



CROHAM SERVICES FOR CHILDREN LIMITED

(the "Company")

Company No
06352567

The Companies Act 2006

On 31 August 2010 the following written resolutions (such resolutions being passed as ordinary resolutions (in the case of the first, second, third and fourth resolutions) and as special resolutions (in the case of the fifth and sixth resolutions) were approved by the eligible members pursuant to sections 288 to 300 of the Companies Act 2006

Resolutions

1 "THAT a new class of Redeemable Preference shares of £1 00 each be created having the rights and restrictions as set out in the proposed new Articles of Association to be adopted pursuant to resolution 6 below "

2 "THAT the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise any power of the Company to allot and grant rights to subscribe for or to convert securities into shares of the Company up to a maximum nominal amount of £354,997, provided that the authority hereby given shall expire 5 years after the passing of this resolution unless previously renewed or varied save that the directors may, notwithstanding such expiry, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the company before the expiry of this authority "

3 "THAT upon the recommendation of the directors the sum of £354,997 being the aggregate of amounts standing to the credit of the shareholders' loan accounts with the Company be applied in paying up in full at par 254,997 Ordinary shares of £1 00 each and 100,000 Redeemable Preference shares of £1 00 each to the holder of the existing Ordinary shares of £1 00 each in the capital of the Company, and that the directors be authorised and directed to allot such Ordinary shares and Redeemable Preference shares "

4 "THAT for the purposes of section 175 of the Companies Act 2006, the directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company "

5 "THAT the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association "

- 6 "THAT the proposed Articles of Association attached hereto and initialled by the Chairman for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the Company's existing Articles of Association "

C.A. Braun .

Chairman/Director

The Companies Act 2006

PRIVATE COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF**

CROHAM SERVICES FOR CHILDREN LIMITED

COMPANY NUMBER: 06352567

(A Private Company adopting Model Articles
for private companies limited by shares with modifications)

(As adopted by Special Resolution passed on 31 August 2010)

Haines Watts
Airport House
Purley Way
Croydon
Surrey
CR0 0XZ



Chairman

The Companies Act 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

CROHAM SERVICES FOR CHILDREN LIMITED

1. PRELIMINARY

- 1 1 The regulations constituting Model Articles for Private Companies Limited by Shares in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (hereinafter referred to as the 'Model Articles') and made pursuant to the provisions of the Companies Act 2006 (hereinafter referred to as the 'Act'), including any statutory modification or re-enactment thereof for the time being in force shall apply to the Company except in so far as they are excluded or varied by these Articles
- 1 2 Expressions defined in regulation 1 of the Model Articles shall where the context admits have the same meaning in these Articles

2. SHARES

- 2 1 The share capital of the Company at the date of adoption of these Articles is £355,000 divided into 100,000 Redeemable Preference shares of £1 00 each ("Preference Shares") and 255,000 Ordinary shares of £1 00 each ("Ordinary Shares")
- 2 2 The special rights and provisions, which apply to the classes of share in the capital of the Company, are as set out in Articles 3 and 4

3 Rights of holders of Preference Shares

The Preference Shares shall entitle the holders of such shares to the following rights

3 1 Dividend

There shall be no Preference Dividend due to the holders of the Preference Shares

3 2 Capital

On a return of assets (on liquidation or otherwise), the holders of Preference Shares shall be entitled in priority to other Shareholders, to be paid, out of the surplus assets of the Company which remain after payment of its liabilities the capital paid up on the Preference Shares (including any premium subscribed)

3 3 General provisions as to voting at general meetings

The holders of the Preference Shares shall be entitled to receive notice of, and to attend, general meetings of the Company but shall not be entitled to vote upon any resolution

3 4 The Redemption Date other than on liquidation or sale of the Company

3 4 1 The Company shall redeem the Preference Shares (pro rata to the number of Preference Shares held by each holder of those shares) in the amounts and on the dates as the Ordinary shareholders shall resolve by Ordinary Resolution, each of those dates being referred to as 'the Redemption Date'

3 4 2 Upon the Redemption Date, each holder of the Preference Shares shall deliver the certificates for the Preference Shares then held to the Company at its registered office, and the Company shall thereupon pay to that holder (or, in the case of joint holders, to the holder whose name stands first in the register of members in respect of those shares) the amount set out in Article 3 5 in respect of each share redeemed

3 5 Payment on Redemption

The Company shall pay, on each Preference Share redeemed, the amount paid up on that share (including any premium), and the receipt of the person who is the registered holder of that share on the Redemption Date shall constitute an absolute discharge to the Company in respect of payment for the redemption of that share

3 6 Redemption on Market or Sale

On the date of any Marketing or Sale, the Company shall redeem the whole of the Preference Shares then outstanding (pro rata to the number of Preference Shares held by each holder of those shares),

and the provisions of Articles 3 4 2 and 3 5 shall then apply as if the date of the Marketing or Sale was the Redemption Date

3 7 Redemption by the Company serving notice

The Company may, at any time, redeem the whole or any part of the Preference Shares then outstanding (pro rata to the number of shares held by each holder of those shares), by giving not less than 14 days' notice of that redemption to the holders of the Preference Shares, and the provisions of Articles 3 4 2 and 3 5 shall then apply as if the date for redemption specified in that notice was the Redemption Date

4 Rights of holders of Ordinary Shares

The Ordinary Shares shall entitle the holders of such shares to the following rights

4 1 Dividend

The profits of the Company available for distribution by way of dividend shall be distributable only among the holders of the Ordinary Shares pro rata according to the amounts paid up or credited as paid up thereon

4 2 Capital

On a return of assets (on liquidation or otherwise), and after payment to the holders of Preference Shares the capital paid up on the Preference Shares (including any premium subscribed) the holders of the Ordinary shall be entitled to the surplus assets of the Company which remain

4 3 General provisions as to voting at general meetings

The holders of the Ordinary Shares shall be entitled to receive notice of, and to attend, general meetings of the Company and to vote upon any resolution

4 4 Redemption of Ordinary Shares

The Ordinary Shares shall be non-redeemable

5 Regulations 21 and 24(2) of the Model Articles shall not apply to the Company

6. LIEN

6 1 The Company shall have a lien on all shares, whether fully paid or not, and the Company shall also have a first and paramount lien on all shares, whether or not fully paid, standing registered in the name of any person indebted or under liability to the Company, whether he

shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company

7. ISSUE OF SHARES

- 7 1 The Directors are unconditionally authorised during the period of five years from the date of the adoption of these Articles to allot, grant options over or otherwise dispose of such (if any) of the shares of the Company to such persons (whether or not members of the Company), for such consideration, on such terms, in such manner and at such times as the Board considers appropriate up to an aggregate nominal amount of £354,997 To the extent permitted by Section 567 of the Act, Sections 561(1) and 562 of the Act are hereby excluded from applying to the Company Provided always that, save as permitted by law, nothing in this Article shall authorise the allotment or issue of shares in the Company at a discount

8 TRANSFER OF SHARES

- 8 1 No share or beneficial ownership of a share shall be transferred nor shall the Company purchase any of its own shares unless and until the rights of pre-emption hereinafter conferred shall have been exhausted
- 8 2 Any member proposing to transfer any share or beneficial ownership of a share (hereinafter called "the vendor") shall give notice in writing (hereinafter called "the transfer notice") to the Company of such proposal The transfer notice shall specify the sum which in the vendor's opinion constitutes the fair price of each share specified therein, and shall constitute the Company the vendor's agent for the sale of such share or shares (hereinafter called "the said shares") in one or more lots at the discretion of the Directors to the Members (other than the vendor), at that price save that if the Directors do not accept that the sum specified by the vendor constitutes the fair price of the said shares they shall instruct the Auditors of the Company (who shall act as experts and not as arbitrators so that any provision of law or statute relating to arbitration shall not apply) or, in the case of a Company to which no Auditors have been appointed, such independent expert as determined and duly appointed by the Members of the Company in General Meeting, to certify by certificate in writing (hereinafter called "the certificate of value") the value in their opinion of the said shares as between a willing seller and a willing buyer, and in such a case the transfer notice shall nevertheless constitute the Company the vendor's agent for the sale of the said shares but at the price certified in the certificate of value

- 8 3 If the Auditors (or the independent expert as aforesaid) are instructed to certify the fair value as aforesaid the Company shall, as soon as it receives the certificate of value, furnish a copy thereof to the vendor. The cost of obtaining the certificate of value shall be borne by the Company.
- 8 4 Upon the price being fixed as aforesaid (whether by reference to the vendor's opinion of the fair price or by reference to the certificate of value) the Company shall forthwith by notice in writing (hereinafter called "the offer notice") inform each member (other than the vendor) of the number and price of the said shares and shall invite each such Member to apply in writing to the Company within 21 days of the date of despatch of the offer notice (which date shall be specified therein) for such maximum number of the said shares (being all or any thereof) as he shall specify in such application.
- 8 5 If such Members shall within the said period of 21 days apply for all or (save as otherwise provided in the transfer notice) any of the said shares, the Directors shall allocate the same shares (or so many of them as shall be applied for) to or amongst the applicant Members in proportion as nearly as may be to the number of shares in the Company of which they are registered or unconditionally entitled to be registered as holders provided that no applicant Member shall be obliged to take more than the maximum number of shares specified by him as aforesaid. If any shares shall not be capable without sub-division of being allocated to the Members in proportion to their existing holdings, the same shall be allocated to the applicant Members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto and the lots shall be drawn in such manner as the Directors think fit.
- 8 6 The Company shall forthwith give notice of such allocations (hereinafter called "the allocation notice") to the vendor and to the Members to whom the said shares have been allocated and shall specify in the allocation notice the place and time (being not earlier than 14 and not later than 28 days after the date of the despatch of the allocation notice, which shall be specified therein) at which the sale of the said shares so allocated shall be completed.
- 8 7 The vendor shall be bound (upon payment of the purchase price due in respect thereof) to transfer the shares comprised in the allocation notice to the purchasing Members named therein at the place and time therein specified, and if in any case the vendor after having become bound as aforesaid makes default in transferring any shares the Company may receive the purchase price on his behalf, and may authorise some person to execute a transfer of such shares in favour of the purchasing Member. The receipt of the Company for the

purchase price shall be a good discharge to the purchasing Member. The Company shall forthwith pay the purchase price into a separate bank account in the Company's name and shall hold the purchase price and any interest earned thereon in trust for the vendor.

- 8.8 During the 6 months following the expiry of the period of 21 days referred to in paragraph 8.5 of this Article, the vendor shall be at liberty, subject nevertheless to the provisions of paragraph 8.1 of this Article, to transfer to any person and at any price (not being less than the price fixed under paragraph 8.2 of this Article) any of the said shares not allocated by the Directors as aforesaid.

9 DIRECTORS' APPOINTMENTS

- 9.1 Subject to the provisions of the Act, the Directors may appoint one or more of their number to the office of Managing Director or to any other executive office under the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such Director for his services as they think fit. Any appointment of a Director to an executive office shall terminate (unless the terms of his appointment otherwise provide) if he ceases to be a Director but without prejudice to any claim to damages for breach of the contract of service between the Director and the Company.

10. PROCEEDINGS OF DIRECTORS

- 10.1 If and so long as there shall be one Director only, he shall be entitled to exercise all the powers and shall carry out all the duties assigned to Directors and the provisions of these Articles and the regulations of the Model Articles shall be construed accordingly. In such instance, the word "one" shall be substituted in place of the word "two" in the two places where it appears in Regulation 11(2) of the Model Articles.
- 10.2 Subject to the provisions of the Act, the Directors may grant pensions, annuities, allowances, gratuities, superannuation and bonuses or other allowances and benefits (including allowances on death) to officers, ex-officers, employees or ex-employees of the Company or any company which at any time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company or otherwise associated with the Company or of any predecessor in business of any of them, or the dependants or connections of such persons, to establish and maintain or concur in establishing and maintaining trusts,

funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such persons as aforesaid, their dependants or connections, and to support or subscribe to any charitable funds or institutions, the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Company or its employees, and to institute or maintain any club or other establishment or profit sharing scheme calculated to advance the interests of the Company or its officers or employees

11 CONFLICTS OF INTEREST

- 11 1 For the purposes of Section 175 of the 2006 Act, the Directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, constitute or give rise to an infringement of duty by a Director under that Section
- 11 2 Authorisation of a matter under Article 11 1 shall be effective only if
- 11 2 1 the matter in question shall have been proposed by any person for consideration at a meeting of the Directors, in accordance with the Directors' procedures, if any, for the time being relating to matters for consideration by the Directors or in such other manner as the Directors may approve,
- 11 2 2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "Interested Directors"), and
- 11 2 3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the 'Interested Directors' had not been counted
- 11 3 Any authorisation of a matter pursuant to Article 11 1 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised
- 11 4 Any authorisation of a matter under Article 11 1 shall be subject to such conditions or limitations as the Directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Directors at any time A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation
- 11 5 A Director shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which derives from any matter authorised by the Directors under Article 11 1 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such

remuneration or other benefit or on the ground of the Director having any interest as referred to in the said Section 175

- 11 6 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director or officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests of the Company, this Article 11 6 applies only if the existence of that connection has been authorised by the Directors under Article 11 1. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of Sections 171 to 177 of the 2006 Act because he fails –
- 11 6 1 to disclose any such information to the Directors or to any Director or other officer or employee of the Company, and/or
- 11 6 2 to use any such information in performing his duties as a Director or officer or employee of the Company
- 11 7 Where the existence of a Director's connection with another person has been authorised by the Directors under Article 11 1 and his connection with that person conflicts, or possibly may conflict, with the interests of the Company, the Director shall not be in breach of the general duties he owes to the Company by virtue of Sections 171 to 177 of the 2006 Act because he –
- 11 7 1 absents himself from meetings of the Directors or any committee thereof at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or
- 11 7 2 makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser, for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists
- 11 8 The provisions of Articles 11 6 and 11 7 are without prejudice to any equitable principle or rule of law which may excuse the Director from
- 11 8 1 disclosing information, in circumstances where disclosure would otherwise be required under the Articles or otherwise, or
- 11 8 2 attending meetings or discussions or receiving documents and information as referred to in Article 11 7, in circumstances where such attendance or receiving such documents and information would otherwise be required under the Articles

11 9 For the purposes of this Article, a conflict of interest includes a conflict of interest and duty and a conflict of duties

11 10 Regulation 14 of the Model Articles shall not apply to the Company

12. SECRETARY

12 1 Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them

13. ELECTRONIC COMMUNICATIONS

13 1 Notwithstanding anything in these Articles to the contrary

13 1 1 Any document or information to be given, sent, supplied, delivered or provided to any person by the Company, whether pursuant to these Articles, the Companies Acts or otherwise, is also to be treated as given, sent, supplied, delivered or provided where it is made available on a website, or is sent in electronic form, in the manner provided by the 2006 Act for the purposes of, inter alia, the 2006 Act (subject to the provisions of these Articles)

13 1 2 For the purposes of paragraph 10(2)(b) of Schedule 5 to the 2006 Act, the Company may give, send, supply, deliver or provide documents or information to members by making them available on a website

13 1 3 The Directors may from time to time make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit in relation to the giving of notices or other documents or information by electronic means by or to the Company and otherwise for the purpose of implementing and/or supplementing the provisions of these Articles and the Companies Acts in relation to electronic means, and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article

14. INDEMNITY AND INSURANCE

14 1 Subject to the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer of the Company may be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which

relief is granted to him by the court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the lawful execution of the duties of his office or in relation thereto

14 2 The Directors shall have power to purchase and maintain for any Director, officer or auditor of the Company insurance against any such liability as is referred in Section 232 of the 2006 Act and, subject to the provisions of the 2006 Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, officer or auditor

14 3 The Directors may authorise the Directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any Director, other officer or auditor of such company in respect of such liability, loss or expenditure as is referred to in Article 14 1

14 4 Regulations 52 and 53 of the Model Articles shall apply to the Company, subject to the modifications referred to in this Article 14

15. CHANGE OF NAME OF THE COMPANY

15 1 In accordance with sections 77(1)(b) and 79 of the Act, the Company's name may be changed by a resolution of the Directors