

MG01

Particulars of a mortgage or charge



A fee is payable with this form.

We will not accept this form unless you send the correct fee.
Please see 'How to pay' on the last page.



What this form is for

You may use this form to register particulars of a mortgage or charge in England and Wales or Northern Ireland.



What this form is NOT for

You cannot use this form to register particulars of a charge for a Scottish company. To do this, please use form MG01s.

SATURDAY



ADBHVGM

A73

23/01/2010

107

COMPANIES HOUSE

1

Company details

Company number

0 3 3 8 1 1 2 8

Company name in full

UNDERLEY EDUCATIONAL SERVICES (the "Chargor")

For official use



Filling in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2

Date of creation of charge

Date of creation

d1 d8 m0 m1 y2 y0 y1 y0

3

Description

Please give a description of the instrument (if any) creating or evidencing the charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'.

Description

GROUP DEBENTURE (the "Deed")

4

Amount secured

Please give us details of the amount secured by the mortgage or charge.

Amount secured

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of each present or future member of the Group to the Security Agent and/or the other Secured Parties (or any of them) under or pursuant to any Finance Document (including all monies covenanted to be paid under the Deed) ("Secured Obligations").

Continuation page

Please use a continuation page if you need to enter more details.

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5 Mortgagee(s) or person(s) entitled to the charge (if any)

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge.

Continuation page

Please use a continuation page if you need to enter more details.

Name BARCLAYS BANK PLC (the "Security Agent")

Address 5 The North Colonnade

London

Postcode E 1 4 4 B B

Name

Address

Postcode

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged.

Continuation page

Please use a continuation page if you need to enter more details.

Short particulars

1. GRANT OF SECURITY**1.1 Nature of security**

All Security and dispositions created or made by or pursuant to the Deed are created or made:

- (a) in favour of the Security Agent;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Obligations.

1.2 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to the Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

2. FIXED SECURITY**2.1 Fixed charges**

The Chargor charged and agreed to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

- (a) by way of first legal mortgage:
 - (i) the Real Property (if any) specified in part 1 of the schedule hereto (Details of Security Assets); and

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7 Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his:

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.

Commission allowance
or discount

N/A

8 Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

9 Signature

Please sign the form here.

Signature

Signature

X *David P. W. W. W. W. W.*

X

This form must be signed by a person with an interest in the registration of the charge.

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name Denise Phillips

Company name DLA Piper UK LLP

Address 3 Noble Street

Post town London

County/Region

Postcode E C 2 V 7 E E

Country

DX DX: 33866 Finsbury Square

Telephone 08700 111 111



Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included the original deed with this form.
- ☐ You have entered the date the charge was created.
- ☐ You have supplied the description of the instrument.
- ☐ You have given details of the amount secured by the mortgagee or chargee.
- ☐ You have given details of the mortgagee(s) or person(s) entitled to the charge.
- ☐ You have entered the short particulars of all the property mortgaged or charged.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
First Floor, Waterfront Plaza, 8 Laganbank Road,
Belfast, Northern Ireland, BT1 3BS.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

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6	Short particulars of all the property mortgaged or charged
Short particulars	<p data-bbox="316 342 1038 371">Please give the short particulars of the property mortgaged or charged.</p> <p data-bbox="316 394 1489 454">(ii) all other Real Property at 18 January 2010 vested in, or charged to, the Chargor (not charged by clause 4.1(a)(i) of the Deed);</p> <p data-bbox="316 488 839 517">(b) by way of first fixed charge:</p> <p data-bbox="316 551 1386 611">(i) all other Real Property and all interests in Real Property (not charged by clause 4.1(a) of the Deed);</p> <p data-bbox="316 645 1469 705">(ii) all licences to enter upon or use land and the benefit of all other agreements relating to land; and</p> <p data-bbox="316 739 1078 768">(iii) the proceeds of sale of all Real Property;</p> <p data-bbox="316 801 1469 922">(c) by way of first fixed charge all plant and machinery (not charged by clause 4.1(a) or 4.1(b) of the Deed) and the benefit of all contracts, licences and warranties relating to the same which do not contain any prohibitions on charging;</p> <p data-bbox="316 956 839 985">(d) by way of first fixed charge:</p> <p data-bbox="316 1019 1437 1079">(i) all computers, vehicles, office equipment and other equipment (not charged by clause 4.1(c) of the Deed); and</p> <p data-bbox="316 1113 1437 1173">(ii) the benefit of all contracts, licences and warranties relating to the same which do not contain any prohibitions on charging;</p> <p data-bbox="316 1207 839 1236">(e) by way of first fixed charge:</p> <p data-bbox="316 1270 1489 1330">(i) the Charged Securities (if any) referred to in part 2 of the schedule hereto (<i>Details of Security Assets</i>); and</p> <p data-bbox="316 1364 1489 1424">(ii) all other Charged Securities (not charged by clause 4.1(e)(i) of the Deed),</p> <p data-bbox="316 1458 1489 1579">in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;</p> <p data-bbox="316 1612 839 1641">(f) by way of first fixed charge:</p> <p data-bbox="316 1675 1453 1736">(i) the Cash Collateral Accounts and all monies at any time standing to the credit of the Cash Collateral Accounts;</p> <p data-bbox="316 1769 1453 1830">(ii) the Collection Accounts and all monies at any time standing to the credit of the Collection Accounts; and</p> <p data-bbox="316 1863 1489 1984">(iii) all accounts of the Chargor with any bank, financial institution or other person at any time (not charged by clauses 4.1(f)(i) or 4.1(f)(ii) of the Deed) and all monies at any time standing to the credit of such accounts,</p> <p data-bbox="316 2018 860 2047">continued on the continuation page</p>

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Please give the short particulars of the property mortgaged or charged.

Short particulars

in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;

(g) by way of first fixed charge (to the extent they are capable of being charged):

(i) the Intellectual Property (if any) specified in part 4 of the schedule hereto (*Details of Security Assets*); and

(ii) all other Intellectual Property (if any) (not charged by clause 4.1 (g) (i) of the Deed);

(h) to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (*Security assignments*) of the Deed provided that they do not require any third party consent and the Chargor has used its reasonable endeavours to procure such consent but such consent has not been granted, by way of first fixed charge such Assigned Asset;

(i) by way of first fixed charge (to the extent not otherwise charged or assigned in the Deed provided that they do not require any third party consent and the Chargor has used its reasonable endeavours to procure such consent but such consent has not been granted):

(i) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets; and

(ii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it; and

(j) by way of first fixed charge all of the goodwill and uncalled capital of the Chargor.

2.2 Security assignments

The Chargor assigned and agreed to assign absolutely (subject to a proviso for reassignment on redemption and obtaining third party consent where necessary and where the relevant Chargor has used its reasonable endeavours to procure such consent but such consent has not been granted) all of its present and future right, title and interest in and to:

- (a) the Relevant Contracts, all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising from them;
- (b) each of the following:
 - (i) each present and future Key-man Policy;
 - (ii) all Insurances (if any) specified in part 6 of the schedule hereto (*Details of Security Assets*); and

continued on the continuation page

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Short particulars	<p data-bbox="309 344 1038 378">Please give the short particulars of the property mortgaged or charged.</p> <p data-bbox="309 398 1445 461">(iii) all other Insurances (not assigned by clauses 4.2(b) (i) or 4.2(b) (ii) of the Deed,</p> <p data-bbox="309 495 1445 551">and all claims under the Insurances and all proceeds of the Insurances; and</p> <p data-bbox="309 584 1485 647">(c) all other Receivables (not assigned under clauses 4.2(a) or 4.2(b) of the Deed).</p> <p data-bbox="309 680 1453 804">To the extent that any Assigned Asset described in clause 4.2(b) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Assigned Asset.</p> <p data-bbox="309 837 619 864">2.3 Assigned Assets</p> <p data-bbox="309 898 1485 1021">The Security Agent is not obliged to take any steps necessary to preserve any Assigned Asset, to enforce any term of a Relevant Contract against any person or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to the Deed.</p> <p data-bbox="309 1055 603 1081">3. FLOATING CHARGE</p> <p data-bbox="309 1115 1469 1178">The Chargor charged and agreed to charge by way of first floating charge all of its present and future:</p> <p data-bbox="309 1211 1469 1335">(a) assets and undertaking (wherever located) not otherwise effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 4.1 (<i>Fixed charges</i>), clause 4.2 (<i>Security assignments</i>) or any other provision of the Deed; and</p> <p data-bbox="309 1368 1353 1431">(b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.</p> <p data-bbox="309 1464 826 1491">4. CONVERSION OF FLOATING CHARGE</p> <p data-bbox="309 1525 699 1552">4.1 Conversion by notice</p> <p data-bbox="309 1585 1485 1682">The Security Agent may, by written notice to the Chargor, convert the floating charge created under the Deed into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if:</p> <p data-bbox="309 1715 1241 1742">(a) an Event of Default has occurred and is continuing; or</p> <p data-bbox="309 1776 1485 1899">(b) the Security Agent (acting reasonably) considers those assets specified in the notice to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.</p> <p data-bbox="309 1966 858 1993">continued on the continuation page</p>

