner:

6.7.1 carry on and conduct its Business and affairs in accordance with:

(a) this Agreement;

(b) its Business Plan then in force;

- (c) all laws relating to companies as amended from time to time;
- (d) sound governance and good business practice; and
- (e) use all reasonable endeavours to obtain and, if necessary, maintain in full force and effect all licences (including statutory licences), consents and authorities necessary to own and operate its assets and to carry on its Business properly and effectively and in accordance with the Business Plan then in force.

7 **Place of Business**

The LLP shall carry on the Business at the Registered Office or such other additional or alternative place(s) of business as the Members may determine in accordance with this Agreement.

8 **LLP property**

All property held or created by the LLP for the purposes of carrying on the Business and which has been paid for by the LLP or contributed to the LLP by any Member or has otherwise accrued to the LLP, is owned by the LLP absolutely and the Members have no individual rights in that property other than by their entitlement to such capital distributions as may be due to them under this Agreement or following liquidation of the LLP.

9 **Banking**

9.1 The Members may resolve upon which bank to open the LLP's accounts in accordance with clause 18 and the Reserved Matters.

9.2 All money belonging to the LLP shall be paid promptly into the LLP's account at the Bank for the credit of the LLP.

10 **Accounts, Auditors and audit**

10.1 The LLP shall ensure that proper books of account giving a true and fair view of the Business, the state of affairs and Profit or Loss of the LLP are properly kept and preserved and are open to inspection by the Members at all times.

10.2 The LLP's books of account shall be kept at the Registered Office or at such other place as the Members determine in accordance with the Reserved Matters.

10.3 The LLP's accounting reference period ends on the Accounting Reference Date or such other date as the Members may determine in accordance with the Reserved Matters.

10.4 The Designated Members shall notify any change in the Accounting Reference Date to the Registrar of Companies in accordance with the Companies Act.

10.5 Save as otherwise agreed ACL shall for so long as ACL is a Member of the LLP take reasonable endeavours to procure that the LLP's accounts are prepared using the same accounting processes and auditing arrangements currently established for all Aequis Group Companies and:

10.5.1 provide each Member:

- (a) within 30 Business Days of the end of each calendar month, with unaudited management accounts of the LLP for such month in a form acceptable to the Members;
- (b) within 30 Business Days of the end of the calendar month, monthly VAT reporting; and
- (c) within 30 Business Days of the end of each three-month period, an updated revenue and cash flow forecast for the LLP;

10.5.2 ensure the LLP's statutory accounts for each Accounting Period:

- (a) are, save in respect of the first Accounting Period, for a period of 12 calendar months ending on the Accounting Reference Date;
- (b) are prepared on an historical cost basis in accordance with all applicable laws and those accounting policies as are from time to time generally accepted in the United Kingdom;
- (c) are audited as soon as practicable and in any event not later than four months after the end of the relevant Accounting Period; and
- (d) are in accordance with the Companies Acts;

10.6 Unless the LLP is exempt from audit under the Companies Act, the LLP annual accounts shall be audited and settled each year by the Auditors as at the Accounting Reference Date.

10.7 The LLP annual accounts together with a report by the Auditors (if applicable) shall be:

- 10.7.1 laid before a meeting of the Members for consideration and if thought fit approved, in accordance with clause 18, subject only to any approved variation;
- 10.7.2 distributed to all Members as required by the Companies Act; and
- 10.7.3 distributed to the Members at the same time as the annual accounts are distributed to the Members.

10.8 The Designated Members shall sign the annual accounts of the LLP and file them with the Registrar of Companies in accordance with the Companies Act.

11 **Capital**

11.1 The Members have contributed the total sum of capital in the proportions specified in Part 1 of Schedule 1 on incorporation of the LLP as shall be credited to each Member's Capital Account.

11.2 At incorporation of the LLP, each of the Members acquired an economic share in the LLP in accordance with the amount or value of their capital contribution to the LLP on incorporation, being for the avoidance of doubt:

11.2.1 ACL: 1%; and

11.2.2 Council: 99%.

11.3 Neither of the Members nor the LLP Operational Board may call for the Members to contribute any further capital (in addition to the amount specified in Part 1 of Schedule 1) to the LLP without the unanimous consent of the Members in accordance with clause 17, whether on the insolvency of the LLP or otherwise.

11.4 No Member is entitled to receive interest on the amount of its proportion of the capital contributions to the LLP.

12 Profits and losses

12.1 There will be established for each Member on the books and records of the LLP, a Capital Account, a capital contribution account (**Capital Contribution Account**), a Current Account and a loan account (**Loan Account**) which shall be operated as follows:

12.1.1 the capital contributions of a Member shall be credited to its Capital Contribution Account;

12.1.2 any Profit for any Accounting Period allocated to a Member in accordance with clause 12.4 shall be credited to its Income Account and any Loss for any Accounting Period so allocated shall be debited to that account;

12.1.3 Member's loans (if any) and any repayment and the re-advance of the same shall be credited and debited to its Loan Account (as appropriate).

12.2 Any Profit or Loss in relation to any Accounting Period shall be allocated between the Members on an annual basis in their Relevant Percentages.

12.3 Subject to clause 12.4 the Profits of the LLP shall be apportioned between the Members in their Relevant Percentages.

12.4 The LLP Board shall recommend (having taken advice of the Auditors, if appropriate) not later than 20 Business Days before the beginning of each Accounting Period what amount (if any) of the Net Profits shall be retained by the LLP in respect of:

12.4.1 reserves for general working capital purposes of the LLP for the following Accounting Period; or

12.4.2 reinvestment back into the LLP in accordance with the Business Plan.

and each Member's share of the Net Profits (after deducting any retentions pursuant to clauses 12.4.1 and 12.4.2) for any Accounting Period shall be paid to that Member or (depending on the cash flow position of the LLP (recommended by the LLP Board, if appropriate, having taken the advice of the Auditors)) allocated to the credit of the relevant Member's Income Account within 30 days after the signing of the annual accounts of the LLP for that Accounting Period.

12.5 Subject to clause 12.6, if it is apparent that there has been over-payment of Net Profit to a Member, the amount of such over-payment shall either be carried forward as a debit on such Member's Income Account or, where the LLP so determines, be repaid on demand by the relevant Member in whole or in part (if in part and there has been over-payments of Net Profits of more than one Member, each such Member shall be liable to contribute such

proportion of the repayment to be made pursuant to this clause 12.5 as is equal to the proportion of the total overpayment received by it).

12.6 The LLP shall not make any Net Profit distribution under this clause 12.6:

12.6.1 unless there is sufficient cash available;

12.6.2 in circumstances where the same would render the LLP insolvent;

12.6.3 in circumstances where, in the reasonable opinion of the LLP, the same would or might leave the LLP with insufficient funds to meet any future contemplated obligations or contingencies;

12.6.4 in circumstances where, and to the extent that, a Member requests that the LLP withholds its share of Net Profit until after it requests payment of such amount (in whole or in part) provided that the withheld share of Net Profit shall continue to accrue to the ledger of the Member's Income Account of the relevant Member and shall not delay or otherwise affect distributions to a Member that has not requested any such withholding of their share of Net Profit. Upon a request for payment of a withheld amount by the relevant Member, the LLP shall distribute the requested amount as soon as reasonably practicable (and in any event within ten Business Days of the request).

13 **Drawings**

No Member may draw from its Current Account without the prior consent of the LLP Board.

14 **Designated Members**

14.1 The Designated Members shall be responsible for ensuring compliance with all registration and other requirements of the Act and other applicable legislation, including:

14.1.1 notifying any change to the Members or their personal details or to the Accounting Reference Date to the Registrar of Companies;

14.1.2 notifying any change in the Name or Registered Office to the Registrar of Companies;

14.1.3 signing the annual accounts of the LLP and filing them with the Registrar of Companies in accordance with the Companies Act;

14.1.4 preparing, signing and filing the annual return with the Registrar of Companies; and

14.1.5 when appropriate, appointing, re-appointing, fixing the remuneration of and removing the LLP auditors.

15 **The Members' Group**

15.1 **Overall Supervision**

15.1.1 Subject to the provisions of the LLP Act, overall supervision of the Business shall be the responsibility of the Members' Group, which shall have authority to act on

behalf of the LLP and the Members in all matters in connection with the Business including delegating its powers to the LLP Operational Board.

15.1.2 The Member's Representatives shall be entitled to act in accordance with any instructions provided by the Member that appointed them.

15.1.3 Save where otherwise expressly provided in this Agreement, the Members through the Members' Group hereby delegate the day to day management and control of the Business to the LLP Operational Board, who shall manage the LLP and its Business in accordance with this Agreement.

15.2 **Composition of the Members' Group**

The Members' Group shall consist of two Representatives, one for each Member as follows:

15.2.1 Managing Director of AGHL or in their absence the Executive Director of Operations of [AGHL] shall be the ACL Representative; and

15.2.2 Director of Capital & Housing of the Council or in their absence the Head of Housing of the Council shall be the Council Representative.

15.2.3 The initial Representatives may appoint any Alternate pursuant to clause 16.5.

15.3 **Appointment and Removal of Member's Representatives**

15.3.1 Any appointment or removal of a Member's Representative shall be effected by notice in writing to the LLP signed by or on behalf of the Member that appointed such Member's Representative and shall take effect, subject to any contrary intention expressed in the notice, when the notice is delivered to the LLP or, if later, the time and date stated in such notice.

15.3.2 If a Member ceases to be a Member for any reason then such Member shall be deemed to have served notice pursuant to clause 15.3.1 to remove from office any Member's Representatives appointed by it/them and shall not be entitled to appoint any persons as Member's Representatives in their place.

15.3.3 The Member removing a Member's Representative shall indemnify the LLP against any claims arising in connection with that Member's Representative's removal from office.

15.3.4 No Representative shall be entitled to remuneration for his or her services by virtue of being a member of the Members' Group.

16 **Management of the LLP and LLP Operational Board Meetings**

16.1 The decisions of the LLP Operational Board shall be made in accordance with this clause 16.

16.2 **LLP Operational Board**

16.2.1 The initial LLP Operational Board shall comprise the following:

16.2.1.1 Sally Kay Higham;

- 16.2.1.2 Michelle Louise Hyde;
- 16.2.1.3 Andrew David Johnston;
- 16.2.1.4 Victor O'Brien;
- 16.2.1.5 Elizabeth Pickering;
- 16.2.1.6 Timothy Richens;
- 16.2.1.7 Tessa Rollings;
- 16.2.1.8 Professor Alexander William Wright; and
- 16.2.1.9 Simon Martin

- 16.2.2 The initial LLP Operational Board are also members of the ACL Board of Directors and where a member of the LLP Operational Board is removed from or appointed to the Board of Directors of ACL such person is deemed to be appointed or removed (as applicable) as a member of the LLP Operational Board.
- 16.2.3 [Any appointment or removal of the Council Board Member shall be effected by notice in writing to the LLP signed by or on behalf of the Council and shall take effect, subject to any contrary intention expressed in the notice, when the notice is delivered to the LLP or, if later, the time and date stated in such notice] **TBC**.
- 16.2.4 The Members and the LLP agree to maintain the LLP Operational Board for the duration of the LLP and agree to use their respective reasonable endeavours to procure that the LLP Operational Board shall operate in accordance with the provisions of this Agreement and the Reserved Matters.

16.3 **Delegation by the LLP Operational Board**

- 16.3.1 Subject to this Agreement, the LLP Operational Board may delegate any of its powers which are conferred on it under this Agreement:
 - (a) to such person (whether a Representative or not) or committee or ACL officer or employee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions,

as it thinks fit. If the LLP Operational Board so specifies, any such delegation may authorise further delegation of its powers by any person to whom they are delegated. Subject to the terms of any contractual obligations entered into by the LLP, the LLP Board may revoke any delegation in whole or part, or alter its terms and conditions.

- 16.3.2 The provisions of this Agreement applicable to meetings and resolutions of the LLP Board shall apply equally to meetings and proceedings of any committee appointed pursuant to clause 16.3.1.

16.4 Resolution of ambiguity, uncertainty or inconsistency

Where there is any ambiguity, uncertainty or inconsistency in relation to any delegated authority and/or who is to take any decision to be made by or on behalf of the LLP, the matter shall be referred by any Board Member (as defined below) in the first instance to the Members' Group for determination. However, the Chair shall notify all Representatives of such referral forthwith on it being made and the Representatives shall then have five (5) Business Days from, but not including, the date of receipt of such notice in which to give notice in writing to the LLP referring the matter to the LLP for determination instead.

16.5 Alternates

- 16.5.1 A Representative may appoint any other individual (whether or not a Representative) as his alternate for the purposes of one or more meetings of the LLP Board, provided always that a member of the LLP Board must personally attend at least two out of every three consecutive meetings of the LLP Board.
- 16.5.2 Any notice appointing an alternate shall be in writing and shall take effect upon delivery to the LLP's registered office or production at the first such meeting of the LLP Board at which the alternate attends.
- 16.5.3 An alternate may represent more than one Representative and a Representative may represent another Representative.

16.6 Duties of Representatives; no entitlement to remuneration or expenses

- 16.6.1 A Representative shall owe a duty to the LLP to act in the way he considers, in good faith, would be most likely to promote the success of the LLP for the benefit of the Members as a whole and in furtherance of the Business Plan and this Agreement.
- 16.6.2 [No Representative (or alternate) shall receive any remuneration or expenses reimbursement from the LLP.

17 LLP Operational Board meetings and Resolutions

17.1 Location of LLP Operational Board meetings

Unless the LLP Operational Board otherwise agrees, meetings shall be held at the LLP's registered office. An LLP Operational Board Member (**Board Member**) shall be taken to be present at a LLP Operational Board meeting if linked by telephone or by means of a video conferencing facility to the other Board Members also present at the meeting through which he or she can hear and be heard by the other Board Members.

17.2 Notice of LLP Operational Board meetings

- 17.2.1 The Chair:
- (a) may at any time; and

- (b) if requested by at least one Board Member, shall within five (5) Business Days of receiving such a request,

call a LLP Operational Board meeting.

17.2.2 A notice of a LLP Operational Board meeting shall:

- (a) specify the time and place of the meeting;
- (b) be accompanied by an agenda of the business to be transacted at the meeting, together with a copy of all documents to be circulated or presented to the meeting; and
- (c) be given to Board Members at least ten (10) Business Days before the meeting.

17.2.3 A shorter period of notice may be given with the written approval of the Board Members.

17.3 **Quorum**

17.3.1 A meeting of the LLP Operational Board shall not transact any business unless a quorum is present at the start of the meeting. The quorum for any meeting of the LLP Operational Board shall be two Board Members one of whom must be the Council Board Member.

17.3.2 If a quorum is not present within 30 (thirty) minutes from the start time of the meeting or if a quorum subsequently ceases to be present at any time during which business is being conducted at the meeting, the meeting shall be adjourned to be reconvened at the same place and time five (5) clear Business Days later (or such other period as the Board Members may unanimously decide).

17.3.3 If at such adjourned meeting the Board Members necessary to form a quorum pursuant to clause 17.3.1 are not present within half an hour from the time appointed for the adjourned meeting, the adjourned meeting shall proceed provided the Board Member representing the Council is present.

17.4 **Conduct of business and voting**

17.4.1 The LLP Operational Board shall not decide any matter at a meeting which does not appear in the agenda for that meeting unless otherwise agreed by the Board Members.

17.4.2 The Chair shall have a second or casting vote.

17.4.3 At any quorate meeting of the LLP Operational Board:

- (a) each Board Member (or his alternate) is entitled to cast one vote on a resolution put to the LLP Operational Board; and
- (b) if a Board Member appointed by a particular Member is absent, the Board Member appointed by that Member who is present in person or by an

alternate may cast the vote of the absent Board Member appointed by that Member provided that the maximum number of votes able to be cast by the Board Member present in person or by an alternate shall not exceed the number of Board Members which that Member may at that time appoint (whether or not that Member has appointed all such Board Member).

- 17.4.4 A resolution of the LLP Operational Board shall be passed by a majority vote in favour of the resolution and, with the exception of a written resolution effected in accordance with clause 17.5, shall only be valid where taken at a quorate meeting of the LLP Operational Board called, convened and held in accordance with this clause 17.

17.5 **Written resolutions**

A written resolution (which may be in counterparts) signed by all Board Members entitled to receive notice of and vote at a LLP Operational Board meeting at which the resolution would have been proposed, or to which each Board Member has otherwise indicated its agreement in writing, shall be as valid as if it had been passed at a LLP Operational Board meeting duly convened and held.

17.6 **Minutes**

- 17.6.1 The Representatives present at a LLP Operational Board meeting may regulate the taking of minutes at that meeting.
- 17.6.2 Draft minutes of a LLP Operational Board meeting shall be:
- (a) prepared and sent to each Board Member within five (5) Business Days after the meeting to which they relate; and
 - (b) if thought fit, approved at the next LLP Operational Board meeting.
- 17.6.3 Approved minutes shall be sent to each Board Member within five (5) Business Days after the meeting of the LLP Operational Board at which they are approved.
- 17.6.4 For the avoidance of doubt, written resolutions of the LLP Operational Board passed pursuant to clause 17.5 shall not be subject to the foregoing provisions of this clause 17.6.

17.7 **Delegations**

- 17.7.1 The Board Members will be equally represented on any committees or steering groups; meetings and decisions of those committees or steering groups will be taken in a manner similar to that of the LLP Operational Board.
- 17.7.2 Where a committee or steering group, by reason of equal votes for or against a resolution, cannot agree on a course of action, the matter will be escalated to the LLP Operational Board.

18 Meetings of the Members

- 18.1 Meetings of the Members shall be held if one of the Members requests in writing by serving notice on the LLP. Such meeting shall take place at a date to be agreed between the Members but not less than 14 (fourteen) Business Days following the date of such notice, unless all the members of the LLP entitled to attend such meeting agree in writing or otherwise by their attendance at such meeting.
- 18.2 Each notice convening a meeting of the Members shall specify the date, time and place of the meeting (the date and time to be convenient to all members), and unless otherwise agreed by all of the Members, the meeting shall be held at a location to be agreed in advance by such Members and shall be accompanied by an agenda identifying in reasonable detail the issues to be considered at such meeting and copies of any relevant papers to be discussed at the meeting.
- 18.3 A Member (being a body corporate) may by resolution of its directors or other governing body authorise persons to act as its representative at a meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he or she represents as that body corporate could exercise if it were an individual Member.
- 18.4 The quorum for the transaction of business at any meeting of the Members shall two Representatives.
- 18.5 If the quorum necessary for a meeting of the Members is not present within 30 (thirty) minutes from the time for which such meeting was called, or ceases to be present thereafter, the meeting (the **first meeting**) shall be automatically adjourned to a date not less than three (3) Business Days following the first meeting, and no business may be transacted at the first meeting other than to agree the time and date of the adjourned meeting. The LLP shall give notice in writing to each Member requiring them to attend the adjourned meeting. If at the adjourned meeting a quorum is not present within 30 (thirty) minutes from the time appointed for the adjourned meeting, the adjourned meeting shall continue provided the Council Representative is present.
- 18.6 Meetings of the Members may be conducted by electronic means by which the Members can communicate simultaneously. Members (by corporate representative) participating in a Members' meeting by electronic means shall be deemed to be present in person at the meetings and shall be entitled to be counted in the quorum and to vote. All business transacted at such a meeting shall be deemed to be validly transacted, notwithstanding that a quorum is not physically present in the same place. Such a meeting shall be deemed to take place in the location where the Member who is geographically closest to the registered office of the LLP is located.
- 18.7 Minutes shall be prepared of all meetings of the Members and shall be approved and signed by at least one Representative as evidence of the proceedings.
- 18.8 A resolution (which may be in counterparts) in writing (which includes email or other electronic format) signed by at least one Representative (which, in respect of electronic resolutions shall be by way of electronic signature or confirmation by email), and setting out the terms of the resolution, shall be as valid as if it had been passed at a members' meeting duly convened.

19 Termination

- 19.1 Subject to clause 19.2 this Agreement may be terminated by the Council serving no less than six months' written notice on all other Members.
- 19.2 The Council may terminate this Agreement immediately where required in accordance with any law.
- 19.3 Insofar as any of the rights and powers of any party provided for in this Agreement shall or may be exercised or exercisable after the termination or expiry of this Agreement the provisions of this Agreement conferring such rights and powers shall survive and remain in full force and effect notwithstanding such termination or expiry.
- 19.4 Insofar as any of the obligations of any party provided for in this Agreement remain to be discharged after the termination or expiry of this Agreement the provisions of this Agreement imposing such obligations shall survive and remain in full force and effect notwithstanding such termination or expiry.
- 19.5 Where the LLP is to be wound up and its assets distributed, the Members shall endeavour to ensure that:
- 19.5.1 all existing contracts are performed to the extent that there are sufficient resources;
 - 19.5.2 the LLP shall not enter into any new contractual obligations;
 - 19.5.3 the LLP is dissolved and its assets are distributed as soon as practical in accordance with clauses 19.5.4; and
 - 19.5.4 any other proprietary information or intellectual property rights belonging to or originating from a Member shall be returned to it by the other Member or the LLP and all such proprietary information or intellectual property rights shall be erased from the computer systems (to the extent possible) of the LLP and the Member who is/are returning it.
 - 19.5.5 In the event of the LLP being wound up, the assets of the LLP remaining after payment of all debts and liabilities and of all costs, charges and expenses of winding up the same, shall be distributed amongst the current Members of the LLP.

20 Entire agreement

- 20.1 This Agreement together with all documents referred to in or contemplated by it (including the SHA) contains the entire agreement between the parties in relation to the LLP and supersedes any arrangements, understanding or previous agreements between any of the parties in relation to such matters.
- 20.2 Each party acknowledges that in entering into this Agreement, and any documents referred to in it, it does not rely on, and shall have no remedy in respect of, any statement, representation, assurance or warranty of any person other than as expressly set out in this Agreement or in these documents.
- 20.3 Nothing in this clause operates to limit or exclude any liability for fraud.

21 Notices

- 21.1 Each party may give any notice or other communication under or in connection with this Agreement by letter, email, or other electronic means that provides proof of delivery, addressed to the other party. The address for service of each party shall be the address set out in the recitals or such other address within the United Kingdom for service as the addressee may from time to time notify to the other party for the purposes of this clause.
- 21.2 Any such communication will be deemed to be served:
- 21.2.1 if personally delivered, at the time of delivery and, in proving service, it shall be sufficient to produce a receipt for the notice signed by or on behalf of the addressee;
 - 21.2.2 if by letter, at noon on the Business Day after such letter was posted (or, in the case of airmail, five (5) Business Days after such letter was posted) and, in proving service, it shall be sufficient to prove that the letter was properly stamped first class (or airmail), addressed and delivered to the postal authorities; and
 - 21.2.3 if by electronic mail, at noon on the Business Day after such message was sent and, in proving service, it shall be sufficient to produce a delivery receipt or other electronic confirmation that the message was delivered to the recipient's electronic mail address.

22 Costs

- 22.1 Except as otherwise expressly provided in this Agreement, each party shall bear its own costs and expenses incurred by it (including legal fees and VAT) exclusively in connection with the negotiation, preparation, execution and implementation by it of this Agreement.
- 22.2 All reasonable costs, fees and expenses (including without limitation the fees of all professional advisers, agents and introducers together with any VAT thereon) incurred in connection with the ordinary course of business shall be borne by the LLP.

23 Waiver and Remedies

- 23.1 No failure or delay to exercise, or other relaxation or indulgence granted in relation to, any power, right or remedy under this Agreement shall operate as a waiver of it or impair or prejudice it nor shall any single or partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.
- 23.2 All rights of any person contained in this Agreement are in addition to all rights vested or to be vested in it pursuant to common law or statute.

24 Severance

- 24.1 Each of the provisions of this Agreement is distinct and severable from the others and if at any time one or more of such provisions is or becomes invalid, unlawful or unenforceable (whether wholly or to any extent), the validity, lawfulness and enforceability of the remaining provisions (or the same provision to any other extent) of this Agreement shall not in any way be affected or impaired.

24.2 If, at any time, any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect under any law but would be or become valid, legal or enforceable if some part of the provision were deleted or amended, the provision in question shall remain in force with such deletion or amendment as may be necessary to make the provision valid, legal and enforceable.

25 **Third Parties**

Each Member shall be able to rely upon or enforce any term of this Agreement which benefits it pursuant to the Contracts (Rights of Third Parties) Act 1999. The consent of all Members shall be required for any variation of or modification to this Agreement, except where such variation or modification does not materially affect the rights of the Members.

26 **Variation**

The provisions of this agreement may only be varied at any time by the agreement of the Designated Members provided that any such variation shall be recorded in writing, signed on behalf of the Members and appended hereto.

27 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and which shall together constitute one and the same document.

28 **Governing law and jurisdiction**

28.1 This Agreement, and all disputes or claims arising out of or in connection with it, shall be governed by and construed in accordance with English law.

28.2 The parties irrevocably and unconditionally agree that the courts in England shall have exclusive jurisdiction over all disputes or claims arising out of or in connection with this Agreement.

This Agreement has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 - Capital contributions and treatment of profits and losses

Part 1 - Capital contributions and division of capital profits and losses

Member	Capital Contribution (£)	Interest (%)	Relevant Percentage
ACL:	£[1]	1%	1%
Council:	£[99]	99%	99%

Part 2 - Division of profits and losses

ACL:	1%
Council:	99%

Schedule 2 – Reserved matters

Version: 01
Date in force: Date of this Agreement

No	Special Reserved Matters to be approved by Council
	Members and Officers of the LLP
1.	Admitting any further members to the LLP or agreeing any rights or restrictions attaching to any memberships allocated to such new members as applicable
	Future direction and development of the LLP
2.	Amalgamating or merging with any other business undertaking
3.	Passing any resolution for its winding up or presenting any petition for its administration (unless it has become insolvent).

No	Normal Reserved Matters to be approved by Members' Group
	Constitution of the LLP
1.	Varying in any respect this Agreement or the rights attaching to the membership in the LLP
	Members and Officers of the LLP
2.	Appointing and Removing any Representative other than a Council appointed Representative and approving the terms of appointment (including any remuneration terms)
	Future direction and development of the LLP
3.	Forming any subsidiary or acquiring shares in any other company or participating in any partnership or incorporated joint venture vehicle
4.	Selling or disposing of any part of the business of the LLP
5.	Appoint any agent (not being a subcontractor) to conduct the whole or any part of the business of the LLP.
6.	Adopting or amending the Business Plan of the LLP (as part of the Aequus Business Plan) and any in-year changes impacting the LLP.
	Management of the business of the LLP
7.	Changing the name of the LLP
8.	Creating or agreeing to create a charge, security or Encumbrance over the LLP's assets, shares or income

No	Normal Reserved Matters to be approved by Members' Group
9.	Granting rights (by licence or otherwise) in or over any intellectual property owned or used by the LLP
10.	Making any borrowing
12.	Agreeing to make or making any loan (otherwise than by way of a deposit with a bank or other institution, the normal business of which includes the acceptance of deposits or in the ordinary course of business) or granting any credit (other than in the normal course of trading or the granting of trade credit to an associated entity which has been approved under the Business Plan) or giving any guarantee or indemnity (other than in the normal course of trading).
13.	Declaring or paying any end of year Profit of the LLP (where applicable)

Schedule 3 – Business Plan

The Common Seal of **Bath & North East**)
Somerset Council)
Was hereunto fixed in the presence of)
) Authorised Signatory

Executed as a deed by)
ACL)
acting by , a director)
in the presence of:) Director

witness signature:
name:
address:
occupation:

Executed as a deed by)
[Name] LLP)
acting by)
 , a member of Print Name:
[Name] LLP in the presence of: Position/Title:

witness signature:
name:
address:
occupation: