



THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

OCTAVO PARTNERSHIP LIMITED (the "Company")

(Adopted by special resolution passed on 21 May 2020)

Introduction

1 Interpretation

1.1 In these Articles, unless the context otherwise requires:

'A' Director: means a director appointed by the 'A' Members in accordance with Article 14.1;

'A' Member: means a member of the Company that is registered as an 'A' Member in the register of members;

Act: means the Companies Act 2006;

Appointor: has the meaning given in Article 15(1);

Articles: means the Company's articles of association for the time being in force;

'B' Director: means a director appointed by the 'B' Members in accordance with Article 14.2;

'B' Member: means a member of the Company that is registered as a 'B' Member in the register of members;

Business Day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

'C' Director: means a director appointed by the 'B' Members in accordance with Article 14.3;

'C' Member: a member of the Company that is registered as a 'C' Member in the register of members;

'C' Membership Group: means together all of the 'C' Members;

Conflict: means a situation in which a director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company;

Council: means the Mayor and Burgesses of the London Borough of Croydon;

Eligible Director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 11, any director whose vote is not to be counted in respect of the particular matter);

Member: means a member of the Company;

Model Articles: means the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles and reference to a numbered **Model Article** is a reference to that article of the Model Articles;

Primary Purpose: means the object set out in Article 2.1(a);

Secondary Purpose: means the object set out in Article 2.1(b); and

Voting Representative: shall have the meaning given in Article 21.1.

1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

- a) any subordinate legislation from time to time made under it; and
- b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

1.5 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.6 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.

1.7 Model Articles 2, 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(1), (3), 21, 22(1), 30(2), 35, 38 and 39 shall not apply to the Company.

1.8 Model Article 7 shall be amended by:

- a) the insertion of the words "for the time being" at the end of Article 7(2)(a); and
- b) the insertion in Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".

1.9 Model Article 20 shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".

2 Objects

2.1 The objects for which the Company is established are as follows:

- a) to deliver school support services within the London Borough of Croydon (Primary Purpose);
- b) to deliver school support services outside of the London Borough of Croydon (Secondary Purpose), provided that the Secondary Purpose shall not be detrimental to the Primary Purpose and, unless otherwise unanimously agreed by the Members, the Company's turnover derived from its Secondary Purpose in any 12 month period shall not exceed 49% of the Company's total turnover for that 12 month period; and
- c) to undertake any other activities (including the provision of funding) as may lawfully benefit the Council.

3 Powers

3.1 In pursuance of the objects set out in Article 2, the Company has the power to:

- a) buy, lease or otherwise acquire and deal with any property real or personal and any rights or privileges of any kind over or in respect of any property real or personal and to improve, manage, develop, construct, repair, sell, lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Company;
- b) borrow and raise money in such manner as the directors shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Company's property and assets;
- c) invest and deal with the funds of the Company not immediately required for its operations in or upon such investments, securities or property as may be thought fit;
- d) subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture

stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world;

- e) lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any holding company or subsidiary;
- f) lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the directors, affect or advance the principal objects in any way;
- g) pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company and to contract with any person, firm or company to pay the same;
- h) enter into contracts to provide services to or on behalf of other bodies;
- i) provide and assist in the provision of money, materials or other help;
- j) open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- k) incorporate subsidiary companies to carry on any trade, with the prior consent of the Members; and
- l) do all such other lawful things as are ancillary, incidental or conducive to the pursuit or to the attainment of any of the objects set out in Article 2.

4 Distributions

4.1 The income and property of the Company shall be applied solely in promoting the objects of the Company as set out in Article 2.

4.2 Subject to Article 4.3, no distributions (or distributions in specie) may be paid or capital otherwise returned to the Members, provided that nothing in these Articles shall prevent any payment in good faith by the Company of:

- a) contractual remuneration to any Member, officer or employee of the Company for services rendered to the Company;
- b) any interest on money lent by any Member or any director at a reasonable, proper and contractually agreed rate;

c) reasonable and proper rent for premises demised or let by any Member or director pursuant to an agreed lease; or

d) reasonable out-of-pocket expenses properly incurred by any director.

4.3 The Company shall declare, make or pay a distribution (or distribution in specie) to the Council if the Council so requires PROVIDED ALWAYS THAT such distribution (or distribution in specie) is lawful and shall be used by the Council solely to address local education priorities.

5 Winding up

5.1 On the winding-up or dissolution of the Company, any assets or property of the Company that remains available to be distributed or paid to the Members after the satisfaction of all of its debts and liabilities shall be paid or distributed to the Council only.

6 Guarantee

6.1 The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for

- a) payment of the Company's debts and liabilities contracted before he ceases to be a Member,
- b) payment of the costs, charges and expenses of the winding up, and
- c) adjustment of the rights of the contributories among themselves.

Directors

7 Unanimous decisions

7.1 A decision of the directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

7.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.

7.3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at such a meeting.

8 Calling a directors' meeting

8.1 Any director may call a directors' meeting by giving not less than 10 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

8.2 A director who is absent from the UK and who has no registered address in the UK shall not be entitled to notice of the directors' meeting.

9 Quorum for directors' meetings

9.1 The quorum for the transaction of business at a meeting of directors is any five Eligible Directors, to include at least two 'A' Directors, two 'B' Directors and one 'C' Director.

9.2 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision to call a general meeting so as to enable the Members to appoint further directors.

9.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 11 to authorise a Conflict, if there is insufficient Eligible Directors to form a quorum pursuant to Article 9.1, the quorum for such meeting (or part of a meeting) shall be any five Eligible Directors.

10 Casting vote

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

11 Directors' conflicts of interest

11.1 The directors may, in accordance with the requirements set out in this Article, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest.

11.2 Any authorisation under this Article 11 shall be effective only if the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine.

11.3 Any authorisation of a Conflict under this Article 11 may (whether at the time of giving the authorisation or subsequently):

- a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;

- c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he shall not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 11.4 Where the directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 11.5 The directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 11.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 11.7 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;

- c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

11.8 A director, notwithstanding his office, may be a director or officer of, employed by, or otherwise interested in the Member who appointed that person. The director shall not be considered to have a conflict of loyalties as a result (for the purpose of these Articles or section 175 of the Act) and no authorisation under Article 11 shall be required.

12 Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

13 Number of directors

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be more than ten or less than five.

14 Appointment and removal of directors

14.1 The 'A' Member shall be entitled to appoint up to four persons to be 'A' Directors of the Company and (subject to Article 14.4) any 'A' Director may only be removed from office by and replaced by the 'A' Member.

14.2 The 'B' Member shall be entitled to appoint up to four persons to be 'B' Directors of the Company and (subject to Article 14.4) any 'B' Director may only be removed from office by and replaced by the 'B' Member.

14.3 The 'C' Membership Group shall be entitled to appoint up to two persons to be 'C' Directors of the Company and (subject to Article 14.4) any 'C' Director may only be removed from office by and replaced by the 'C' Membership Group.

14.4 Notwithstanding the provisions of Articles 14.1 to 14.3, any director that is also an employee of the Company shall automatically be deemed to have resigned from his office as director on cessation of his employment and he shall cease to be a director of the Company with immediate effect.

14.5 Any appointment or removal of a director pursuant to this Article shall be in writing and signed by or on behalf of the Member or Membership Group concerned and served on each of the other Members and the Company at its registered office, marked for the attention of the company secretary (if any) or delivered to a duly constituted meeting of the directors of the Company. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.

14.6 The right to appoint and remove directors under Articles 14.1 to 14.3 (inclusive) shall be a class right of the 'A' Member, 'B' Member and 'C' Membership Group respectively and no 'A' Director, 'B' Director or 'C' Director shall be appointed or removed otherwise than pursuant to this

Article 14, save as provided by law. For the avoidance of doubt, no Member shall have the right to vote on the removal of a director appointed by another Member or Membership Group under Articles 14.1 to 14.3 (inclusive) and Model Article 18(a) shall be varied accordingly.

15 Appointment and removal of alternate directors

15.1 Any director (other than an alternate director) ("**Appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- a) exercise that director's powers; and
- b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's Appointor.

15.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the Appointor and circulated to the Members, or in any other manner approved by the directors and notified to the Members.

15.3 The notice must:

- a) identify the proposed alternate; and

- b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

16 Rights and responsibilities of alternate directors

16.1 A person may be appointed an alternate director by more than one director provided that each of his Appointors represents the same Member or Membership Group but not otherwise. An alternate shall have the same rights in relation to any decision of the directors as the alternate's Appointor.

16.2 Except as the Articles specify otherwise, alternate directors:

- a) are deemed for all purposes to be directors;
- b) are liable for their own acts and omissions;
- c) are subject to the same restrictions as their Appointors; and
- d) are not deemed to be agents of or for their Appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a Member.

16.3 A person who is an alternate director but not a director:

- a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);
- b) may participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and
- c) shall not be counted as more than one director for the purposes of Articles 16.3(a) and (b).

16.4 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the directors (provided that an Appointor for whom he exercises a separate vote is an Eligible Director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

16.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.

17 Termination of alternate directorship

17.1 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:

- a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director;
- c) on the death of the alternate's Appointor; or
- d) when the alternate director's Appointor ceases to be a director for whatever reason.

18 Secretary

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

19 Application for membership

19.1 No person shall become a Member unless he has completed an application for membership in a form approved by the directors from time to time and the application has been approved by the Members, except as provided by Article 19.2. Except in relation to permanent employees, such applicant

must be proposed by a director and the Members may decline to accept any application for membership without giving reasons for doing so.

19.2 Notwithstanding the provisions of Article 19.1, every permanent employee of the Company shall automatically be entitled to become a 'C' Member subject to completion of an agreed form employee application form and execution of a deed of adherence to any membership agreement then in force.

19.3 A letter shall be sent to each successful applicant confirming their membership of the Company and the details of each successful applicant shall be entered into the Register of Members.

20 Termination of membership

Where a Member is also an employee of the Company, his membership shall automatically cease and determine on termination of his employment for any reason and he shall be duly removed from the Register of Members.

Decision making by Members

21 Votes of Members

21.1 If at any time there is more than one C Member of the C Membership Group, the Members of the C Membership Group shall elect a representative of the C Membership Group who shall be given delegated authority to cast any vote on behalf of the C Membership Group as a whole ("**Voting Representative**"). The name of the Voting Representative (and any replacement thereof) shall be notified to the Company and the Members in writing.

21.2 Subject to the Act, at any general meeting the Members (or Voting Representative, if applicable) present in person (or by proxy) shall on a show of hands or on a poll vote have one vote and each vote so cast shall carry the following weighting:

- a) 'A' Member: 40%
- b) 'B' Member: 40%
- c) 'C' Membership Group: 20%

22 Proxies

22.1 Article 31(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

22.2 Article 31(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article.

Administrative arrangements

23 Means of communication to be used

23.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

- b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article, no account shall be taken of any part of a day that is not a Business Day.

23.2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

24 Rules

The directors may establish rules governing matters relating to Company administration that are required from time to time for the effective operation of the Company. If there is a conflict between the terms of these Articles and any rules established under this Article, the terms of these Articles shall prevail.

25 Indemnity and insurance

25.1 Subject to Article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - I. in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - II. in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

- b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 26(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

25.2 This Article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly.

25.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

25.4 In this Article:

- a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- c) a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).