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	Please give the short particulars of the property mortgaged or charged.	
Short particulars	<p>4.2 Small companies</p> <p>The floating charge created under the Deed by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.</p> <p>4.3 Automatic conversion</p> <p>The floating charge created under the Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:</p> <p>(a) in relation to any Security Asset which is subject to a floating charge if:</p> <p>(i) the Chargor creates (or attempts or purports to create) any Security (other than a Permitted Security) on or over the relevant Security Asset without the prior written consent of the Security Agent; or</p> <p>(ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and</p> <p>(b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Security Agent receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986).</p> <p>4.4 Scottish property</p> <p>Clause 6.3 (Automatic conversion) of the Deed will not apply to any assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such automatic conversion.</p> <p>4.5 Partial conversion</p> <p>The giving of a notice by the Security Agent pursuant to clause 6.1 (Conversion by notice) of the Deed in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent under the Deed to serve similar notices in respect of any other class of assets or of any other right of the Security Agent and/or the other Secured Parties.</p> <p>continued on the continuation page</p>	

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	Please give the short particulars of the property mortgaged or charged.	
Short particulars	<p>5. CONTINUING SECURITY</p> <p>5.1 Continuing security</p> <p>The Debenture Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. The Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.</p> <p>5.2 Additional and separate security</p> <p>The Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Agent and/or any other Secured Party may at any time hold for any Secured Obligation.</p> <p>5.3 Right to enforce</p> <p>The Deed may be enforced against the Chargor without the Security Agent and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.</p> <p>6. LIABILITY OF CHARGORS RELATING TO SECURITY ASSETS</p> <p>Notwithstanding anything contained in the Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.</p> <p>7. UNDERTAKINGS BY THE CHARGORS</p> <p>7.1 Negative pledge and Disposals</p> <p>The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Agent:</p> <p>(a) create or permit to subsist any Security or Quasi-Security on any Security Asset other than as created by the Deed and except for a Permitted Security as permitted by the Senior Facilities Agreement (on or before the Senior Discharge Date) and thereafter the Mezzanine Facility Agreement; or</p> <p>continued on the continuation page</p>	

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Short particulars

(b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset (except for a Permitted Disposal or a Permitted Transaction as permitted by the Senior Facilities Agreement (on or before the Senior Discharge Date) and thereafter the Mezzanine Facility Agreement),

or in each case, as permitted under any of the Finance Documents.

7.2 Security Assets generally

The Chargor shall:

(a) not, except with the prior written consent of the Security Agent (not to be unreasonably withheld or delayed), enter into any onerous or restrictive obligation affecting any Security Assets (except as expressly permitted under the Senior Facilities Agreement (before the Senior Discharge Date) and thereafter under the Mezzanine Facility Agreement);

(b) not do, cause or permit to be done anything which would to a material extent depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

7.3 Dealings with and realisation of Receivables and Collection Accounts

The Chargor shall without prejudice to clause 11.1 (*Negative pledge and Disposals*) of the Deed (but in addition to the restrictions in that clause), not, without the prior written consent of the Security Agent, sell, assign, charge, factor or discount or in any other manner deal with any Receivable.

8. SET-OFF

8.1 Set-off rights

(a) The Security Agent and each other Secured Party may (but shall not be obliged to) set off any matured obligation which is due and payable by the Chargor and unpaid (whether under the Finance Documents or which has been assigned to the Security Agent or such other Secured Party by any other Chargor) against any matured obligation owed by the Security Agent or such other Secured Party to the Chargor. If the obligations are in different currencies, the Security Agent or relevant Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of set-off.

continued on the continuation page

6 Short particulars of all the property mortgaged or charged

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(b) At any time after the Debenture Security has become enforceable (and in addition to its rights under clause 18.1(a) of the Deed), the Security Agent and each other Secured Party may (but shall not be obliged to) set-off any contingent liability owed by the Chargor under any Finance Document against any obligation (whether or not matured) owed by the Security Agent or such other Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

(c) If the obligations are in different currencies, the Security Agent or such other Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

(d) If either obligation is unliquidated or unascertained, the Security Agent or such other Secured Party may set off in an amount estimated by it in good faith and acting reasonably to be the amount of that obligation.

8.2 Time deposits

Without prejudice to clause 18.1 (*Set-off rights*) of the Deed, if any time deposit matures on any account which the Chargor has with the Security Agent or any other Secured Party at a time within the Security Period when:

- (a) this Debenture Security has become enforceable; and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Security Agent or such other Secured Party in its absolute discretion considers appropriate unless the Security Agent or such other Secured Party otherwise agrees in writing.

9. FURTHER ASSURANCES

9.1 Further action

Subject to the Agreed Security Principles the Chargor shall (and the Parent shall procure that the Chargor shall) at its own expense, promptly do all acts and execute all documents as the Security Agent or a Receiver may reasonably specify in writing (and in such form as the Security Agent or a Receiver may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by the Deed;
- (b) facilitating the realisation of any Security Asset;

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Short particulars	<p>(c) facilitating the exercise of any rights, powers and remedies exercisable by the Security Agent, any other Secured Party or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law; or</p> <p>(d) creating and perfecting Security in favour of the Security Agent or the Secured Parties over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to the Deed.</p> <p>This includes:</p> <p>(i) the re-execution of the Deed;</p> <p>(ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Security Agent or to its nominee; and</p> <p>(iii) the giving of any notice, order or direction and the making of any filing or registration,</p> <p>which, in any such case, the Security Agent (acting reasonably) may think expedient.</p> <p>9.2 Finance Documents</p> <p>Subject to the Agreed Security Principles, the Chargor shall (and the Parent shall procure that each member of the Group shall) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to the Deed.</p> <p>9.3 Specific security</p> <p>Without prejudice to the generality of clause 20.1 (<i>Further action</i>) of the Deed, the Chargor will promptly upon request by the Security Agent execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under the Deed (including any fixed security arising or intended to arise pursuant to clause 6 (<i>Conversion of floating charge</i>) of the Deed).</p> <p>continued on the continuation page</p>

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Please give the short particulars of the property mortgaged or charged.

Short particulars

10. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appointed the Security Agent, each Receiver and any Delegate to be its attorney to take any action on enforcement of the Debenture Security which the Chargor is obliged to take under the Deed, including under clause 20 (*Further assurances*) of the Deed or, prior to enforcement of the Debenture Security which the Chargor has failed to take in which case the power of attorney in respect thereof is limited to dealing with the breach. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

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4	Amount secured	
	Please give us details of the amount secured by the mortgage or charge.	
Amount secured	<p>NOTE.</p> <p>In this form:</p> <p>"Agreed Security Principles" means the principles set out in schedule 12 (<i>Agreed Security Principles</i>) of the Senior Facilities Agreement;</p> <p>"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 (<i>Security assignments</i>) of the Deed;</p> <p>"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration in each case, as required by law;</p> <p>"Cash Collateral Accounts" means the Mandatory Prepayment Account (as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement) and including but not limited to the accounts (if any) specified as such in part 3 of the schedule hereto (<i>Details of Security Assets</i>);</p> <p>"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;</p> <p>"Charged Securities" means:</p> <p>(a) the securities (if any) specified in part 2 of the schedule hereto (<i>Details of Security Assets</i>); and</p> <p>(b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at 18 January 2010) as at 18 January 2010 or in future owned (legally or beneficially) by a Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which such Chargor has an interest at any time;</p> <p>"Collection Account" has the meaning given to that term in clause 11.8(a) (iii) of the Deed;</p> <p>"Debenture Security" means the Security created or evidenced by or pursuant to the Deed or any Accession Deed (as defined in the Deed);</p> <p>"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Agent or by a Receiver;</p> <p>"Event of Default" means each Event of Default as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement;</p> <p>continued on the continuation page</p>	

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Amount secured

Please give us details of the amount secured by the mortgage or charge.

