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COMPANIES FORM No 395

185780/10

395

CHFP000

A fee of £10 is payable to Companies House in respect of each register entry for the mortgage or charge.

Please do not write
in this margin
Please complete
legibly, preferably
in black type or
bold block lettering

Pursuant to section 395 of the Companies Act 1985:

To the Registrar of Companies
(Address overleaf - Note 6)

For Official use

Company Number

4236500

Name of Company

* FOCUSEDUCATION (LINCOLNSHIRE) LIMITED (the "Company")

*insert full name of
company

Date of creation of the charge

13 August 2004

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

The fixed and floating charge document entitled "Supplementary Borrowers Debenture" dated 13 August 2004 made between the Company and the Security Trustee (as defined below) (the "Charge Document")

Amount secured by the mortgage or charge

All monies, debts and liabilities which now are or have been or at any time hereafter may be or become due, owing or incurred by the Company to any Senior Creditor under or in connection with any Senior Finance Document (in each case, whether alone or jointly, or jointly and severally, with any other Person, whether actually or contingently and whether as principal debtor, guarantor, surety or otherwise) (the "Liabilities").

Words and expressions defined in this section have the same meaning given to them in the continuation sheet to this Form.

Name and address of the mortgagees or persons entitled to the charge

Halifax plc as Security Trustee for the Senior Creditors (as defined in the continuation sheet to this Form) of 33 Old Broad Street, London (the "Security Trustee")

Postcode

EC2N 1HZ

Presenter's name address and
reference (if any):

Linklaters

One Silk Street

London EC2Y 8HQ

Tel: 020 7456 2000

Ref: AMiller / DPapaeistratiou

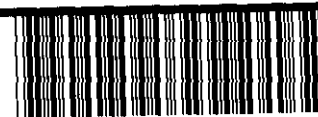
Please return

via

CH London Courier

For official Use
Mortgage Section

Post room



LJER7XT6

LD3
COMPANIES HOUSE0275
20/08/04

Time critical reference

(PLEASE SEE ATTACHED CONTINUATION SHEET)

Please do not write
in this margin

Please complete
legibly, preferably
in black type or
bold block lettering

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Linhlatus

Date *20 August 2004.*

On behalf of chargee

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

Note

[†] 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 including 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.
5. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is:-

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1 Charging Provision

The Company with full title guarantee (but subject to any Security existing on the date of the Charge Document and permitted pursuant to Clause 17.2.4 of the Loan Agreement and not prohibited by any other Senior Finance Document) and as security for the payment and discharge of all Liabilities charged in favour of the Security Trustee (as security trustee for the Senior Creditors):

- 1.1 by way of first legal mortgage all Real Property in England and Wales now belonging to it
- 1.2 by way of first fixed equitable charge, all Real Property now belonging to it (except that charged by paragraph 1.1 above) and all Real Property acquired or granted by it after the date of the Charge Document
- 1.3 by way of first fixed charge all its present and future:
 - 1.3.1 Book Debts (except those assigned by paragraph 2 below)
 - 1.3.2 Investments, Rights attaching or relating to Investments and all cash or other Investments hereafter belonging to the Company and deriving from Investments or such Rights
 - 1.3.3 uncalled capital and goodwill
 - 1.3.4 Intellectual Property and the benefit of all present and future licences and sub-licences of Intellectual Property granted either by or to it and
 - 1.3.5 plant and machinery (except that charged by paragraphs 1.1 and 1.2 above) and
- 1.4 by way of first floating charge, its undertaking and all its Assets, both present and future (including Assets expressed to be charged by paragraphs 1.1 to 1.3 above or assigned by paragraph 2 below).

1.5 Ranking

The floating Charge created by paragraph 1.4 above shall rank behind all the fixed Charges created by or pursuant to the Charge Document but shall rank in priority to any other Security created by the Company after the date of the Charge Document except for Security permitted by paragraph 3.1 below to rank in priority and except for Security ranking in priority in accordance with Clause 8.3.5 of the Charge Document.

2 Assignment Provisions

The Company with full title guarantee (but subject to any Security existing on the date of the Charge Document and permitted pursuant to Clause 17.2.4 of the Loan Agreement) assigned by way of security to the Security Trustee all its present and future:

- 2.1 Rights, title and interest in, to and under its present and future Insurances and all proceeds in respect of Insurances and all benefits thereof (including all claims of whatsoever nature relating thereto and returns of premium in respect thereof)
- 2.2 Rights, title and interest in and to the Assigned Accounts
- 2.3 Rights, title and interest in, to and under the Assigned Contracts including all monies which at any time may be or become payable to the Company pursuant thereto and the net proceeds of any

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claims, awards and judgments which may at any time be receivable or received by the Company pursuant thereto and

- 2.4** Rights in relation to its Real Property (except those charged by paragraphs 1.1 and 1.2 above), including all Rights against all past, present, and future undertenants of its Real Property and their respective guarantors and/or sureties.

Note (1): The Charge Document provides that:

3 Restrictions on Dealing

3.1 Security

The Company shall not create or have outstanding any Security on, over or with respect to any of its present or future Assets except for:

3.1.1 the Charges

3.1.2 any other Security permitted by Clause 17.2.4 of the Loan Agreement and not prohibited by any other Senior Finance Document.

3.2 Disposal

The Company shall not assign to any Person all or part of the benefit of any Project Document or any interest therein or any of the revenues or proceeds thereof or make or concur in (whether by a single transaction or in a number of related or unrelated transactions and whether at one time or over a period of time) any sale, transfer, lease out, lend or other disposal of (whether outright, by a sale-and-repurchase or sale-and-leaseback arrangement, or otherwise) any of its Assets except until either (i) the floating Charge crystallises, or (ii) an Enforcement Event has occurred and the Security Trustee takes any step to enforce the Charges or gives notice to the Company that this exception is no longer to apply, any such disposal permitted by Clause 17.2.5 of the Loan Agreement and not prohibited by any other Senior Finance Document.

3.3 Real Property

Without prejudice to paragraph 3.2 above, the Company shall not, save as contemplated in the Relevant Documents, in relation to any of its Real Property:

3.3.1 grant any Rights over its Real Property

3.3.2 exercise any of the powers of leasing or agreeing to lease vested in or conferred on mortgagors by common law or by statute

3.3.3 create a tenancy of any kind

3.3.4 part with or share possession or occupation

3.3.5 accept the surrender of any lease, underlease or tenancy or

3.3.6 agree to do any of the foregoing.

3.4 Registered Land

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The parties shall apply to HM Land Registry for a restriction to be entered on the Register of the titles of such of the Company's Real Property as is registered on or after the date of the Charge Document under the Land Registration Act 2002 in the following form: No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated 13 August 2004 in favour of the Security Trustee as security trustee for the Secured Creditors referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or solicitor.

3.5 Intellectual Property

Save as contemplated in the Relevant Documents, the Company shall not in relation to any of its present or future Intellectual Property or any part thereof grant any exclusive registered user agreement or exclusive licence, except to the extent permitted by Clause 17.1.7 of the Loan Agreement.

3.6 Assigned Contracts

3.6.1 The Company shall not amend, vary, waiver or modify (or agree to amend, vary, waiver or modify) any of the Assigned Contracts or any provision thereof except as contemplated by and in the manner provided for in Clause 17.2.2 of the Loan Agreement and as not prohibited by any other Senior Finance Document, or exercise any right to rescind or terminate any Assigned Contract except in accordance with Clauses 17.1.4(iv) and 17.1.15 of the Loan Agreement.

3.6.2 Notwithstanding anything to the contrary, the Company shall remain liable under the Assigned Contracts to perform all the obligations assumed by it thereunder and neither the Security Trustee nor any Senior Creditor, Receiver, Delegate or sub-delegate shall be under any obligation or liability to the Company or any other Person under or in respect of any Assigned Contract, whether by reason of the Charge Document or otherwise.

3.6.3 Save as contemplated in the Relevant Documents and, without prejudice to the generality of the foregoing, subject to the terms of the Loan Agreement and the Charge Document, the Company shall remain entitled to exercise its rights, powers and discretions under the Assigned Contracts.

3.7 Insurance

3.7.1 The Company shall comply with its obligations under Clause 18 of the Loan Agreement and each other provision of the Senior Finance Documents relating to Insurance.

3.7.2 Notwithstanding anything to the contrary, the Company shall remain liable under the Insurances to perform all the obligations assumed by it thereunder and neither the Security Trustee nor any Receiver, Delegate or sub-delegate shall be under any obligation or liability to the Company or any other Person under or in respect of any Insurance, whether by reason of the Security Documents or otherwise.

4 Conversion of Floating Charge

The Security Trustee may by notice to the Company convert the floating Charge created by paragraph 1.4 above into a fixed Charge as regards such Charged Assets as shall be specified (whether generally or specifically) in that notice:

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4.1 if it considers that it would be necessary to do so in order to protect or preserve the Charges over those Charged Assets or the priority of those Charges, and/or

4.2 on or at any time following the occurrence of an Enforcement Event.

If, without the prior consent in writing of the Security Trustee, the Company creates any Security in breach of paragraph 3.1 above over any of the Charged Assets not expressed to be subject to a fixed Charge under the Charge Document, or attempts to do so, or if any Person levies or attempts to levy any distress, attachment, execution or other legal process against any of those Charged Assets, the floating charge created by the Charge Document over the Charged Assets the subject of such Security or process shall automatically, without notice, be converted into a fixed Charge instantly such event occurs.

5 Qualifying Floating Charge

5.1 The floating charge created by the Company pursuant to Clause 3.1.4 of the Charge Document is a "qualifying floating charge" for the purposes of paragraph 14.2(a) of Schedule B1 to the Insolvency Act.

5.2 Paragraph 14 of Schedule B1 to the Insolvency Act shall apply to the Charge Document and the Security Trustee may appoint an Administrator of the Company pursuant to that paragraph.

6 Book Debts and Bank Accounts

6.1 Collection

The Company shall promptly collect all Book Debts and, until payment into a Project Account as provided for in Clause 22 of the Loan Agreement and the Account Bank Agreement, shall receive and hold the proceeds of collection on trust for the Security Trustee.

6.2 Payment into Project Account(s)

The Company shall immediately pay all monies received or receivable by it from any source (including all proceeds of collection of Book Debts) into the relevant Project Account in accordance with Clause 22 of the Loan Agreement and the Account Bank Agreement .

6.3 Restriction on Bank Accounts

The Company shall have no bank accounts other than those provided for in Clause 22 of the Loan Agreement and the Account Bank Agreement.

6.4 Withdrawals

The Company shall not be entitled to withdraw all or any part of the balance standing to the credit of any Project Account (other than the Distribution Account) except:

6.4.1 until the Senior Finance Liabilities Discharge Date:

(i) in the case of any transfer from a Project Account to the Distribution Account, to such extent (if any) permitted in the Account Bank Agreement and the Loan Agreement and

(ii) in any other case, to such extent (if any) permitted in the Loan Agreement.

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If, under Clause 22 of the Loan Agreement and the Account Bank Agreement, the withdrawal of any amount to or from any Project Account is permitted then, on the relevant debit being made, the relevant amount shall be automatically released from the fixed Charge thereon or assignment thereof (if any) created by or pursuant to the Charge Document. However, if and to the extent that all or part of that amount is paid into another Project Account (other than the Distribution Account) which is in credit or becomes in credit as a result, it shall thereupon automatically become subject to the fixed Charge or assignment (if any) on the credit balance in such Project Account.

6.5 Restrictions on Dealing with Book Debts

Without prejudice and in addition to Clauses 3.7, 3.8 and 3.10 of the Charge Document and paragraphs 3.1 and 3.2 above and subject to Clause 17.2.4 (*Negative Pledge*) of the Loan Agreement:

- 6.5.1 except for the Charges, the Company shall not create or have outstanding any Security on or over all or any part of any of the Book Debts
- 6.5.2 except as required by paragraph 6.5.4 below, the Company shall not sell, factor, discount, transfer, assign, lend or otherwise dispose of all or any part of any of the Book Debts
- 6.5.3 if called upon to do so by the Security Trustee, the Company shall as soon as reasonably practicable deliver to the Security Trustee such documents relating to such of the Book Debts as the Security Trustee may, before the occurrence of an Enforcement Event, reasonably designate or, after the occurrence of an Enforcement Event, designate (either generally or specifically) and
- 6.5.4 if called upon to do so by the Security Trustee, the Company shall as soon as reasonably practicable execute and deliver to the Security Trustee (in such form as the Security Trustee may reasonably require) a legal assignment of all the Company's Right, title and interest in and to such of the Book Debts as the Security Trustee may designate (either generally or specifically).

7 Charged Investments

7.1 Exercise of Rights by the Security Trustee

After an Enforcement Event:

- 7.1.1 the Security Trustee or, as the case may be, the Receiver shall be entitled to exercise or direct the exercise of all Rights (including voting rights) attached to, or connected with, any Charged Investment in such manner as it or he deems necessary to protect its or his interest and
- 7.1.2 the Company shall comply or procure the compliance with any reasonable directions of the Security Trustee or, as the case may be, the Receiver in respect of the exercise of such Rights and shall deliver to the Security Trustee or, as the case may be, the Receiver such forms of proxy and/or other documents as it or he may reasonably require with a view to enabling such Person as it or he may select to exercise such Rights.

7.2 Exercise of Rights by the Company

Subject to paragraph 7.1 above, the Company shall be entitled to exercise or direct the exercise of (or refrain from exercising or directing the exercise of) the Rights attached to any Charged

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Investment in such manner as it sees fit provided that the Company shall at all times (except when expressly directed otherwise by the Security Trustee) ensure that:

- 7.2.1 it exercises or directs the exercise of such voting rights for a purpose not inconsistent with any provision of any Senior Finance Document and
- 7.2.2 such action or inaction would not have an adverse effect on the value of the relevant Charged Investment or the Charged Assets and would not otherwise prejudice the interests of the Senior Creditors.

8 Registration of Real Property

8.1.1 If title to any existing or future Real Property of the Company is (either before or after its acquisition) registered or required to be registered under the Land Registration Act 2002, the Company shall:

- (i) promptly apply to HM Land Registry for first registration of such Real Property (where the Company is not already so registered) and registration of the Company as proprietor of the Real Property;
- (ii) promptly apply to HM Land Registry to register the fixed legal mortgage created by Clause 3.1.1 of the Charge Document and notice of all other charges;
- (iii) submit to HM Land Registry a duly completed Form RX1 requesting that a restriction in the form specified in Clause 4.4 of the Charge Document be entered *on the register of the title to that Real Property in respect of the Charges created by the Charge Document*;
- (iv) promptly pay all appropriate registration fees to HM Land Registry; and
- (v) *on completion of any such registration, supply to the Security Trustee a certified copy of the relevant Title Information Document issued by HM Land Registry.*

8.1.2 In the case of any other Real Property in England and Wales, the Company shall apply to register the Charge Document at the Land Charges Registry if, for any reason, the title deeds and documents are not deposited with the Security Trustee.

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Note (2): In this Form, except to the extent that the context requires otherwise:

"Account Bank" means Halifax plc

"Account Bank Agreement" means the agreement dated 27 September 2001 between the Company, the Holding Company, the Account Bank, and the Security Trustee in relation to the establishment and operation of the Project Accounts held with the Account Bank together with any bank mandates, fee letters or safekeeping agreements agreed between the Company or (as the case may be) the Holding Company and the Account Bank in relation thereto

"Administrator" means an administrator appointed under Schedule B1 to the Insolvency Act

"Agent" means Halifax plc

"Approved Hedging Programme" means at any time such agreements for the management of the Company's exposure to changes in floating rates of interest as the Majority Banks (as defined in the Loan Agreement) may approve

"Arranger" means Halifax plc

"Assets" means, in relation to any Person, all or any part of its business, undertaking, property, assets, revenues, Rights and uncalled capital, wherever situated

"Assigned Accounts" means each of the bank accounts listed in Schedule 4 to the Charge Document and any other current, deposit or other accounts now or hereafter held by the Company with any Person (other than the Distribution Account) and all balances now or hereafter standing to the credit of any such accounts. The Assigned Accounts specified in Schedule 4 to the Charge Document (Assigned Accounts) are the following accounts held with the Account Bank:

Name of Account	Account No
Proceeds Account	15462431, reference PR0000IF
Operating Account	15462431, reference OPE0002F
Maintenance Reserve Account	15462431, reference MAI0003F
Insurance Proceeds Account	15462431, reference INS0004F
Senior Debt Service Reserve Account	15462431, reference SEN0005F
Prepayment Account	15462431, reference PRE0007F
Tax Reserve Account	15462431, reference TAX0008F
Drawdown Account	15462431, reference DRA0009F

"Assigned Contracts" means all the Project Documents to which the Company is a party

"Authorised Investment" means any of:

- (a) UK government securities denominated in Sterling and with less than 1 year to run to maturity or
- (b) Sterling bank debt obligations in the form of time deposits, certificates of deposit or banker's acceptances and payable not more than 364 days from the date of original issue or deposit, in each case held or issued, as the case may be, in England with or by a bank which is an authorised institution under the Banking Act 1987 and has a short term debt

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rating of A1 or better by Standard & Poor's Corporation or P1 or better by Moody's Investors Service, Inc.,

or such other investments as the Agent (acting on the instructions of the Majority Banks (as defined in the Loan Agreement)) and the Company may agree

"Authority" means Lincolnshire County Council of County Office, Newland, Lincoln LN1 1YL

"Authority Direct Agreement" means the direct agreement dated 27 September 2001 between the Borrower, the Security Trustee, the Agent and the Authority in respect of *inter alia* the Project Agreement as amended by a side letter on or about the South Park Amendment Date

"Banks" means the banks and financial institutions named as "Banks" in the Loan Agreement

"Bank Creditors" means the Arranger, the Agent, the Banks and the Account Bank

"Bank Finance Documents" means the Senior Finance Documents other than the Hedging Agreements

"Book Debts" means all book and other debts of any nature whatsoever, now or hereafter due or owing to the Company including, for the avoidance of doubt, all cash deriving from Investments or Rights attaching or relating to Investments and the benefit of all negotiable instruments, Rights, Security, guarantees and indemnities of any nature whatsoever now or hereafter enjoyed or held by it in relation thereto

"Borrower" means the Company

"Borrowers Debenture" means the Original Borrowers Debenture and the Charge Document

"Borrowers Group" means the Company, the Holding Company and (without prejudice to Clause 17.2.16 (No Subsidiaries/Amalgamations) of the Loan Agreement) their Subsidiaries from time to time

"Borrower Project Accounts" means any account of the Company so designated pursuant to Clause 22.2 of the Loan Agreement

"Building Contractor Loan Agreement" means the agreement dated 27 September 2001 between the Company and the Contractor in relation to the Construction Contract

"Charged Assets" means, subject to Clause 8.2 of the Charge Document, Assets from time to time subject, or expressed to be subject, to the Charges or any part of those Assets

"Charges" means all or any of the charges or other Security created (or expressed to be created), or which may at any time be created (or expressed to be created), by or pursuant to the Charge Document

"Construction Contract" means the agreement dated 27 September 2001 between the Borrower and the Contractor relating to the design and construction of the Schools by the Contractor as amended on or about the South Park Amendment Date

"Contractor" means Bovis Lend Lease Limited (or any of its permitted successors or assigns) or any Person from time to time acting as a contractor to the Company under a contract replacing the Construction Contract

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"Contractor Direct Agreement" means the agreement dated 27 September 2001 between inter alia the Company, the Security Trustee and the Contractor in respect of the Construction Contract

"Contractor Parent Company Guarantee" means the guarantee dated 27 September 2001 given by Bovis Lend Lease Holdings Limited, in favour of the Company, of the obligations of the Contractor under the Construction Contract

"Delegate" means a delegate or sub-delegate appointed, directly or indirectly, pursuant to Clause 9.2 of the Charge Document

"Direct Agreements" means:

- (a) the Authority Direct Agreement
- (b) the Contractor Direct Agreement and
- (c) the FM Services Direct Agreement

a **"Directive"** includes any present or future directive, regulation, request, requirement, code of practice, rule or credit restraint programme of any agency or of any self-regulating organisation (but, if not having the force of law, only if compliance with the Directive is in accordance with the general practice of Persons to whom the Directive is intended to apply)

"Distribution Account" means the account so designated and maintained pursuant to Clause 22.9 of the Loan Agreement

any **"Document"** (including the Charge Document) is a reference to that document as from time to time amended, supplemented, novated, restated or replaced and includes a reference to any document which amends, supplements, novates, restates, replaces or is entered into, made or given under or in accordance with any of the terms of, that document

"Enforcement Event" means the occurrence of an event of default or the like (howsoever described) under the Senior Finance Documents and the delivery of instructions in accordance with the Intercreditor Agreement to the Security Trustee instructing it to enforce any of its rights under the Security Documents

"Equity" means any share capital of the Company and/or the Holding Company (including, without limitation, ordinary, preference, deferred and redeemable shares irrespective of any voting rights attached thereto and any restrictions on rights to participate in distributions)

"Equity Bridge Banks" means the Banks from time to time having Equity Bridge Commitments

"Equity Bridge Commitment" means, in relation to a Bank at any time, the aggregate of its Equity Bridge Tranche A Commitment and its Equity Bridge Tranche B Commitment

"Equity Subscription Agreement" means the equity subscription agreement dated 27 September 2001 between inter alia:

- (a) the Sponsors and the Shareholders for the subscription of equity in the Shareholders
- (b) the Shareholders and the Holding Company for the subscription of Equity by the Shareholders in the Holding Company and
- (c) the Holding Company and the Borrower for the subscription of Equity by the Holding Company in the Borrower

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"Equity Bridge Tranche A" has the meaning given to it in Clause 2.1.2(i) of the Loan Agreement

"Equity Bridge Tranche A Commitment" means, in relation to a Bank at any time, and subject as provided in this Agreement, the amount (if any) set opposite its name at the end of the Loan Agreement next to "Equity Bridge Tranche A" under the heading "Equity Bridge" (or as provided in any Transfer Certificate by which such Bank acquires a participation in Equity Bridge Tranche A, pursuant to Clause 29.3 of the Loan Agreement) as the same may be cancelled or reduced from time to time in accordance with the Loan Agreement

"Equity Bridge Tranche B" has the meaning given to it in Clause 2.1.2(ii) of the Loan Agreement

"Equity Bridge Tranche B Commitment" means, in relation to a Bank at any time, and subject as provided in this Agreement, the amount (if any) set opposite its name at the end of the Loan Agreement next to "Equity Bridge Tranche B" under the heading "Equity Bridge" (or as provided in any Transfer Certificate by which such Bank acquires a participation in Equity Bridge Tranche B, pursuant to Clause 29.3 of the Loan Agreement) as the same may be cancelled or reduced from time to time in accordance with the Loan Agreement

"Fees Letters" means the fees letters referred to in Clause 9.1, Clause 9.3, Clause 9.4 and/or Clause 9.4A of the Loan Agreement and Clause 20.2.1 of the Intercreditor Agreement

"Finance Documents" means the Senior Finance Documents and the Junior Finance Documents

"Fixtures" means, in relation to any Person, the fixtures, fittings (including trade fixtures and fittings), fixed plant, machinery and apparatus belonging to it

"FM Contractor Loan Agreement" means the agreement dated 27 September 2001 between the Company and the FM Services Provider in relation to the FM Services Contract

"FM Services Contract" means the agreement dated 27 September 2001 between the Borrower and the FM Services Provider as amended on or about the South Park Amendment Date

"FM Services Direct Agreement" means the agreement dated 27 September 2001 between inter alia the Company, the Security Trustee and the FM Services Provider in respect of the FM Services Contract

"FM Services Provider" means Bovis Lend Lease Limited (or any of its permitted successors or assigns) or any Person acting as a facilities management service provider to the Company under a contract replacing the FM Services Contract as permitted by the Loan Agreement

"FM Services Provider Parent Guarantee" means the guarantee dated 27 September 2001 of the obligations of the FM Services Provider under the FM Services Contract given by Bovis Lend Lease Holdings Limited in favour of the Company

"Further Loan Stock" means the loan notes due 31 August 2032 of the Holding Company constituted by the Further Loan Stock Deed

"Further Loan Stock Deed" has the meaning ascribed thereto in the Supplemental Equity Subscription Agreement

"Further On-Loan Agreement" means the agreement dated on or about the South Park Amendment Date between the Holding Company and the Borrower for the purpose of making

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available to the Borrower the proceeds of the subscription for Further Loan Stock subject to the terms and conditions of the Loan Agreement.

a **"Guarantee"** also includes an indemnity, a performance bond, and any other obligation (whatever called) of any Person to pay, purchase, provide funds (whether by the advance of money, the purchase of or subscription for shares or other securities, the purchase of Assets or services, or otherwise) for the payment of, indemnify against the consequences of default in the payment of, or otherwise be responsible for, any Indebtedness of any other Person (and **"guaranteed"** and **"guarantor"** shall be construed accordingly)

"HC Debenture" means the Original HC Debenture and the Supplementary HC Debenture

"HC Distribution Account" means the account so designated and maintained pursuant to Clause 22.14 of the Loan Agreement

"HC Junior Finance Liabilities" means the Junior Finance Liabilities of the Holding Company

"HC Proceeds Account" means the account so designated and maintained pursuant to Clause 22.13 of the Loan Agreement

"HC Project Accounts" means the HC Distribution Account and the HC Proceeds Account

"HC Shares" means any share capital of the Holding Company (including, without limitation, ordinary, preference, deferred and redeemable shares irrespective of any voting rights attached thereto and any restrictions on rights to participate in distributions)

"Hedging Agreements" means the Original Hedging Agreement, and any other agreement entered into pursuant to the Approved Hedging Programme

"Hedging Counterparties" means the Halifax plc and any party acceding to the Intercreditor Agreement as a Hedging Counterparty

"Holding Company" means FocusEducation (Lincolnshire) Holdings Limited

"ICT Services Provider" means British Telecommunications plc

"ICT Works and Services Agreement" means the agreement dated 27 September 2001 between the ICT Services Provider and the Company relating to the provision of information and computer technology services

"Indebtedness" means, with respect to any Person (the **"Relevant Person"**), any obligation (whether present or future, actual or contingent, secured or unsecured, as principal, surety or otherwise) of the Relevant Person for the payment or repayment of money

"Independent Certifier Contract" means the agreement so entitled dated 27 September 2001 between the Authority, the Company and the Faithful & Gould Limited

"Insolvency Act" means the Insolvency Act 1986

"Insurances" means "Insurances" as that term is defined in the Loan Agreement and any other contract and policy of insurance of any kind taken out by or on behalf of the Company or (to the extent of its interest) in which the Company now or hereafter has an interest

"Intellectual Property" means intellectual property of every description including, without limitation, patents and registered designs, copyrights, unregistered designs, rights in trademarks

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whether registered or not, goodwill and rights in confidential information, service marks and know-how and any associated or similar rights which may now or hereafter exist (including, where applicable, applications and rights to apply therefor)

"Intercreditor Agreement" means the security trust and intercreditor deed dated 27 September 2001 and amended and restated on or about the date of the Charge Document between inter alia, the Borrower, the Holding Company and the Security Trustee

"Investments" means:

- (a) shares, stock and debentures (including debenture stock, loan stock, bonds, notes and certificates of deposit)
- (b) warrants, options or other Rights to subscribe for, purchase, call for delivery of or otherwise acquire shares, stock or debentures
- (c) all Rights relating to shares, stock or debentures which are deposited with, or registered in the name of, any depositary, custodian, nominee, clearing house or system, investment manager or other similar Person or the holder of any Security or such holder's nominee, in each case whether or not on a fungible basis (including rights against any such Person), and
- (d) any other securities in, of or created by any Person

and includes Authorised Investments

"Junior Creditors" has the meaning ascribed thereto in the Shareholders Support Agreement

"Junior Finance Documents" means the Shareholders Agreement, the Equity Subscription Agreement, the Supplemental Equity Subscription Agreement, the Shareholders Support Agreement, the Loan Stock Deed, the Further Loan Stock Deed, the On-Loan Agreement, the Further On-Loan Agreement, the Shares and the HC Shares, in the form they take at the date of this Deed or as amended in accordance with Clause 3.1.1 of the Intercreditor Agreement

"Junior Finance Liabilities" means the indebtedness of the Obligors to the Junior Creditors under the Junior Finance Documents

"Loan Agreement" means the senior credit agreement dated 27 September 2001 and amended and restated on or about the South Park Amendment Date between, inter alia, the Company, the Holding Company, Halifax plc as the Agent, the Governor and Company of the Bank of Scotland as Arranger and the Banks in the form it takes as at the date of the Intercreditor Agreement or as amended from time to time in accordance with the Intercreditor Agreement

"Loan Stock" means the loan notes due 31 August 2032 of the Holding Company constituted by the Loan Stock Deed

"Loan Stock Deed" means the deed poll of the Holding Company dated 27 September 2001 constituting the Loan Stock

"Obligors" means the Holding Company, in its capacity as issuer of the Loan Stock and the HC Shares, and the Company

"On-Loan Agreement" means the agreement dated 27 September 2001 between the Company and the Holding Company for the purpose of making available to the Company the proceeds of

Continuation sheet

Short particulars of all property mortgaged or charged

the Equity subscribed in the Holding Company and HC Junior Finance Liabilities subject to the terms and conditions of the Loan Agreement

"Original Borrowers Debenture" means the fixed and floating charge debenture dated 27 September 2001 given by the Company in favour of the Security Trustee

"Original HC Debenture" means the fixed and floating charge debenture dated 27 September 2001 given by the Holding Company in favour of the Security Trustee

"Original Hedging Counterparty" means Halifax plc

"Original Hedging Agreement" means the ISDA Master Agreement dated 27 September 2001 between the Company and the Original Hedging Counterparty and the confirmation(s) of the same date thereunder, and any ancillary documentation relating thereto

"Person" means any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not having a separate legal personality)

"Planning Consents" means at any time:

- (a) the Planning Permission with reference N/57/846/00, N/57/489/01 and N/157212/01 in relation to the Site for St Botolph's Church of England School, Quarrington
- (b) the Planning Permission with reference S/00/0883, S01/276/21 and S01/625/21 in relation to the Site for Claypole Church of England Primary School
- (c) the Planning Permission with reference S/00/0884, S01/609/35 and S01/277/35 in relation to the Site for Grantham Gorse Lane Special School
- (d) the Planning Permission with reference 2000/0526/CCC, 2001/301/CCC and 2001/142/CCC in relation to the Site for Lincoln Kingsdown Road Special School
- (e) the Planning Permission with reference N/57/845/00, N57/488/01, N/57/209/01 and N/57/213/01 in relation to the Site for Sleaford Church Lane Primary School and Nursery and
- (f) the Planning Permission with reference 2002/0563/CCC in relation to the Site for the Lincoln Secondary School

the issue of detailed planning consent in respect of planning application number S165/1418/00/3 in relation to the Site for Spilsby Partney Road Special School and any other planning application made by or on behalf of the Borrower in relation to the Project in a form which is acceptable to the Borrower and any approvals or agreements pursuant thereto of all other detailed and reserved matters and any variations thereof to the extent (in each case) that the same is necessary before commencing construction of or use of any part of the Project and all building regulation approvals and other planning or building or construction Consents requisite at that time under any law or Directive for the construction, retention and use of the Project or any part thereof and the gaining of access thereto

"Project" means the Lincolnshire County Council Schools PFI Project, as set out in the Project Agreement

"Project Accounts" means the Borrower Project Accounts and the HC Project Accounts

Continuation sheet

Short particulars of all property mortgaged or charged

“Project Agreement” means the project agreement dated 27 September 2001 between the Borrower and the Authority in relation to the Project as amended on or about the South Park Amendment Date

“Project Documents” means:

- (a)
 - (i) the Project Agreement
 - (i) the Construction Contract
 - (ii) the Contractor Parent Company Guarantee
 - (iii) the FM Services Contract
 - (iv) the FM Service Provider Parent Guarantee
 - (v) the ICT Works and Services Agreement
 - (vi) the Shareholders Agreement
 - (vii) the Subcontractors Co-operation Agreement
 - (viii) the memorandum and articles of association of the Company and the Holding Company and
 - (ix) the Planning Consents
 - (x) the Junior Finance Documents
 - (xi) the Building Contractor Loan Agreement
 - (xii) the FM Contractor Loan Agreement
 - (xiii) the Independent Certifier Contract
- (b) all agreements or instruments entered into in connection with or pursuant to any of the foregoing or affecting in any material respect the interests of the Banks under the Bank Finance Documents to which any member of the Borrowers Group is or hereafter becomes a party or under which any such member has or at any time hereafter directly or indirectly acquires benefits (other than, for the avoidance of doubt, the Finance Documents)

“Real Property” means, in relation to any Person, all or any part of its freehold and leasehold property in England and Wales and other real property anywhere in the world and any estate or interest therein and any reference to Real Property includes a reference to all Rights from time to time attached or appurtenant thereto and all buildings, and all Fixtures belonging to that Person from time to time therein or thereon

“Receiver” means a receiver and manager or other receiver appointed in respect of the Charged Assets (whether appointed pursuant to the Charge Document, pursuant to any statute, by a court or otherwise) and shall, if allowed by law, include an administrative receiver

“Relevant Documents” means the Project Documents and the Finance Documents

“Rights” means rights, authorities, discretions, remedies, liberties, powers, easements, quasi-easements and appurtenances (in each case, of any nature whatsoever)

Continuation sheet

Short particulars of all property mortgaged or charged

"Schools" means the Schools listed in Schedule 4 of the Project Agreement

"Security" means any mortgage, pledge, lien, hypothecation, security interest or other charge or encumbrance and any other agreement or arrangement having substantially the same economic effect (including any "hold-back" or "flawed asset" arrangement) (and **"secured"** shall be construed accordingly)

"Security Documents" means:

- (a)
 - (i) the Borrowers Debenture
 - (ii) the HC Debenture
 - (iii) the Intercreditor Agreement
 - (iv) the Direct Agreements and
 - (v) the Shareholders Support Agreement
- (b) all agreements and other documents executed from time to time pursuant to any of the foregoing including all notices of assignment and/or charge given pursuant to, and as contemplated by, the Charge Document and the HC Debenture and the acknowledgements thereto, and any present or future document confirming or evidencing any Security or Guarantee for, or in relation to, Senior Finance Liabilities

"Senior Creditors" means the Hedging Counterparties, the Bank Creditors and the Security Trustee

"Senior Finance Documents" means:

- (a)
 - (i) the Loan Agreement
 - (ii) the Security Documents
 - (iii) the Account Bank Agreement
 - (iv) the Original Hedging Agreement and any other Hedging Agreement effected pursuant to the Approved Hedging Programme
 - (v) the Fees Letters
- (b) all agreements and other documents executed from time to time pursuant to any of the foregoing to which the Agent and/or the Security Trustee and/or any other Senior Creditor is a party which the Security Trustee agrees shall constitute Senior Finance Documents

"Senior Finance Liabilities" means the indebtedness of the Obligors to the Senior Creditors under the Senior Finance Documents

"Senior Finance Liabilities Discharge Date" means the date upon which all Senior Finance Liabilities have been fully and irrevocably paid or discharged and no further Senior Finance Liabilities are capable of becoming outstanding

"Service Providers" means the FM Services Provider and the ICT Services Provider

"Shareholders" means the shareholders of the Holding Company from time to time, being, at the date hereof FocusEducation Limited

Continuation sheet

Short particulars of all property mortgaged or charged

"Shareholders Agreement" means the agreement so entitled dated 27 September 2001 between inter alia the Sponsors, the Shareholders and the Holding Company

"Shareholders Support Agreement" means the agreement so entitled and dated 27 September 2001 between inter alia the Company, the Sponsors, the Shareholders, the Holding Company and the Security Trustee as amended and restated on or about the South Park Amendment Date

"Shares" means any share capital of the Company (including, without limitation, ordinary, preference, deferred and redeemable shares irrespective of any voting rights attached thereto and any restrictions on rights to participate in distributions)

"South Park Amendment Date" means 13 August 2004

"Sponsors" means Halifax Project Investments Limited and Bovis Lend Lease Holdings Limited and **"Sponsor"** means any of them

"Sterling" and **"£"** means the lawful currency of the United Kingdom

"Subcontractors Co-operation Agreement" means the agreement so entitled dated 27 September 2001 between the Company, the Contractor and the Service Providers

"Subsidiary" means a subsidiary as defined in s.736 of the Companies Act 1985 as amended by the Companies Act 1989 and a **"holding company"** of a Person means a Person of whom that Person is a Subsidiary

"Supplemental Equity Subscription Agreement" means the supplemental equity subscription agreement dated on or about the South Park Amendment Date between, inter alias, the Sponsors, the Borrower and the Holding Company

"Supplementary HC Debenture" means the fixed and floating charge document dated 13 August 2004 made between the Holding Company and the Security Trustee

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04236500

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SUPPLEMENTARY BORROWERS DEBENTURE DATED THE 13th AUGUST 2004 AND CREATED BY FOCUSED EDUCATION (LINCOLNSHIRE) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO ANY SENIOR CREDITORS UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 20th AUGUST 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th AUGUST 2004.

GRH
LLC



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —