
The Companies Act 1985 and 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 19 May 2010)

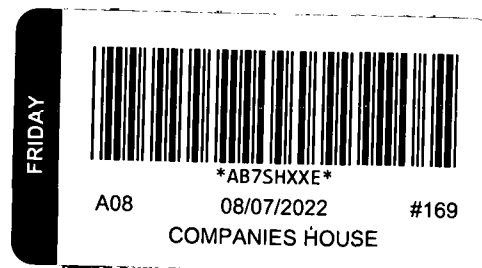
OF

GRANADA LEARNING LIMITED

Incorporated on 19 April 1991

Registered No. 2603456

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THE COMPANIES ACT 1985 and 1989

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(Adopted by Special Resolution passed on 19 May 2010)

OF

GRANADA LEARNING LIMITED

PRELIMINARY

1. Table A

The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended so as to affect companies first registered on the date of the adoption of these Articles) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or Articles of Association. References herein to regulations are to regulations in the said Table A unless otherwise stated.

SHARE CAPITAL

2. Authorised Share Capital

The authorised share capital of the company at the date of the adoption of these articles is £8,000,400 divided into 150 "A" shares, 50 "B" shares, 200 "C" shares and 8,000,000 "D" shares. The "A" shares and the "B" shares shall be separate classes of share, shall carry the respective voting

rights and rights to appoint and remove directors and be subject to the restrictions on transfer hereinafter provided, but in all other respects shall rank pari passu. The "C" shares shall carry no voting rights whatsoever. The "D" shares shall carry only those voting rights referred to in this Article.

- 2A. The directors may at their absolute discretion determine that any capital contribution received by the Company be credited to a non-distributable reserve of the Company. The Company shall be prohibited from distributing any such reserve.

2.1 Dividends and income

2.1.1 The Company shall with the prior approval of a resolution of the directors of the Company, in priority to any payment of dividend to the holders of all other shares in the capital of the Company (other than the holders of "C" shares), pay to the holders of the "D" Shares out of the profits available for distribution in respect of each financial year of the company a fixed non-cumulative preferential dividend ("D" Dividend")_at a rate of 6.5 per cent per annum (excluding the amount of any associated tax credit) on the nominal amount of each "D" Share from time to time paid up thereon.

2.1.2 The "D" Dividend shall accrue on a daily basis from the day on which each "D" Share is issued and (subject to the resolution of the directors as aforesaid) shall be payable in arrears in a single instalment on 31 December in each year.

2.1.3 The first "D" Dividend payment shall be made on 31 December 1996 in respect of the period from the date of adoption of these articles to that date.

2.1.4 The holders of the "D" Shares shall not be entitled to any further right of participation in the profits or income of the company.

2.2 Capital

Subject to the provisions of these articles, on a return of capital on a winding up or otherwise (other than on redemption or purchase by the Company of its own shares in accordance with these articles) the

assets of the Company available for distribution to its members shall be applied:

2.2.1 First in paying to the holders of the "A" Shares and the "B" Shares the nominal value on each share and in the case of each "A" Share a further £1;

2.2.2 Second in paying to the holders of the "C" Shares the nominal value on each share and a sum equal to any outstanding dividends due and payable and a further dividend calculated from the last Dividend Payment Date (as defined below) to the date of return of capital; and

2.2.3 Thirdly, in paying to the holders of the "D" Shares the nominal value paid up on each share and a sum equal to any outstanding dividends due and payable;

2.2.4 The balance shall be distributed amongst the holders of the "A" Shares and "B" Shares (pari passu as if one class) in the ratio of 50:50.

2.3 Voting

The holders of the "D" Shares shall have the right to receive notice of and attend all general meetings of the company but shall not have the right to speak or vote at a general meeting of the Company unless:

2.3.1 the Company shall have failed to redeem all or any of the "D" Shares falling to be redeemed on any Redemption Date specified in article 2.1; or

2.3.2 a resolution is to be proposed which, directly or indirectly, varies, modifies, alters or abrogates any of the rights, privileges, limitations or restrictions attaching to the "D" Shares; or

2.3.3 a resolution is to be proposed for the winding up of the company or for the appointment of an administrator or the approval of a voluntary arrangement or if a receiver or

administrative receiver shall have been appointed over the Company or over any of its assets and shall not have been discharged; or

2.3.4 Where any of articles 2.3.1 or 2.3.2 apply a holder of "D" Shares is entitled to attend and vote at general meetings on all resolutions proposed but only for as long as the breach mentioned in the relevant article shall continue.

2.3.5 Where article 2.3.3 applies, a holder of "D" Shares is entitled to attend any relevant general meeting but only to vote at any such meeting on the resolution referred to in the relevant article.

2.3.6 Whenever the holders of the "D" Shares are entitled to vote at a general meeting of the Company upon any resolution proposed at such a general meeting, on a show of hands every holder thereof who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote and on a poll every holder of "D" Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote for each "D" Share held by him.

2.3.7 The Company may, subject to the Statutes, at any time, but prior to the fifth anniversary of their date of issue, on giving to the holders of the "D" Shares at that date not less than 28 days• prior written notice of the date ("**Redemption Date**") when such redemption is to be effected redeem all or any of the "D" Shares from time to time issued and outstanding. In the case of a partial redemption under this article such redemption shall be pro rata to individual holdings of "D" Shares.

2.3.8 The Company shall, subject to the provisions of the Statutes, redeem on the fifth anniversary of their date of issue all of the "D" Shares (if any) in issue on that date.

2.3.9 If the Company shall be unable in compliance with the

Statutes to redeem all or any of the "D" Shares on the Redemption Date then the Company shall redeem such number of the "D" Shares as may lawfully be redeemed at such time pro rata (disregarding any fractional entitlements) to the proportionate number of such "D" Shares held by each holder. The Company shall redeem, as soon after such date or dates as it shall be lawfully permitted so to do, the remaining number of "D" Shares which would otherwise have fallen to be redeemed on such date in accordance with the provisions

of this article save that the "D" Dividend thereon shall continue to accrue on a day to day basis until actual redemption.

2.3.10 There shall be paid on each "D" Share so redeemed the nominal amount paid up thereon together with a sum equal to any outstanding dividends due and payable.

2.3.11 Any notice of redemption shall specify the particular "D" Shares to be redeemed, the Redemption Date and the place at which the certificates for such shares are to be presented for redemption and upon the Redemption Date each of the holders of the "D" Shares concerned shall be bound to deliver to the Company at such place the certificates for the shares concerned in order that the same may be redeemed. Upon such delivery the company shall pay to such holder (or to his order) the amount due to him in respect of such redemption. If any certificate so delivered to the company includes any D Shares not redeemable on that occasion a fresh certificate for such shares shall be issued without charge to the holder delivering such certificate to the company.

2.3.12 If any holder of any of the "D" Shares to be redeemed shall fail or refuse to deliver up the certificate or certificates held by him at the time and place fixed for the redemption of such shares or shall fail or refuse to accept payment of the

redemption monies payable in respect thereof, the redemption monies payable to such holder shall be set aside and paid into a separate interest-bearing account with the Company's bankers (designated for the benefit of such holder). Such setting aside shall be deemed for all purposes hereof to be a payment to such holder. All such holder's rights as a holder of the relevant D Shares shall cease and determine as from the

Redemption Date and the Company shall thereby be discharged from all obligations in respect thereof. The Company shall not be responsible for the safe custody of the

monies so placed on deposit or for interest thereon except such interest as the said monies may earn while on deposit less any expenses incurred by the company in connection therewith.

2.3.13 The receipt of the registered holder from time to time of any "D" Shares or, in the case of joint registered holders, the receipt of any of them for the monies payable on redemption shall constitute an absolute discharge of the Company in respect thereof.

2.3.14 Subject to the Statutes, upon the redemption of any "D" Shares the Directors may, pursuant to the authority given by the adoption of this article, consolidate and/or sub-divide and/or convert the authorised share capital created as a consequence of such redemption into shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a like nominal amount (as nearly as may be) as the shares of such class then in issue or into unclassified shares of the same nominal amount as the "D" Shares.

2.3.15 Subject to the provisions of the Statutes, the Company shall be authorised at any time and from time to time to purchase all or any of the "D" Shares from time to time outstanding in

the market or by tender (available to all holders of "D" Shares alike) or by private treaty, in each case at any price.

3. Sections 80 and 89

- 3.1 The Directors are generally and unconditionally authorised pursuant to and in accordance with Section 80 of the Companies Act 1985 to exercise for a period of five years from the date of incorporation of these Articles all the powers of the Company to allot relevant securities up to the aggregate nominal amount of £8,000,400. By such authority the Directors may make offers or agreements which would or might require the allotment of relevant securities after the expiry of such period.
- 3.2 Subject to Article 3.1 above all unissued shares shall be at the disposal of the Directors and they may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as they think proper and Section 89(1) of the Companies Act 1985 shall not apply.

PROCEEDINGS AT GENERAL MEETINGS

4. Written Resolutions

In the case of a corporation a resolution in writing may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 shall be extended accordingly. Regulation 53 (as extended) shall apply mutatis mutandis to resolutions in writing of any class of members of the Company.

5. Proxies

An instrument appointing a proxy (and, where it is signed on behalf of the appointor by an attorney, the letter or power of attorney or duly certified copy thereof) must either be delivered at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting (or, if no place is so specified, at the registered office) before the time appointed for

holding the meeting or adjourned meeting, or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used or be delivered to the Secretary (or the chairman of the meeting) on the day and at the place of, but in any event before the time appointed for holding, the meeting or adjourned meeting or poll. The instrument shall, unless the contrary is stated thereon, be valid for any adjournment of the meeting as well as for the meeting to which it relates. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates. Regulation 62 shall not apply.

SINGLE MEMBER COMPANY

6. If at any time, and for as long as, the company has a single member, all provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company with a single member.

NUMBER OF DIRECTORS

7. The Directors shall not be less than one in number. Regulation 64 shall be modified accordingly.

DELEGATION OF DIRECTORS' POWERS

8. 8.1 The Directors may delegate any of their powers or discretions (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to :-

8.1.1 committees consisting of one or more Directors; and

8.1.2 one or more other named person or persons to be co-opted as hereinafter provided, if thought fit.

This power is in addition to the powers to delegate contained in Regulation 72.

8.2 Insofar as any such power or discretion is delegated to a committee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and may provide for members who are not Directors to have voting rights as members of the committee, but so that:-

8.2.1 the number of members who are not Directors shall be less than one-half of the total number of members of the committee; and

8.2.2 no resolution of the committee shall be effective unless passed by a majority including at least one member of the committee who is a Director. Regulation 72 shall be modified accordingly.

APPOINTMENT AND RETIREMENT OF DIRECTORS

9. The Directors shall not be subject to retirement by rotation and references thereto in Regulations 73 to 80 shall be disregarded.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

10. The office of a Director shall be vacated:-
- (i) in any of the events specified in Regulation 81;
 - (ii) if he shall in writing resign;
 - (iii) if he shall be removed from office by notice in writing signed by all his co-Directors (being at least two in number), but, if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

REMUNERATION OF DIRECTORS

11. Any Director who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors in their absolute discretion may determine. Regulation 82 shall be extended accordingly.

12. NOT USED

TELEPHONE BOARD MEETINGS

13. All or any of the Directors may participate in a meeting of the Board of Directors, or any committee of the Directors, by means of a conference telephone or any communications equipment which allows all persons participating in the meeting to hear each other. A person so participating and who would be entitled to attend a meeting of the board, or any

committee of the Directors, and to vote and count in the quorum thereat shall be deemed to be present in person at the meeting and shall be entitled to vote and to be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those so participating is assembled or, if there is no such group, where the person or persons participating in the meeting and carrying the largest number of voting rights exercisable at the meeting is or are present, or if no such person is, or persons are, present, where the Chairman of the meeting is present and the word "meeting" shall be construed accordingly.

THE SEAL

14. If the Company has a seal it shall only be used with the authority of the Directors or of a committee of 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 second Director. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 of Table A shall not apply to the Company.

INDEMNITY

15. Subject to the provisions of and so far as may be permitted by law, every Director, Auditor, Secretary or other officer of the Company shall be indemnified by the Company out of its own funds against and/or exempted by the Company from all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or

in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. Regulation 118 shall not apply.

INSURANCE

16. 16.1 Without prejudice to the provisions of Regulation 87 or Article 16, the Directors shall have the power to purchase and maintain insurance for or for the benefit of any person or persons who are or were at any time Directors, officers, employees, or Auditors of any Relevant Company (as defined in paragraph (b) of this Article) or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.
- 16.2 For the purpose of paragraph (a) of this Article, "Relevant Company" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of any such other body.

OVERRIDING PROVISIONS

17. Whenever Granada plc (hereinafter called "the Parent Company"), or any subsidiary undertaking of the Parent Company, shall be the holder of not less than 90 per cent. of the issued Ordinary Shares, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles:-

- 17.1 the Parent Company may at any time and from time to time

appoint any person to be a Director or remove from office any Director howsoever appointed, but, if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;

17.2 no unissued shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company;

17.3 the immediate holding company for the time being of the Company may at any time transfer all or any shares to any person and the provisions of Regulation 24 shall not apply to such transfer;

17.4 any or all powers of the Directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe.

Any such appointment, removal, consent or notice shall be in writing served on the Company and signed on behalf of the Parent Company by any two of its Directors or by any one of its Directors and its Secretary or some other person duly authorised for the purpose. No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent of the Parent Company has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.

LIABILITY OF MEMBERS

18. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

19. The Company shall have a first and paramount lien on every share (not being a fully paid share or a share which has been charged or is otherwise subject to security in favour of any bank or financial institution or nominee thereof) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. For the purposes of this article and article 20 below, a certificate signed on behalf of the beneficiary of the security confirming that the relevant shares are subject to security and/or that the transfer relates to the enforcement of that security shall be conclusive evidence of those facts. The directors may at any time declare any share to be wholly or in part exempt from any lien created by this article. The Company's lien shall extend to any amount payable in respect of it.
20. The directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve provided the transfer does not relate to a share which has been charged or is otherwise subject to security in favour of any bank or financial institution or nominee thereof or to the enforcement of any such security.
21. Provided that a director shall declare his interest in any contract, transaction or arrangement, he may vote as a director in respect of any such contract, transaction or arrangement or upon any matter or thing arising thereout and if he shall so vote his vote shall be counted.