

B&S Hub – Memorandum and Articles of Association

Company Number 3794697

THE COMPANIES ACTS 1985

Company Limited by Guarantee and not having a Share Capital

NEW MEMORANDUM OF ASSOCIATION OF THE BIRMINGHAM & SOLIHULL LEARNING EXCHANGE LIMITED

- 1 THE Company's name is The Birmingham & Solihull Learning Exchange Limited
- 2 THE Company's registered office is to be situated in England or Wales.
- 3 The Company's object ("the Object") is to advance the education of the general public by encouraging participation in education so as to stimulate increased motivation and self investment by individuals in their own skills and qualifications.¹
- 4 IN furtherance of the Object but not otherwise the Company may exercise the following powers
 - 4.1 to facilitate establish and promote on-line learning services and other mechanisms whereby individuals will be encouraged to undertake educational training programmes,
 - 4.2 to subsidise the costs of educational training programmes to participating learners by means of either grant or loan;²
 - 4.3 to facilitate research into the current usage of the educational system and the best means of encouraging people to make full use of all the opportunities for their education and to disseminate the useful results of that research for the public benefit;
 - 4.4 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts in the name of the Company,
 - 4.5 to raise funds and to invite and receive contributions provided that in raising funds the Company shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations;

1 Amended by Special Resolution passed 26 February 2003

2 Amended by Special Resolution passed 26 February 2003



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- 4 6 to make grants or loans or to co-operate with any other body or organisation willing to make grants or loans to be used to meet the whole or part of the costs of providing education to people,
- 4.7 to acquire, alter, improve and (subject to such consents as may be required by law) to charge or otherwise dispose of property,
- 4 8 subject to Clause 5 below to employ such staff, who shall not be directors of the Company, as are necessary for the proper pursuit of the Object and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants;
- 4 9 to establish or support any charitable trusts, associations or institutions formed for the Object;
- 4.10 to cooperate with other charities, voluntary bodies, educational authorities, bodies or institutions and statutory authorities operating in furtherance of the Object or similar charitable purposes and to exchange information and advice with them;
- 4 11 to pay from the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company,
- 4.12 to purchase, take on lease or in exchange hire or otherwise acquire any real or personal property and any rights or privileges necessary for the promotion of the Object and to construct maintain and alter any buildings or erections necessary for the work of the Company,
- 4 13 to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company as may be thought expedient with a view to the promotion of the Object subject to such consents as are required by law,
- 4 14 to hold meetings, conferences, lectures and exhibitions and to pay the expenses thereof,
- 4 15 to borrow or raise or secure the payment of money in such manner as the Company shall think fit for the purposes of or in connection with the Object of the Company subject to such consents as are required by law,
- 4 16 to receive money on deposit or loan upon such terms as the Company may approve;
- 4.17 to invest and deal with the moneys of the Company not immediately required for the purposes of the Object in or upon such investments or securities and in such manner as may from time to time be determined;

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4.18 to subscribe for, purchase or otherwise acquire, and hold the entire issued shares, stock, debentures or other securities of any other company; and

4.19 to do all such other lawful things as are necessary for the achievement of the Object

5 THE income and property of the Company shall be applied solely towards the promotion of the Object and no part shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to members of the Company, and no Director appointed to any office of the Company shall be paid by salary or fees or receive any remuneration or other benefit in money or moneys worth from the Company (save for any remuneration or benefits received by a Director in his capacity of director or other officer or employee of a party to a transaction or other arrangement permitted by the articles of association of the Company)³ Provided that nothing in this document shall prevent any payment in good faith by the Company.

5.1 of the usual professional charges for business done by any Director who is a solicitor accountant or other person engaged in a profession, or by any partner of his or hers when instructed by the Company to act in a professional capacity on its behalf Provided that at no time shall a majority of the Directors benefit under this provision and that Director shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion;

5.2 of reasonable and proper remuneration for any services rendered to the Company by any member, officer or servant of the Company who is not a Director;

5.3 of interest on money lent by any member of the Company or Director at a reasonable and proper rate per annum not exceeding 2 per cent less than the published base lending rate of a clearing bank to be selected by the Directors,

5.4 of fees, remuneration or other benefit in money or moneys worth to any company of which a Director may also be a member holding not more than 1/100ths part of the issued capital of that company,

5.5 of reasonable and proper rent for premises demised or let by any member of the Company or a Director,

5.6 of reasonable out-of-pocket expenses to any Director;

³ Amended by Special Resolution passed 26 February 2003

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- 5.7 of any premium in respect of any indemnity insurance to cover the liability of the Directors which by virtue of any rule, of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Company, provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard of whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as directors at the Company
- 6 THE liability of the members is limited.
- 7 EVERY member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be member, for payment of the Company's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustments of the rights of the contributories among themselves
- 8 IF the Company is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property it shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other Company or charities having objects similar to the Object which prohibits the distribution of its or their income and property to an extent as great as is imposed on the Company by Clause 5 above, chosen by the members at the Company at or before the time of dissolution and if that cannot be done then to some other charitable object

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WE, the several persons whose names and addresses are subscribed are desirous of being formed into a company in pursuance of this Memorandum of Association

NAMES AND ADDRESSES OF SUBSCRIBERS
Rutland Directors Limited 18 Southampton Place London WC1A 2AJ
Rutland Secretaries Limited 18 Southampton Place London WC1A 2AJ

Dated 16th June 1999

WITNESS to the above signatures

Abbi Jackson

18 Southampton Place

London, WC1A 2AJ

Legal Assistant

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Company Number: 3794697

THE COMPANIES ACTS 1985

Company Limited by Guarantee and not having a Share capital

NEW ARTICLES OF ASSOCIATION

OF

THE BIRMINGHAM & SOLIHULL LEARNING EXCHANGE LIMITED

(Adopted by Special Resolution passed 8th June 2001)

(Amended by Special Resolution passed 26th February 2003)

(Amended by Ordinary Resolution passed 22 February 2008)

(Amended by Ordinary Resolution passed 8 November 2011 & 9 January 2012)

(Amended by Ordinary Resolution passed 23 April 2012)

INTERPRETATION

1. In these articles:

‘the Company’ means the company intended to be regulated by these articles;

‘the Act’ means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;

‘the articles’ means these Articles of Association of the Company;

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

‘the memorandum’ means the memorandum of association of the Company;

‘office’ means the registered office of the Company;

‘the seal’ means the seal of the Company if it has one;

‘associated person’ means a person associated with a local authority within the meaning of Section 69 of the Local Government and Housing Act 1989 or any statutory modification, amendment or re-enactment thereof for the time being in force;

‘prescribed percentage’ means 19%;

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

‘the United Kingdom’ means Great Britain and Northern Ireland, and words importing the masculine gender only shall include the feminine gender

Subject as aforesaid, words or expressions contained in these Articles shall, unless the context requires otherwise, bear the same meaning as in the Act

2. MEMBERS

2.1 The subscribers to the memorandum and such other persons or organisations as are admitted to membership in accordance with the rules made under Article 71 shall be members of the Company. No person shall be admitted a member of the Company unless his application for membership is approved by the Directors, nor if as a result of such admission the number of members who are associated persons would exceed the prescribed percentage of the total number.

2.2 Unless the Directors or the Company in general meeting shall make other provision under Article 71 the Directors may in their absolute discretion permit any member of the Company to retire, provided that after such retirement the number of members is not less than two

GENERAL MEETINGS

3 The Company shall hold an annual general meeting each year in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next: Provided that so long as the Company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of incorporation or in the following year. The annual general meeting shall be held at such times and places as the Directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

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- 4 The Directors may call general meetings, and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting. Any Director or any member of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

5. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution appointing a person as a Director shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by shorter notice if it is so agreed.

5.1 in the case of an annual general meeting, by all the members entitled to attend and vote, and

5.2 in the case of any other meeting by a majority in number of members having a right to attend and vote, being a majority together holding not less than 95 per cent of the total voting rights at the meeting of all the members,

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

The notice shall be given to all the members and to the Directors and auditors

- 6 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

PROCEEDINGS AT GENERAL MEETINGS

7. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a duly authorised representative of a member organisation or one fifth of the total number of such persons for the time being, whichever is the greater, shall constitute a quorum.

- 8 If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned

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to the same day in the next week at the same time and place or to such time and place as the Directors may determine

9. The chairman, if any, of the Directors or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
10. If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman
11. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
12. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted, Otherwise it shall not be necessary to give any such notice.
13. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
 - 13.1 by the chairman; or
 - 13.2 by at least two members having the right to vote at the meeting; or
 - 13.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting

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and a demand by a person as proxy for a member shall be the same as a demand by the member.

- 14 Unless a poll is duly demanded a declaration by the chair-man that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 15 The demand for a poll may be withdrawn, before the poll is taken but only with the consent of the chairman. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared before the demand for the poll was made.
- 16 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the results of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 17 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to any other vote he may have.
18. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent continuance of a meeting for the transaction of any business other than the question on which the poll is demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
19. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In other cases at

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least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken

VOTES OF MEMBERS

- 20 Subject to article 17, every member shall have one vote.
21. No member shall be entitled to vote at any general meeting unless all moneys then payable by him to the Company have been paid
- 21.1 Any member having directly or indirectly an interest or duty which is material and which conflicts or may conflict with the interest of the Company.
- 21.1.1 must declare that interest prior to or at the commencement of any general meeting.
- 21.1.2 shall take no part in related proceedings and voting at any general meeting.
- 21.2 In the event that a member fails to declare a direct or indirect interest or duty which is material and which conflicts or may conflict with the interest of the Company, he shall cease to be a member of the Company.
- 21.3 In the event of the considered judgement of the Directors being that a member has a conflict of interest which is directly detrimental to the interests of the Company, he shall cease to be a member.¹
- 22 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive
- 23 A vote given or poll demanded by the duly authorised representative of a member organisation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

¹ 21.1 to 21.3 Amended by Ordinary Resolution passed on 22 February 2008

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24. Any organisation which is a member of the Company may by resolution of its Council or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the organisation which he represents as the organisation could exercise if it were an individual member of the Company
25. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.
26. On a poll votes may be given either personally or by proxy
27. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):-

“ Limited

I/We, _____ of _____, being a member/members of the above-named company, hereby appoint _____ of _____ as my/our proxy to vote in my/our name(s) and on my/our behalf at the annual/extraordinary general meeting of the company to be held on _____ 20____ and at any adjournment thereof

Signed on 20 ."

28. Where it is desired to afford members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) –

“ Limited

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I/We, _____ of _____, being a member/members of the above-named company, hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote in my/our name(s) and on my/our behalf at the annual / extraordinary general meeting of the company, to be held on _____ 20 _____ and at any adjournment thereof.”

This form is to be used in respect of the resolutions mentioned below as follows:–

Resolution No. 1 *for *against

Resolution No 2 *for *against

*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this day of _____ 20 _____ "

29. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:

29.1. be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

29.2. in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll,

29.3. where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded at the meeting at which the poll was demanded to the chairman or to the secretary or to any Director,
and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

30. DIRECTORS

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30 1. The number of Directors shall be not less than two and no more than eleven save as may be determined by ordinary resolution.²

- 31 The first Directors shall be those persons named in the statement delivered pursuant to section 10(2) of the Act, who shall be deemed to have been appointed under the articles. Future Directors shall be appointed as provided subsequently in the articles

POWERS OF DIRECTORS

- 32 Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the memorandum or the articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given, by this article shall not be limited by any special power given to the Directors by the articles and a meeting of Directors at which a quorum is present may exercise all the power exercisable by the Directors

- 33 In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the articles the Directors shall have the following powers, namely:

33 1 to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of the objects and to invest in the name of the Company such part of the funds as they may see fit and direct the same or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the objects of the Company:

33 2 to enter into contracts on behalf of the Company.

APPOINTMENT AND RETIREMENT OF DIRECTORS

34.

- 34.1 At the first annual general meeting all the Directors shall retire from office, and at every subsequent annual general meeting one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of

² Amended by Ordinary Resolution passed on 22 February 2008

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three, the number nearest to one third shall retire from office; but, if there is only one Director who is subject to retirement by rotation, he shall retire.

34.2 A person who is an associated person may not be appointed as a Director if the number of Directors who are associated persons thereby exceeds the prescribed percentage of the total number of Directors

34.2.1 A Director who is not an associated person at the time of his appointment as a Director shall vacate office automatically and be deemed to have done so on the date preceding the day on which he becomes an associated person if (but only if) by reason of his becoming an associated person the number of Directors who are associated persons would exceed the prescribed percentage of the total number of Directors.

34.2.2 Additionally a Director who is an associated person shall vacate office forthwith if the number of Directors who are associated persons for any reason whatsoever exceeds the prescribed percentage of the total number of Directors. In such event the smallest number of Directors who are associated persons shall vacate office as shall result in the number of Directors who are associated persons ceasing to exceed the prescribed percentage of the total number of Directors and the Director or Directors to retire shall be (unless all the relevant associated persons otherwise agree amongst themselves before such event) the Director or Directors who shall have been longest a Director or Directors since their last appointment as such and, as between associated persons who became Directors on the same day, the associated person to retire shall be (unless the relevant associated persons otherwise agree amongst themselves) the associated person whose last name begins with the letter nearest "A" and if there are two or more such associated persons the older or oldest person shall retire

35. Subject to the provisions of the Act, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

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- 36 If the Company at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.
37. No person other than a Director retiring by rotation shall be appointed or reappointed a Director at any general meeting unless:
- 37.1 he is recommended by the Directors, or
- 37.2 not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of Directors together with a notice executed by that person of his willingness to be appointed or reappointed
- 38 No person may be appointed as a Director unless he has attained the age of 18 years.
39. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all persons who are entitled to receive notice of the meeting of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Directors for appointment or reappointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's register of Directors.
40. Subject as aforesaid and subject to the provision of articles 43 to 46 (inclusive), the Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director and may also determine the rotation in which any additional Directors are to retire
41. The Directors may appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director provided that the appointment does not cause the

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number of Directors to exceed any number fixed by or in accordance with the articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.

42. Subject as aforesaid, a Director who retires at an annual general meeting may, if willing to act, be reappointed

NOMINATED DIRECTORS

43. Each member listed in Article 45 ('Nominating Members') shall (for so long as he remains a member) have the right to nominate nominees up to the number of Directors determined under Article 30.1 of his/its choice to act as Directors and to replace from time to time the Directors nominated by him PROVIDED ALWAYS that the Directors so nominated occupy one of the management positions within the Nominating Member organisations which are specified against Nominating Members' names in Article 45.
44. The appointment or removal of a nominated Director pursuant to Article 43 shall be made by notice in writing served on the Company by or on behalf of the member entitled to make such appointment. Each appointment or removal will take effect immediately upon service of the notice.
45. The following members which may from time to time be amended by deletion of existing members and/or additions of new members in accordance with 71.1.1 below are Nominating Members for the purposes of these Articles

Nominating Member	Eligible Candidates for appointment as Directors	Eligible Candidates for appointment as proxies
<i>Tarlok Singh</i>	<i>Tarlok Singh</i>	<i>Appointee of Tarlok Singh</i>
<i>Martyn Park</i>	<i>Martyn Park</i>	<i>Appointee of Martyn Park</i>

Note: A full and current list of all Members is maintained by the Company Secretary

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- 46 The rights of each Nominating Member under Articles 43 and 44 shall not be varied or abrogated in any way without the prior written consent of that Nominating Member. The provisions of Articles 34, 35 and 37 shall not apply to Directors appointed by Nominating Members pursuant to Article 43.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 47 A Director shall cease to hold office if he
- 47.1 ceases to be a Director by virtue of any provision in the Act or is disqualified from acting as a Director by virtue of section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision);
 - 47.2 becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs,
 - 47.3 resigns his office by notice to the Company (but only if at least two Directors will remain in office when the notice of resignation is to take effect);
 - 47.4 is absent without the permission of the Directors from all their meetings held within a period of six months and the Directors resolve that his office be vacated:
or
 - 47.5 in the case of a Director appointed by a Nominating Member pursuant to Article 43
 - 47.5.1 is removed from office by notice served pursuant to Article 44;
 - 47.5.2 ceases to occupy any of the positions within the organisation of that Nominating Member set against the name of that Nominating Member in Article 45.
 - 47.6 acting in his personal capacity and / or in his capacity as a Director or Officer of some other organisation, corporate or otherwise, has failed to pay any money owing to the Company 28 days after it was due for payment in full.³

DIRECTORS' EXPENSES

48. The Directors may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or otherwise in connection with the discharge of their duties, but shall otherwise be paid no remuneration.

³ Amended by Ordinary Resolution passed on 22 February 2008

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- 49 The Directors shall have power to insure suitably in respect of public liability and employer's liability
50. The Directors shall have power to provide indemnity insurance to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Company. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors know to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard of whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as directors of the Company.

DIRECTORS APPOINTMENTS

51. Subject to the provisions of the Act and to Clause 5 of the memorandum
- 51.1 the Directors may appoint one or more of their number to the unremunerated office of the managing director or to any other unremunerated executive office under the Company. Any such appointment may be made upon such terms as the Directors determine. Any appointment of a Director to an executive office shall terminate if he ceases to be a Director. A managing director and a Director holding any other executive office shall not be subject to retirement by rotation, and
- 51.2 the Company may pay the usual professional charges for business done by any Director who is a solicitor, accountant or other person engaged in a profession, or by any partner of his or hers, when instructed by the Company to act in a professional capacity on its behalf. Provided that at no time shall a majority of the Directors benefit under this Article and that a Director shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion.
52. Except to the extent permitted by Clause 5 of the memorandum or to the extent set out in Article 51.2 or Article 52.1, no Director shall take or hold any interest in property belonging to the Company or receive remuneration or be interested in any other contract to which the Company is a party³

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- 52 1 Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office may be interested in any transaction or arrangement with the Company or in which the Company is otherwise interested provided that the material Director's interest shall be limited to that arising from being a director or other officer of, or employed by, a party to such transaction or arrangement with the Company or in which the Company is otherwise interested ⁴
- 52 2 For the purpose of Article 52 1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified'.
- 52.3 Save in relation to the agreement of target allocations (in which case a Director shall be entitled to vote) or as otherwise provided by the articles, a Director shall not vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company⁴.

PROCEEDINGS OF DIRECTORS

53

- 53 1 Subject to the provisions of the articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors, It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall not have a second or casting vote.
- 53 2 At any meeting of the Directors and of any subcommittee of the Directors each Director who is an associated person shall have one vote and each Director who is not an associated person shall have one vote or if greater a number of votes (including fractions of a vote) calculated by reference to the following formula -

⁴ Added by Written Resolution passed

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$$\frac{4x + 1}{y}$$

y

where

“x” is the number of Directors present at the meeting who are associated persons;
and

“y” is the number of Directors present at the meeting who are not associated persons

54. The quorum for the transaction of the business of the Directors may be fixed by the Directors but shall not be less than one third of their number or two Directors, whichever is the greater ⁴
55. The Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting
56. The Directors may appoint one of their number to be the chairman of their meetings and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting
57. The Directors may appoint one or more committees consisting of two or more Directors for the purpose of making an inquiry or supervising or performing any function or duty which in the opinion of the Directors would be more conveniently undertaken or carried out by a committee: provided that all acts and proceedings of any such committees shall be fully and promptly reported to the Directors.

⁴ Amended by Ordinary Resolution passed on 22 February 2008

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- 58 All acts done by a meeting of Directors, or of a committee of Directors, shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote
59. One representative of the Birmingham and Solihull Learning and Skills Council and one representative of Ufi Ltd shall be entitled to receive notice of and to attend at all duly convened meetings of Directors. However such representatives shall not be entitled to vote on any matter and shall have no influence over the management of the Company. The Directors shall be entitled to require such representatives to leave any meeting if they consider the subject matter of the meeting to be confidential
- 60 A resolution in writing, signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors, shall be as valid and effective as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held. Such a resolution may consist of several documents in the same form, each signed by one or more of the Directors.
61. If a Director appointed by a Nominating Member is unable to attend a meeting of the Directors he shall be entitled to appoint a proxy to attend in his place and vote on his behalf provided that
- 61.1. not less than 48 hours before the time appointed for the meeting written notice of the proxy (in substantially the form which might be used by a member of the Company in respect of a general meeting) shall have been delivered to the Secretary, and
- 61 2. the nominated proxy holds a position within the organisation of the Nominating Member which appointed the Director whom the proxy represents equivalent to that set out in the relevant column in Article 45.
- 62 Any bank account in which any part of the assets of the Company is deposited shall be operated by the Directors and shall indicate the name of the Company. All cheques and orders for the payment of money from such account above a sum determined from time

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to time by the Directors shall be signed by at least two Directors or by one Director and the secretary. All cheques and orders for the payment of money from such account below the sum determined from time to time by the Directors shall be signed by one Director or by the secretary.

SECRETARY

63. Subject to the provisions of the Act, the secretary shall be appointed by the Directors for such term, at such remuneration (if not a Director) and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

MINUTES

64. The Directors shall keep minutes in books kept for the purpose.
- 64.1. of all appointments of officers made by the Directors, and
- 64.2. of all proceedings at meetings of the Company and of the Directors and of committees of Directors including the names of the Directors present at each such meeting.

THE SEAL

65. The seal shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the secretary or by a second Director.

ACCOUNTS

66. Accounts shall be prepared in accordance with the provisions of Part VII of the Act.

NOTICES

67. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.
68. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at

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which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company

- 69 A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.
70. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted

INDEMNITY

- 71 Subject to the provisions of the Act every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity 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 from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

RULES

- 71.1 The Directors may from time to time make such rules or bye laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, they may by such rules or bye laws regulate
- 71.1.1 the admission and classification of members of the Company (including the admission of organisations to membership) and the rights and privileges of such members, and the conditions of membership and the terms on which members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by members;

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- 71 1.2 the conduct of members of the Company in relation to one another, and to the Company's servants;
 - 71.1.3 the setting aside of the whole or any part & parts of the Company's premises at any particular time or times or for any particular purpose or purposes,
 - 71.1 4 the procedure at general meetings and meetings of the Directors and committees of the Directors in so far as such procedure is not regulated by the articles;
 - 71.1.5 generally, all such matters as are commonly the subject matter of company rules.
- 71.2 The Company in a general meeting shall have power to alter, add to or repeal the rules or bye laws and the Directors shall adopt such means as they think sufficient to bring to the notice of members of the Company all such rules or bye laws, which shall be binding on all members of the Company Provided that no rule or bye law shall be inconsistent with, or shah effect or repeal anything contained in, the memorandum or the articles.