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"Finance Documents" means the Senior Finance Documents and the Mezzanine Finance Documents (each as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement);

"Group" means the Parent and each of its Subsidiaries (as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement) for the time being;

"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of a Chargor, or in which a Chargor from time to time has an interest (excluding any third party liability insurance, but including, without limitation:

(a) all present and future Key-man Policies; and

(b) the policies of insurance (if any) specified in part 6 of the schedule hereto (**Details of Security Assets**));

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of each Chargor in, or relating to:

(a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may as at 18 January 2010 or in the future subsist), whether registered or unregistered; and

(b) the benefit of all applications and rights to use such assets of each Chargor (which may as at 18 January 2010 or in the future subsist), (including, without limitation, the intellectual property rights (if any) specified in part 4 of the schedule hereto (**Details of Security Assets**));

"Intercreditor Agreement" means the intercreditor agreement dated 18 January 2010 and made between, among others, the Parent, the Company, the Debtors (as defined in the Intercreditor Agreement), Barclays Bank PLC as Security Agent, Barclays Bank PLC as senior agent, Ares Capital Europe Limited as mezzanine agent, the Lenders (as Senior Lenders), the Arranger (as Senior Arrangers), the Ancillary Lenders (as Senior Lenders), the Mezzanine Lenders, the Mezzanine Arrangers (each as defined in the Intercreditor Agreement), the Structural Lender and the Intra-Group Lenders (as defined in the Intercreditor Agreement);

continued on the continuation page

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Particulars of a mortgage or charge

4

Amount secured

Please give us details of the amount secured by the mortgage or charge.

Amount secured

"Key-man Policy" means in each case a key-man life assurance policy taken out and maintained by an Obligor (as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement) in respect of the death or disability (or critical illness) of:

(a) Stephen Robert Page and is for not less than £1,000,000 for a term of 3 years from the Closing Date (as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement); and

(b) David Johnson and is for not less than £500,000 for a term of 3 years from the Closing Date;

"Mezzanine Facility Agreement" means the mezzanine facility agreement dated 18 January 2010 and made between (1) Acorn Care 3 Limited as the Parent, (2) Acorn Care 4 Limited as the Original Borrower, (3) the subsidiaries of the Parent listed in Part 1 of Schedule 1 thereto as the Original Guarantors, (4) the financial institutions listed in Part 2 of Schedule 1 thereto as the Original Lenders, (5) Ares Capital Europe Limited as Agent and (6) Barclays Bank PLC as the Security Agent;

"Old School" means the property known as The Old School, St Margarets Centre, Kingsdown Road, St Margarets at Cliffe, Dover, CT15 6AZ;

"Parent" means Acorn Care 3 Limited with CRN: 7121805;

"Permitted Disposal" has the meaning assigned to that term in the Senior Facilities Agreement;

"Permitted Security" has the meaning assigned to that term in the Senior Facilities Agreement;

"Permitted Transaction" has the meaning assigned to that term in the Senior Facilities Agreement;

"Quasi-Security" has the meaning given to that term in clause 25.13 (Negative pledge) of the Senior Facilities Agreement;

"Real Property" means all estates and interests in freehold, leasehold (save for any leasehold titles with less than 15 years to expiry other than Old School) and other immovable property (wherever situated) as at 18 January 2010 or in future belonging to any Chargor, or in which any Chargor has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 of the schedule hereto (Details of Security Assets)), together with:

(a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;

(b) all easements, rights and agreements in respect thereof; and

(c) the benefit of all covenants given in respect thereof;

continued on the continuation page

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Particulars of a mortgage or charge

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Amount secured

Please give us details of the amount secured by the mortgage or charge.

Amount secured

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, any Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

(a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and

(b) all proceeds of any of the foregoing;

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Security Agent under the Deed;

"Related Rights" means, in relation to any Charged Security:

(a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition; and

(b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Relevant Contract" means:

(a) each Acquisition Document; and

(b) each Hedging Agreement,

(each as defined in the Senior Facilities Agreement)

together with each other agreement supplementing or amending or novating or replacing the same;

"Secured Parties" means the Security Agent, any Receiver or Delegate and each of the Senior Finance Parties and the Mezzanine Finance Parties (each as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement) from time to time;

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

continued on the continuation page

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Particulars of a mortgage or charge

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Amount secured

Please give us details of the amount secured by the mortgage or charge.

Amount secured

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Deed;

"Security Period" means the period beginning 18 January 2010 and ending on the date on which:

(a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and

(b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents;

"Senior Discharge Date" has the meaning given to that term in the Intercreditor Agreement;

"Senior Facilities Agreement" means the senior term and revolving facilities agreement dated 18 January 2010 and made between (1) Acorn Care 3 Limited as the Parent, (2) Acorn Care 4 Limited as the Company and the Original Borrower, (3) the subsidiaries of the Parent listed in Part 1 of Schedule 1 to it as Original Guarantors, (4) Barclays Strategic Debt Finance, GE Corporate Finance Bank SAS and Lloyds TSB Bank plc as the Arrangers, (5) the financial institutions listed in Parts 2 of Schedule 1 to it as the Original Lenders, (6) the financial institutions listed in Part 3 of Schedule 1 to it as the Original Hedge Counterparties, (7) Barclays Bank PLC as the Agent and (8) Barclays Bank PLC as the Security Agent, pursuant to which the Original Lenders agreed to make certain facilities available to the Borrowers;

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

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Particulars of a mortgage or charge

4

Amount secured

Please give us details of the amount secured by the mortgage or charge.

Amount secured

SCHEDULE

Details of Security Assets

Part 1 - Real Property

Registered Land			
Chargor and Company Number	Address	Land Registry Administrati ve Office	Title number
Underley Educational Services 03381128	Land at High Cunsey, Sawrey, Cumbria	Durham	CU61286
Underley Educational Services 03381128	Underley Hall School, Kirkby, Lonsdale, Carnforth, LA6 2HE	Fylde	CU90902
Underley Educational Services 03381128	The Boathouse Number 3, Bellmans Landing, Storrs Park, Bowness-on- Windermere	Durham	CU35326
Underley Educational Services 03381128	Car parking space and Websters Yard, Kendal	Durham	CU76317

Part 2 - Charged Securities

None

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Particulars of a mortgage or charge

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Amount secured

Please give us details of the amount secured by the mortgage or charge.

Amount secured

Part 3 - Charged Accounts

Collection Accounts			
Account Holder	Account Number	Account Bank	Account bank branch address and sort code
Underley Educational Services	50825166 00207861	Barclays Bank	Barclays House, Murley Moss Business Village, Oxenholme Road, Kendal, Cumbria LA9 7RL
Underley Educational Services	02268058	Allied Irish Bank	10 Old Jewry London, EC2R 8DN, ref 596849

Part 4 - Intellectual Property

Registered Trade Marks

None

Part 5 - Relevant Contracts

None

Part 6 - Insurances

Chargor	Insurer	Policy number
Underley Educational Services	Ecclesiastical	02/CSS/0117008



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 3381128
CHARGE NO. 7**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A GROUP DEBENTURE DATED 18
JANUARY 2010 AND CREATED BY UNDERLEY EDUCATIONAL
SERVICES FOR SECURING ALL MONIES DUE OR TO BECOME
DUE FROM EACH PRESENT OR FUTURE MEMBER OF THE
GROUP TO BARCLAYS BANK PLC (THE SECURITY AGENT)
AND/OR THE OTHER SECURED PARTIES ON ANY ACCOUNT
WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED
INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS
REGISTERED PURSUANT TO CHAPTER 1 PART 25 OF THE
COMPANIES ACT 2006 ON THE 23 JANUARY 2010

GIVEN AT COMPANIES HOUSE, CARDIFF THE 26 JANUARY
2010

Dx/CH



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES