

Rural/Metro Corporation

Corporate Governance Guidelines

1. *Role of the Board.*

The directors (“Directors”) of Rural/Metro Corporation (“Rural/Metro” or the “Company”) are elected by the Company’s stockholders to oversee the actions and results of the Company’s management. In fulfilling its responsibilities, the Company’s Board of Directors (the “Board”) performs the following principal functions (either directly or through committees):

- Establish and periodically review corporate governance guidelines to help ensure the Board that it has the necessary authority and procedures in place to oversee the work of management and to exercise independence in evaluating the Company’s business;
- Implement and monitor policies requiring legal and ethical conduct;
- Act as an advisor and counselor to the Chief Executive Officer and senior management;
- Advise, participate in the development of, and approve long-term corporate strategy;
- Oversee management’s plans and procedures for identifying and managing risk;
- Review and approve major management initiatives;
- Oversee the financial reports and other financial information provided by the Company to any governmental or regulatory body, the public, or any other user of such financial statements;
- Oversee the Company's systems of internal accounting and financial controls;
- Oversee the selection, independence and performance of the Company's outside auditors;
- Oversee the Company’s compliance programs as may be established by the Board and the Company's management from time-to-time;
- Identify and periodically evaluate criteria for Board membership and selection of new directors;
- Select, compensate, and evaluate directors;
- Determine the composition of the Board and its committees and establish a process to periodically assess Board effectiveness and independence;

Rural/Metro Corporation

Corporate Governance Guidelines

- Select, compensate, evaluate, and, when necessary, replace the Chief Executive Officer and other senior executives and ensure that a succession plan is in place to facilitate execution of these responsibilities;
- Oversee the adoption of policies that govern the Company's compensation programs, including equity and benefit plans; and
- Provide general oversight of the business.

These activities are intended to be performed, where appropriate, in cooperation with the Chief Executive Officer and the senior management of the Company.

2. Fostering Legal and Ethical Conduct.

2.1 Code of Business Conduct. The Board is committed to conducting its activities consistent with the highest ethical and legal standards, and has adopted a Code of Ethics and Business Conduct ("Code"). The Code reinforces the Board's commitment to these standards and provides each member of the Board and senior management of the Company with guidance and perspective in understanding business ethics. It is designed to guide and help identify activities and behaviors that are appropriate in conducting business and those that are not. The Board shall periodically review the Code and make changes to the Code as necessary to achieve the above objectives of the Board.

2.2 Conflicts. The business or personal activities of a member of the Board or senior management may occasionally give rise to a particular issue that conflicts, or appears to conflict, with the Code or otherwise create a conflict of interest (for example, a potential conflict of interest between the Company and a business with which the member is affiliated). It is the responsibility of each Director and member of senior management to immediately report any such actual or potential conflict to the Chair of the Board or the Legal Department for evaluation. The Board, after consultation with counsel, determines on a case-by-case basis whether an actual or apparent conflict exists and what steps are necessary, if any, to address the actual or apparent conflict. The Board takes appropriate steps to identify such potential conflicts to ensure that all directors voting on an issue are disinterested with respect to that issue. In appropriate cases, a director with a conflict will be excused from discussions on that issue. A significant conflict must be resolved or the Director or member of senior management should resign.

2.3 Waiver. As provided in the Code, any waiver of the requirements of the Code applicable to any member of the Board or senior management may be made only by the Board. Additionally, any waivers will be promptly disclosed as required by law, the Securities and Exchange Commission ("SEC") or the NASDAQ Stock Market.

2.4 Related Party Transactions. The Audit Committee shall review and approve any related party transaction (excluding transactions that are subject to review by the Compensation Committee of the Board). A "related party transaction" is as defined in Item 404(a) of Regulation S-K of the SEC, which governs disclosure of these types of transactions in public company reports.

Rural/Metro Corporation

Corporate Governance Guidelines

2.5 Auditor Independence. The Audit Committee is responsible for monitoring the independence of the Company's independent auditors.

The foregoing provisions shall be read in conjunction with detailed ethics policies as approved by the Board from time to time.

3. *Composition of the Board*

3.1 Size of the Board. The certificate of incorporation and the bylaws of the Company currently require that the size of the Board consist of no less than one and no more than 15 directors. This range may be changed by amendment of the certificate of incorporation and the bylaws. The Board currently believes that the desirable size of the Board is between seven and 10, though such size may vary depending upon the future needs of the Board.

3.2 Independence of the Board. The Board should consist of a majority of "independent" directors, each of whom is free of any relationship that, in the opinion of the Board, would interfere with his or her exercise of independent judgment. Applicable laws, rules, regulations and relevant listing authority will be followed in evaluating a member's independence. Employee directors will be permitted so long as the Board consists of a majority of independent directors.

The Board shall undertake an annual review of the independence of all non-employee Directors. In advance of the meeting at which this review occurs, each non-employee Director shall be asked to provide the Board with full information regarding the Director's business and other relationships with the Company and its affiliates and with senior management and their affiliates to enable the Board to evaluate the Director's independence. Directors have an affirmative obligation to inform the Board of any material changes in their circumstances or relationships that may impact their designation by the Board as "independent."

3.3 Criteria for Selection of Directors. The Corporate Governance Committee is responsible for assessing the appropriate mix of skills and characteristics required of Board members in the context of the perceived needs of the Board at a given point in time and shall periodically review and update the criteria as deemed necessary. The criteria shall be disclosed in the Company's proxy materials as contemplated by SEC rules and regulations. Diversity in personal background, race, gender, age and nationality for the Board as a whole may be taken into account in considering individual candidates.

3.4 Selection of Directors. A majority of the independent directors serving on the Board, with input from the Chief Executive Officer and other Board members, has authority for identifying, screening and recommending the nomination of candidates for election to the Board and for recommending candidates to fill vacancies on the Board that may occur between annual meetings of stockholders. Such authority currently is delegated to the Corporate Governance Committee.

Rural/Metro Corporation

Corporate Governance Guidelines

3.5 Change of Responsibilities. When a Board member's principal occupation or business association changes substantially from the position he or she held when originally invited to join the Board (including an employee Director who ceases to be an employee of the Company), the Director shall tender a letter of resignation to the Corporate Governance Committee. The Committee will recommend action to be taken regarding the resignation based on the circumstances of the resignation and the needs of the Company.

3.6 Term Limits. The Board does not believe it appropriate or necessary to limit the number of terms a director may serve. However, the Corporate Governance Committee will apply its director candidate selection criteria, including a director's past contributions to the Board, prior to recommending a director for reelection to another term.

3.7 Non-employee Board Members Serving on Additional Boards. Carrying out the duties and fulfilling the responsibilities of a Director require a significant commitment of an individual's time and attention. The Board does not believe that explicit limits on the number of other boards of directors on which the Directors may serve, or on other activities the Directors may pursue, are appropriate. However, in making its recommendation regarding a candidate (including an incumbent Director whose term is expiring) for a seat on the Board, the Corporate Governance Committee will carefully evaluate whether the candidate's time commitments on other boards and the candidate's other professional obligations (including the candidate's principal employment) are likely to hinder the candidate's ability to perform his or her duties as a Director. The Corporate Governance Committee also will consider the potential benefit to the Company from the breadth of experience available as a result of the candidate's associations. Incumbent Directors should notify the Chair of the Board in advance of accepting a seat on the board of directors of another entity so that the potential for conflicts may be fully assessed by the Corporate Governance Committee.

3.8 Director Orientation. New directors will participate in an orientation program, including visits to Company facilities and discussions with key executives.

3.9 Board Leadership. The Board retains the right to exercise its discretion in combining or separating the offices of Chair of the Board and Chief Executive Officer. This determination is made depending on what is best for the Company in light of all circumstances. The Board does not believe there is a need to formally designate a "lead" director as such leadership evolves naturally and may vary depending on the issue under consideration.

4. *Compensation of Board Members*

4.1 General. The Board believes that the level of Director compensation should generally be competitive with that paid to directors of other comparable corporations in the United States. The Compensation Committee is responsible for making recommendations to the full Board with respect to Director compensation. It is the responsibility of the full Board to approve Director compensation and benefits programs.

4.2 Employee Director Compensation. Employees who serve on the Board do not receive any additional compensation.

Rural/Metro Corporation

Corporate Governance Guidelines

4.3 Expense Reimbursement. Each Director shall be reimbursed for reasonable out-of-pocket expense incurred in performing his or her duties as a director.

5. *Responsibilities and Functioning of the Board*

5.1 Number of Board Meetings. The number of scheduled Board meetings will vary with circumstances; however, a minimum of four meetings are held annually. Special meetings are called as necessary. Each Board member shall make every effort to attend each board meeting, preferably in person but in special circumstances via telephone conference call or other electronic means.

5.2 Board Agendas and Materials. The Board shall be responsible for its own agenda. The Chair of the Board and the Chief Executive Officer have primary responsibility for establishing board agendas, and shall actively seek input from directors regarding desired agenda items. Directors shall generally receive information and data that are important to the agenda in writing, and in sufficient time to prepare for meetings except in limited circumstances where advance dissemination is impracticable.

5.3 Conduct of Meetings. The Board believes it appropriate that its meetings be conducted in a manner that ensures open communication, objective and constructive participation and timely resolution of issues.

5.4 Regular Attendance of Non-Directors at Board Meetings. Counsel will be present during Board meetings, except where there is a specific reason for him/her to be excluded or as otherwise determined by the Chair. In addition, the Chair of the Board may invite one or more members of management to be in regular attendance at Board meetings and may include other officers and employees from time to time as appropriate to the circumstances.

5.5 Board Access to Senior Management and Other Employees. Directors have open access to the Company's management and employees, subject to reasonable time constraints. In addition, members of senior management and other managers of the Company may be invited to attend Board and Committee meetings for the purpose of briefing the Board and the Committees on particular topics. The Board encourages senior management to bring managers into Board or Committee meetings and other scheduled events who (a) can provide additional insight into matters being considered or (b) represent managers with future potential whom senior management believe should be given exposure to the members of the Board.

5.6 Executive Sessions of Independent Directors. The independent directors generally shall meet in regularly scheduled executive session at least quarterly, without the participation of the remaining Directors, the Chief Executive Officer or other members of the Company's management, to review matters concerning the relationship of the independent directors with the other directors and the Company's management and such other matters as the participating Directors may deem appropriate. The independent Directors shall not take formal action at such sessions, although the participating Directors may make recommendations for consideration by the full Board. Additional executive sessions may be scheduled from time to time as determined by a majority of the independent Directors.

Rural/Metro Corporation

Corporate Governance Guidelines

5.7 Location of Meetings. To provide Directors with first-hand knowledge to make strategic decisions and for their continuing education about the environment in which the Company operates and competes, meetings may be occasionally held at locations other than the corporate headquarters.

5.8 Communications. The Board believes that senior management is responsible for communications and relationships on behalf of the Company with interested parties, such as stockholders (including institutional investors), the media, and customers. Individual Board members generally will not meet or otherwise communicate with outside constituencies that are involved with the Company except at the request or with the prior knowledge of management. Directors are subject to confidentiality obligations, and as such must maintain the confidentiality of all non-public Board matters and materials.

5.9 Availability of Outside Advisors. The Board and its Committees may retain outside advisors – legal, accounting, investment banking, and any others as deemed necessary or appropriate – of its choosing at the Company’s expense. The Board need not obtain management’s consent to retain outside advisors.

5.10 Logistical Support. The Assistant to the Chief Executive Officer (or such other person as may be designated by the Board from time to time), at the request of the Chair, the Chief Executive Officer or the committee chairs, as appropriate, arranges meetings and facilitates the materials presented to the Board and its committees.

5.11 Evaluation of the Chief Executive Officer. The Chair of the Board is responsible for leading the board in conducting an assessment of the performance of the Chief Executive Officer at least annually. The Compensation Committee has authority for recommending compensation for the Chief Executive Officer and other members of senior management of the Company for review and approval by the Board.

5.12 Succession Planning. The Chief Executive Officer is responsible for developing and maintaining a process for advising the Board on planning for potential successor chief executive officers, as well as for other key senior leadership positions in the Company. The Corporate Governance Committee is responsible for oversight of the succession and management development program for senior leadership in the Company.

5.13 Annual Assessment of Board Performance. The Corporate Governance Committee conducts an annual assessment of the Board’s effectiveness as a whole. The Board believes that the Corporate Governance Committee should also review incumbent directors as part of the annual nomination process and in the context of the Committee’s overall review of the strengths and weaknesses of the Board as a whole. The Board expects that the Corporate Governance Committee, subject to the Company’s charter documents, will take appropriate action to effect changes in incumbent directors if, in the opinion of the Committee after discussion with the Chair or CEO, such change is desirable and in the best interests of the Company.

Rural/Metro Corporation

Corporate Governance Guidelines

5.14 Attendance at Stockholder Meetings. Directors are strongly encouraged to attend the Company's annual and any special meetings of stockholders.

5.15 Continuing Education. Each Director is encouraged to be involved in continuing Director education on an ongoing basis to enable him or her to perform better his or her duties and to recognize and deal appropriately with issues that arise. The Company shall pay reasonable expenses related to continuing Director education.

5.16 Stock Ownership Guidelines. The Board has adopted stock ownership guidelines to reflect the Board's belief that Board members should have a meaningful ownership stake in the Company that underscores the clear linkage of Board and stockholder interests and encourages a long-term perspective as the Board discharges its duties. The Corporate Governance Committee shall monitor compliance with the guidelines.

6. *Board Committees.*

6.1 General. The Board is organized so that its committees conduct a significant portion of its business. In general, committees of the Board are utilized to focus on issues that may require more in-depth scrutiny. All significant findings of a committee are presented, when appropriate, to the full Board for discussion and review.

6.2 Number, Structure, and Independence of Committees. The Board has established the following committees: Audit, Compensation, and Corporate Governance. The Audit, Compensation, and Corporate Governance Committees shall be composed entirely of independent Directors. Applicable laws, rules, regulations and relevant listing authority will be followed in evaluating a member's independence.

6.3 Committee Charters. The Board approves a charter for each committee. The duties of each committee are annually reviewed by each committee and any recommended changes are presented to the full Board for consideration. The Board has the flexibility to form a new committee or to disband a current committee, as it deems appropriate. Committees are empowered to act on behalf of the full Board for those areas that the Board has prescribed.

6.4 Rotation of Committee Chair and Membership. Consideration is given to periodic rotation of committee membership and leadership by taking into account continuity, expertise and tenure.

6.5 Committee Agendas and Proceedings. Committee chairs, in consultation with committee members and appropriate members of management, determine committee agendas. All Board members are welcome to attend committee meetings. Applicable laws, rules, regulations and relevant listing authority will be followed in conducting committee proceedings.

7. Communications with the Board of Directors.

7.1 Address. Stockholders may communicate with any and all members of the Board by transmitting correspondence by mail or facsimile addressed to one or more Directors by name

Rural/Metro Corporation

Corporate Governance Guidelines

(or to the Chair, for a communication addressed to the entire Board) at the following address and fax number: Rural/Metro Corporation, 9221 East Via de Ventura, Scottsdale, AZ 85258; (480) 606-3415 facsimile.

7.2 Processing of Communications. Communications from stockholders to one or more Directors will be collected and organized by the Corporate Secretary. The Corporate Secretary will forward all communications to the Chair of the Board or to the identified Director(s) as soon as practicable, although communications that are abusive, in bad taste or that present safety or security concerns may be handled differently. If multiple communications are received on a similar topic, the Corporate Secretary may, in his or her discretion, forward only representative correspondence.

7.3 Responses. The Chair of the Board will determine whether any communication addressed to the entire Board should be properly addressed by the entire Board or a committee thereof. If a communication is sent to the Board or a Committee, the Chair of the Board or the Chair of that committee, as the case may be, will determine whether a response to the communication is warranted. If a response to the communication is warranted, the content and method of the response may be coordinated with our counsel.

8. Periodic Review of These Guidelines. The operation of the Board is a dynamic and evolving process. As such, the Board and the Corporate Governance Committee review these Guidelines annually. No policy can cover each and every issue that may surface, but these Guidelines set the proper tone for the operation of the Board and assist the Board in fulfilling its obligations to stockholders and other constituencies.