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COMPANIES FORM No. 395

111825/10

Particulars of a mortgage or charge

395

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

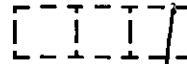


Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



4317596

Name of company

* PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED (a company incorporated in England and Wales with register no. 4317596) (the "Company")

Date of creation of the charge

19 June 2002

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

DEBENTURE dated 19 June 2002 between the Company and the Security Agent (the "Debenture")

Amount secured by the mortgage or charge

All monies and liabilities now or hereafter due, owing or incurred to the Secured Parties (or any of them) by the Company and the other Obligors under the Credit Agreement, the other Finance Documents (or any of them) and by the Company under this deed in any currency or currencies whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred in connection therewith the "Secured Indebtedness",

Please see continuation sheets 1 and 2 for definitions

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

THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND, The Mound, Edinburgh,
EH1 1YZ (the "Security Agent")

Postcode

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

Ashurst Morris Crisp
Broadwalk House
5 Appold Street
London
EC2A 2HA

SJR/470S.00091.2706371.1

Time critical reference

For official Use
Mortgage Section

Post room



A39
COMPANIES HOUSE

0898
29/06/02

Please see continuation sheet 1 for short particulars.

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Particulars as to commission allowance or discount (note 3)

Nil

Signed

Date 27 June 2002

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

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

† delete as
appropriate

Notes

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

Companies House, Crown Way, Cardiff CF14 3UZ

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Particulars of a mortgage or charge (continued)

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Continuation sheet No _____
to Form No 395 and 410 (Scot)

Please complete
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Company Number

4317596

Name of Company

PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED (a company incorporated in England
and Wales with register no. 4317596 (the "Company"))

XXXXXX

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

1. CHARGING CLAUSE

1.1. Fixed Charge

As a continuing security for the payment of the Secured Indebtedness the Company charged with full title guarantee in favour of the Security Agent (for the benefit of itself and the other Secured Parties) the following assets, both present and future, from time to time owned by the Company or in which the Company is from time to time interested:

- (a) by way of a first legal mortgage all freehold and leasehold property wherever situated together with all buildings and fixtures (including trade fixtures) at any time thereon;
- (b) by way of a first fixed charge all other interests (not being charged as described in paragraph 1.1(a) above in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) at any time thereon, all proceeds of sale derived therefrom and the benefit of all covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
- (c) by way of a first fixed charge all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating to the same;
- (d) by way of a first legal mortgage the Shares together with all Distribution Rights from time to time accruing thereto;
- (e) by way of first fixed charge all Investments other than the Shares mortgaged pursuant to clause 1.1(d) together with all Distribution Rights from time to time accruing thereto;
- (f) by way of a first fixed charge all rights and interests of the Company in and claims under all policies of insurance and all proceeds thereof (but excluding third party insurance proceeds) either at the date of the Debenture or thereafter held by, or written in favour of, the Company or in which the Company is otherwise interested subject to the proceeds of such insurances being released to the extent utilised for reinstatement or otherwise in accordance with the Council Direct Agreement, the Accounts Agreement or the Credit Agreement;
- (g) by way of a first fixed charge all book and other debts, revenues and monetary claims of the Company and all rights and claims of the Company against third parties and against any security in respect of such debts, revenues or claims;
- (h) by way of first fixed charge from time to time standing to the credit of any and all accounts with any bank, financial institution, or other person;
- (i) by way of first fixed charge all Intellectual Property;

- (j) by way of first fixed charge the benefit of all licences, consents, agreements and authorisations held or utilised by the Company in connection with its business or the use of any of its assets; and
- (k) by way of first fixed charge all the goodwill and uncalled capital of the Company.

1.2 Floating Charge

As further continuing security for the payment of the Secured Indebtedness the Company charged with full title guarantee in favour of the Security Agent (for the benefit of itself and the other Secured Parties) by way of first floating charge all its assets and undertaking whatsoever and wheresoever both present and future not effectively charged by way of first fixed charge as described in paragraph 1.1 or assigned by way of security as described in paragraph 1.3 including (without prejudice to the generality of the foregoing) heritable property and all other property and assets in Scotland.

1.3 Assignment by way of Security

The Company assigned to the Security Agent with full title guarantee and as continuing security for the payment and discharge of the Secured Indebtedness all of the Company's:

- (a) rights to and title and interest from time to time in the Insurance (subject to obtaining any necessary consent to such assignment from any third party) and the proceeds of such Insurance;
- (b) rights and benefits under the Assigned Agreements to which it is a party and any guarantees, warranties and/or other agreements collateral to the Assigned Agreements and under all licences obtained by the Company from time to time for the purposes of the Project or otherwise for the business of the Company;
- (c) all its present and future right, title and interest in and to the Project; and
- (d) rights and benefits under any Hedging Agreement,

and all related property rights in respect of the above.

1.4 Conversion of Floating Charge

The Security Agent may and upon receiving instructions from the Majority Lenders the Security Agent will, at any time by notice in writing to the Company coconvert floating charge as described in paragraph 1.2 above into a fixed charge as regards such assets as it shall specify in the notice in the event that:

- (a) an Event of Default has occurred and is continuing unremedied and unwaived; or
- (b) the Secent is or the Majority Lenders are (as the case may be) reareasonably the view that (i) such assets are in danger of being seized or (ii) any legal process or execution is being enforced against such assets or (iii) that such assets are otherwise in jeopardy,

and by way of further assurance the Company shall promptly execute a fixed charge over such assets in such form as the Segent shall require.

1.5 Automatic conversion of Floating Charge

If the Company creates (or purports to create) any Security Interest (other than a Permitted interest) on or over any of the Charged Property not expressed to be subject to a fixed charge under the Debenture (a "Floating Charge Asset") without the prior consent in writing of the Security Agent or if any third party levies or attempts to levy any distress, attachment, execution or other legal process against any such Floating Charge Asset, the floating charge created by the Debenture will automatically (without notice) be converted into a fixed charge over the relevant Floating Charge Asset immediately such event occurs.

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2. **CONTINUING SECURITY**

- 2.1 The Debenture is to be a continuing security notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by the Company or any other person of the whole or any part of the Secured Indebtedness.
- 2.2 The Debenture is in addition to, and shall neither be merged in, nor in any way exclude or prejudice or be affected by any other interest, right of recourse or other right whatsoever, present or future, (or the invalidity thereof) which the Security Agent and/or any other Secured Party may now or at any time hereafter hold or have (or would apart from this hold or have) from the Company or any other person in respect of the whole or any part of the Secured Indebtedness.

3. **GENERAL**

- (a) The Company will at its own expenses promptly execute such deeds, assurances, agreements, instruments and otherwise do such acts and things as the Security Agent may require for perfecting and protecting the security created (or intended to be created) by the Debenture or facilitating the realisation thereof or otherwise for enforcing the same or exercising any of the Security Agent's rights thereunder. In particular, but without limitation, for such purpose the Company will:
- (i) execute a valid legal mortgage in such form as the Security Agent shall reasonably require of any freehold or leasehold property now or in the future belonging to the Company which is not thereby effectively charged by way of legal mortgage;
 - (ii) execute a legal assignment in such form as the Security Agent may reasonably require over all or any of the debts, rights, claims and contracts thereby charged;
 - (iii) execute a valid fixed charge in such form as the Security Agent may reasonably require over any asset the subject of the floating charge thereunder; and
 - (iv) otherwise execute all transfers, conveyances, assignments and assurances whatsoever and give all notices, orders, instructions and directions whatsoever which the Security Agent may (acting reasonably) think expedient.
- (b) Any security document required to be executed by the Company pursuant to clause 3.1 of the Debenture will be prepared at the cost of the Company and will contain clauses corresponding to the provisions set out in this deed.

4. **NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**

- 4.1 Except to the extent permitted by the terms of the Credit Agreement, during the continuance of the security created by the Debenture the Company will not without the prior consent in writing of the Security Agent:
- (a) create or agree or attempt to create or permit to subsist (in favour of any person other than the Security Agent) any Security Interest over the whole or any part of the Charged Property or agree to do so; or
 - (b) (whether by a single transaction or a number of related or unrelated transactions and Property or any interest therein (other than assets the subject of the floating charge on arm's length terms in the ordinary course of trading) or the right to receive or to be paid the proceeds arising on the disposal of the same or agree or attempt to do so; or
 - (c) dispose of the equity of redemption in respect of all or any part of the Charged Property.

DEFINITIONS

"Accounts Agreement" means the accounts agreement dated on or about the date of the Debenture between the Borrower, the Council and the Facility Agent;

"Accounts Bank" means the Governor and Company of the Bank of Scotland in its capacity as account bank;

"Assigned Agreements" means the project agreement, building contract, building contract guarantee, operating sub-contract, operating sub-contract guarantee, fabric replacement sub-contract, fabric replacement sub-contract guarantee, management services agreement, borrower loan note instrument, borrower loan notices, for the avoidance of doubt, any side letter in relation to any Commercial Document or other documents entered into by the Company pursuant to any of the Commercial Documents, any other document designated as such by the Facility Agent and the Company or deemed to be designated as such pursuant to the Finance Documents, any Hedging Agreement and any interest rate or currency swap, cap, ceiling, collar, floor or financial futures or commodity contract or option or any similar treasury transaction entered into by the Company and whether in existence at the date of the Debenture or entered into after the Debenture.

"Borrower" means Pyramid Schools (Tameside) Limited (No. 4317602) whose registered office is situated at Interserve House, Ruscombe Park, Twyford, Reading, Berkshire RG10 9JU being the borrower under the Credit Agreement;

"Charged Property" means all the assets, property goodwill and undertaking of the Company from time to time charged to the Security Agent pursuant to the terms of the Debenture;

"Commercial Document" means the project agreement, each lease, each management services agreement, the key sub-contracts, any and each other document relating to the Project that is designated as a Commercial Document by the Borrower and the Facility Agent after financial close;

"Council" means the Tameside Metropolitan Borough Council;

"Council Direct Agreement" means the direct agreement dated on or about the date of the Debenture between the Borrower, the Council and the Facility Agent;

"Credit Agreement" means the credit agreement dated the date of the Debenture pursuant to which the Lenders agreed to make available a loan facility to the Borrower as the same may be varied, amended, modified, supplemented or replaced;

"Distribution Rights" means all dividends, distributions and other income paid or payable on the relevant Investment together with all shares or other property derived from the relevant Investment together also with all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to the relevant Investment (whether by way of conversion, redemption, bonus, preference, option or otherwise);

"Event of Default" means an event of default as defined in the Credit Agreement;

"Facility Agent" means The Governor and Company of the Bank of Scotland in its capacity as agent for the Lenders under the Finance Documents;

"Finance Documents" means the Credit Agreement and all security and other documents executed pursuant thereto;

"Hedging Agreement" means derivative instruments entered into with the Hedging Provider for the purpose of managing or hedging currency and/or interest rate risk in relation to the facilities provided pursuant to the Credit Agreement.

"Hedging Provider" means a Lender (or affiliate of a Lender) in its capacity as provider of currency and interest rate hedging under any Hedging Agreement;

"Insurance" means all contracts and policies of insurance taken out by or on behalf of the Company or (to the extent of its interest) in which the Company has an interest;

"Intellectual Property" means all patents and patent applications, trade and/or service marks and trade and/or service mark applications (and all goodwill associated with such applications), all brand and trade names, all copyrights and rights in the nature of copyright, all registered designs and applications for registered designs, design rights, computer programmes, all trade secrets, know-how and all other intellectual property rights now or in the future owned by the Company throughout the world or in which the Company shall have an interest together with the benefit of all present and future licences and agreements entered into or the benefit of which is enjoyed by the Company and ancillary and connected rights relating to the use or exploitation of any of the aforementioned rights;

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Particulars of a mortgage or charge (continued)

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Continuation sheet No _____
to Form No 395 and 410 (Scot)

Please complete
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Company Number

4317596

Name of Company

PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED (a company incorporated in England and Wales with register no. 4317596 (the "Company"))

XXXXXX

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

"Investment" means any negotiable instrument, certificate of deposit, debenture, share or other investment, as defined in Part I of Schedule I to the Financial Services Act 1986 as at the date of the Debenture (including without limitation and save where the context otherwise requires, the shares and all other shares owned by the Company in the Borrower or its other Subsidiaries);

"Lenders" means The Governor and Company of the Bank of Scotland and each transferee which has become a party to the Credit Agreement in relation to the facility in accordance with clause 27 (Changes to Parties) of the Credit Agreement;

"Majority Lenders" means, at any time:

- (a) Lenders whose aggregate commitments at that time aggregate more than 66 2/3 per cent. of the total commitments at that time; or
- (b) if the total commitments have at that time been reduced to zero, Lenders whose commitments aggregated more than 66 2/3 per cent. of the total commitments immediately before the relevant reduction;

"Obligors" means each of the Borrower and the Shareholder;

"Permitted Security Interest" means each Security Interest listed as being permitted in clause 17.3(b) of the Credit Agreement;

"Project" means the design, constructions and financing of the works and provision of the services at the sites and the conduct of any other operations as required by the project agreement;

"Project Accounts" means the change in law reserve account, the compensation on termination account, the debt service reserve account, the Distribution Account, the lifecycle (M&E) reserve account, the lifecycle (fabric) reserve account, the insurance proceeds account and the proceeds account;

"Secured Party" means the Security Agent, the Facility Agent, the Lenders and any Hedging Provider;

"Security Interest" means any mortgage, charge (fixed or floating), pledge, lien, hypothecation, right of set-off, trust, assignment by way of security, reservation of title or any other security interest whatsoever, howsoever created or arising or any other agreement or arrangement (including, without limitation, a sale and repurchase arrangement) having the commercial effect of conferring security;

"Shareholder" means Pyramid Schools (Tameside) Holdings Limited (a company incorporated in England and Wales) with registered number 4317596; and

"Shares" means the 6,000 fully paid £1 ordinary shares of the Borrower owned by the Company.

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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. 04317596

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 19th JUNE 2002 AND CREATED BY PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED FOR SECURING ALL MONIES AND LIABILITIES DUE OR TO BECOME DUE FROM THE COMPANY AND THE OTHER OBLIGORS TO THE SECURED PARTIES (OR ANY OF THEM) 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 29th JUNE 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 4th JULY 2002.

DJ -
JO -



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —