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*insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

U4115

00663645

Name of company

* Aspen Group PLC (the "Company")

Date of creation of the charge

15th May 1998

Description of the instrument (if any) creating or evidencing the charge (note 2)

Composite Guarantee and Mortgage Debenture (the "Debenture")

Amount secured by the mortgage or charge

All actual, contingent, present and/or future obligations and liabilities of the Company to any of the Secured Parties (including under the Debenture) but excluding any obligation or liability to the extent that, if it were so included, the Debenture or any part of it would constitute unlawful financial assistance within the meaning of Sections 151 and 152 of the Companies Act 1985 and in relation to which the relaxation procedures under Sections 155-158 of the 1985 Act have not been complied with.

cont/d.....

Names and addresses of the mortgagees or persons entitled to the charge

National Westminster Bank Plc of 41 Lothbury, London as agent and
security trustee for the Secured Parties (the "Security Trustee")

Postcode EC2P 2BP

Presentor's name address and
reference (if any);

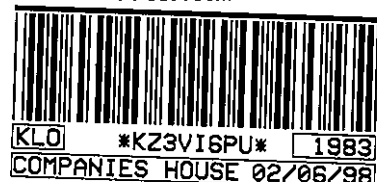
Wilde Sapte
1 Fleet Place
London
EC4M 7WS

Ref: JGM/LVM/95473/BF328091

Time critical reference

For official use
Mortgage Section

I Post room



Short particulars of all the property mortgaged or charged

(a) By way of fixed equitable charge all estates or interests in any freehold, leasehold or other immoveable property and buildings and trade and other fixtures and all the proceeds of sale thereof at the date of the Debenture or thereafter belonging to or charged to the Company (the "Equitably Charged Property");

(b) By way of fixed charge all book debts and other debts and all monies which the Company receives in respect thereof at the date of the Debenture and from time to time due or owing to the Company ("the Debts");

(c) By way of fixed charge all credit balances of any current, deposit or other account of the Company with any of the Secured Parties or with other bankers, financial institutions or similar third parties (the "Credit Balances");

(d) By way of fixed charge all stocks, shares and/or other securities in any other body corporate and all rights in respect of or incidental to those securities including to any dividend, to redeem or to convert at the date of the Debenture of thereafter belonging to the Company;

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Particulars as to commission allowance or discount (note 3)

NIL

Signed *Wilde Sapk*

Date *1/6/1998*

On behalf of ~~[company]~~ [mortgagee/chargee] †

† delete as
appropriate

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his:
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

COMPANIES FORM No. 395 (Cont.)

Continuation Sheet No 1

Company Number

00663645

Name of company

Aspen Group Plc

Amount secured by the mortgage or charge (continued)

"Secured Parties" means all and each of the Security Trustee and the Beneficiaries for the time being;

"Beneficiaries" means (a) the Institutions; and (b) such other banks or financial institutions which the Security Trustee notifies the Company in writing that are to be a Secured Party, if such bank or financial institution executes such document(s) for the purpose of becoming a party to the Debenture as the Security Trustee may require;

"Institutions" means National Westminster Bank Plc and Singer & Friedlander Limited.

Company Number

00663645

Name of company

Aspen Group Plc

Short particulars of all the property mortgaged or charged (continued)

- (e) By way of fixed charge the goodwill, uncalled capital, licences, patents, patent applications, trade names and rights in trade marks, copyrights, rights in the nature of copyright, registered designs, know how, inventions, rights in confidential information, service marks and all other intellectual property rights at the date of the Debenture or thereafter belonging to the Company;
- (f) By way of fixed charge all plant, machinery, vehicles, computers, office and other equipment, all rights, title and interest of the Company under any agreements relating to the purchase, lease, or hire purchase of any such items at the date of the Debenture or thereafter belonging to the Company ("the Plant and Equipment");
- (g) By way of floating charge the undertaking and all the other property, assets and rights whatsoever belonging to the Company at the date of the Debenture or thereafter.
- NB: The Company may not without the prior written consent of the Security Trustee:
- (i) create any other charges ranking in priority to or pari passu with the Debenture without the prior written consent of the Security Trustee;
 - (ii) part with possession of any part of the Equitably Charged Property nor confer on any person, firm, company or body whatsoever any licence, right or interest to occupy it or any part thereof;
 - (iii) sell, factor, discount or otherwise charge or assign the Debts in favour of any other person or purport to do so;
 - (iv) sell or otherwise charge or assign any of the Credit Balances in favour of any person or purport to do so;
 - (v) sell, transfer or otherwise deal with any of the Plant and Equipment.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 00663645

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A COMPOSITE GUARANTEE AND MORTGAGE DEBENTURE DATED THE 15th MAY 1998 AND CREATED BY ASPEN GROUP PLC FOR SECURING ALL ACTUAL, CONTINGENT, PRESENT AND/OR FUTURE OBLIGATIONS AND LIABILITIES OF THE COMPANY TO NATIONAL WESTMINSTER BANK PLC (AS AGENT AND TRUSTEE FOR THE SECURED PARTIES) AND TO ANY OF THE SECURED PARTIES (AS DEFINED) UNDER THE DEBENTURE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 2nd JUNE 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 4th JUNE 1998.


D. JENKINS

for the Registrar of Companies



C O M P A N I E S H O U S E

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