



Companies House

MR01(ef)

Registration of a Charge

Company name: **EDU UK BIDCO LIMITED**

Company number: **07285370**

Received for Electronic Filing: **23/09/2013**



Details of Charge

Date of creation: **18/09/2013**

Charge code: **0728 5370 0002**

Persons entitled: **BARCLAYS BANK PLC**

Brief description: **PURSUANT TO THE CHARGE: THE COMPANY CHARGED BY WAY OF FIRST FIXED CHARGE ALL ITS INTELLECTUAL PROPERTY (ALTHOUGH NO FURTHER DETAILS ARE SPECIFIED IN THE CHARGE). FOR FURTHER DETAIL, SEE CLAUSE 3.2(D) OF THE CHARGE. THE COMPANY CHARGED BY WAY OF FIRST LEGAL MORTGAGE ALL ITS REAL PROPERTY (ALTHOUGH NO FURTHER DETAILS ARE SPECIFIED IN THE CHARGE FOR REAL PROPERTY OWNED BY THIS COMPANY). FOR FURTHER DETAIL, SEE CLAUSE 3.2(A) OF THE CHARGE.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Notification of addition to or amendment of charge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **SHEARMAN & STERLING (LONDON) LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7285370

Charge code: 0728 5370 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th September 2013 and created by EDU UK BIDCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd September 2013 .

Given at Companies House, Cardiff on 23rd September 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

SHEARMAN & STERLING_{LLP}

EXECUTION VERSION

Dated 18 SEPTEMBER 2013

THE CHARGING COMPANIES LISTED
IN SCHEDULE 1 TO THIS DEBENTURE

as the Chargors

- and -

BARCLAYS BANK PLC

as Security Agent

DEBENTURE

*Note: This Debenture is subject to the terms
of the Intercreditor Agreement (as defined herein)*

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THIS DEED is dated 18 SEPTEMBER 2013

BETWEEN:

- (1) The companies detailed in Schedule 1 (*The Chargors*) as the Chargors; and
- (2) **BARCLAYS BANK PLC** as Security Agent, for itself and for and on behalf of the Secured Parties (as defined below).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions: In this Deed:

"**Account Bank**" means any bank or financial institution with which a Chargor maintains a bank account.

"**Additional Material Contract**" means all intercompany loan agreements entered into by a Chargor as a lender with another member of the Group after the date of this Deed.

"**Administrator**" means an administrator appointed under Schedule B1 of the Insolvency Act 1986.

"**Assigned Contracts**" means all intercompany loan agreements entered into by a Chargor as a lender with another member of the Group on or prior to the date of this Deed (including the senior secured notes proceeds loan agreement dated on or about the date of this agreement between EDU UK BondCo PLC as lender and EDU UK Intermediate Limited as borrower), the Additional Material Contracts and any other contract which is assigned pursuant to Clause 3.3 (*Assignment by way of Security*).

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Bank Account**" means the Scheduled Bank Accounts and any account with any bank or financial institution in which any Chargor now or in the future has an interest (including any replacement or substitute account or subdivision or sub-account of that account) and to the extent of such interest, all credit balances now or in the future on such accounts and all Related Rights.

"**Charged Assets**" means the assets and undertakings from time to time which are the subject of any Security created or purported to be created by or pursuant to this Deed and, where the context permits, the proceeds of sale of such assets.

"**Charged Investments**" means Investments forming part of the Charged Assets.

"**Charged Real Property**" means all Real Property forming part of the Charged Assets and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such Real Property and all Related Rights.

"**Charges**" means Security from time to time created or expressed to be created by or pursuant to this Deed.

"**Chargors**" means the companies detailed in Schedule 1 (*The Chargors*) and any member of the Group which accedes to this Deed pursuant to Clause 25 (*Changes to parties*).

"**Collection Account(s)**" means any Bank Account that may from time to time be specified in writing by the Security Agent as an account into which the amount of the Monetary Claims are to be paid and in respect of which the relevant bank or financial institution has agreed to operate such Bank Account in accordance with any procedures stipulated by the Security Agent.

"Declared Default" means the occurrence of:

- (a) an Event of Default under the RCF Facility Agreement in respect of which the Credit Facility Agent has notified the Parent that:
 - (i) the Total Commitments (as defined in the RCF Facility Agreement) have been cancelled pursuant to paragraph (a) of Clause 28.17 (*Acceleration*) of the RCF Facility Agreement;
 - (ii) a demand for immediate repayment of all or any part of any Facility (as defined under the RCF Facility Agreement) has been served pursuant to paragraphs (b), (d) or (f) of Clause 28.17 (*Acceleration*) of the RCF Facility Agreement (but excluding the right to place amounts on demand); or
 - (iii) the Security Agent has been instructed to exercise any enforcement remedies pursuant to paragraph (h) of Clause 28.17 (*Acceleration*) of the RCF Facility Agreement;
- (b) an Event of Default under any other Credit Facility Document in respect of which the Credit Facility Agent has served notice in accordance with the relevant acceleration provisions of the Credit Facility Document equivalent to those set out under paragraph (a) above;
- (c) an Event of Default under the Senior Secured Notes Indenture in respect of which a declaration has been made in accordance with Section 6.02 (*Acceleration*) of the Senior Secured Notes Indenture or, in relation to an Event of Default under clauses (9) or (10) of Section 6.01 (*Events of Default*) of the Senior Secured Notes Indenture, in respect of which pursuant to Section 6.03 (*Other Remedies*) of the Senior Secured Notes Indenture the Trustee has instructed the Security Agent to exercise any enforcement remedies;
- (d) an Event of Default under any Pari Passu Debt Document relating to the Pari Passu Notes, in respect of which a declaration has been made in accordance with the relevant acceleration provision of the Pari Passu Debt Document equivalent to that set out in paragraph (c) above or, in relation any Event of Default equivalent to those referred to in paragraph (c) above, in respect of which pursuant to the Pari Passu Debt Document the Creditor Representative has instructed the Security Agent to exercise any enforcement remedies; or
- (e) an Event of Default under any Pari Passu Debt Document (other than a Pari Passu Debt Document relating to the Pari Passu Notes), in respect of which the Creditor Representative has served notice in accordance with the relevant acceleration provisions of the Pari Passu Debt Document equivalent to those set out under paragraph (a) above.

"Delegate" means a delegate, sub-delegate, attorney or co-trustee appointed, directly or indirectly, pursuant to Clause 16.3 (*Delegation*).

"Derivative Rights" include:

- (a) all rights relating to Investments which are deposited with, or registered in the name of, any security agent, depositary, custodian, nominee, trustee, fiduciary, investment manager or clearing house or system or other similar person or its nominee, in each case whether or not on a fungible basis (including rights against such person); and
- (b) all other present and future rights or cash or other assets attaching or relating to or accruing or offered on or deriving from Investments or from such rights (whether by way of redemption, conversion, exercise of option rights, substitution, exchange, preference, bonus or otherwise).

"Excluded Assets" means, if the Parent elects that the relevant Senior Notes Creditor will benefit from Senior Notes Only Security pursuant to clause 8.1(b) of the Intercreditor Agreement, any and all assets of a Chargor that are subject to Senior Notes Only Security.

"Excluded Property" has the meaning given to it in Clause 6.1 (*Leases restricting charging*).

"Fixtures" means trade and other fixtures and fittings and fixed plant, machinery and other apparatus.

"Insurance Policy" means any contract or policy of insurance (including life insurance or assurance) in which any Chargor may from time to time have an interest as a beneficiary under its terms but excluding any third party liability or public liability insurance and any directors and officers insurance.

"Intellectual Property" means any patents, trade marks, service marks, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow, utility models, plant variety rights and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered.

"Intercreditor Agreement" means the intercreditor agreement dated on or about the date hereof between, amongst others, EDU UK Intermediate Limited as Parent, EDU UK BondCo PLC as Senior Secured Notes Issuer, Barclays Bank PLC as Original RCF Agent, Citibank N.A., London Branch as Senior Secured Notes Trustee, Barclays Bank PLC as Security Agent and the financial institutions named therein as RCF Finance Parties Intra-Group Lenders, Hedge Guarantors and Shareholder Creditors.

"Investments" means:

- (a) any shares, stocks, debentures, certificates of deposit, securities, bonds or other securities;
- (b) all interests in collective investment schemes; and
- (c) all warrants, options and other rights to subscribe for or acquire any of the investments referred to in paragraph (a) or (b),

(including, without limitation, the Scheduled Investments), in each case whether held directly by the relevant Chargor or by any Security Agent, Secured Party, depositary, custodian, trustee, nominee, fiduciary, investment manager or clearing house or system on its behalf and all Related Rights (including all rights against such person) and all Derivative Rights.

"LPA" means the Law of Property Act 1925.

"Monetary Claims" means any book and other debts and monetary claims of any nature owing to any Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, any claim, return of premium or the proceeds paid or payable in respect of any Insurance Policy, any court order or judgment, any contract or other agreement to which any Chargor is a party relating thereto, but excluding the Bank Accounts).

"Notice of Contract Assignment" means a notice of assignment in the form set out in Part 1 (*Form of Notice of Assignment of Assigned Contract*) of Schedule 6 or such other form as the Security Agent may approve.

"Notice of Insurance Assignment" means a notice of assignment in the form set out in Part 2 (*Form of Notice of Assignment to Insurers*) of Schedule 6 or such other form as the Security Agent may approve.

"Party" means a party to this Deed.

"Planning Acts" means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning

(Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and any re-enactment, variation or modification of any of them and any orders, regulations or permissions made, issued or granted under or by virtue of the foregoing Acts or any of them.

"Priority Finance Documents" means the Credit Facility Documents, the Senior Secured Notes Documents, the Hedging Agreements and the Pari Passu Debt Documents.

"Real Property" means freehold, leasehold or immoveable property in England and Wales (including, without limitation, the Scheduled Real Property) and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property, and includes all Related Rights.

"Receiver" means a receiver, receiver and manager or, where permitted by law, administrative receiver appointed in respect of the Charged Assets by the Security Agent pursuant to this Deed or otherwise.

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, negotiable instruments, remedies, Security, guarantees, indemnities or covenants for title in respect of that asset; and
- (d) any moneys and proceeds paid or payable in respect of that asset.

"Release Date" has the meaning given to that term in Clause 21.11 (*Redemption and Release*).

"Scheduled Bank Accounts" means the Bank Accounts described in Schedule 4 (*Details of the Scheduled Bank Accounts*).

"Scheduled Investments" means the Investments described in Schedule 3 (*Details of the Scheduled Investments*).

"Scheduled Real Property" means the Real Property described in Schedule 2 (*Details of the Scheduled Real Property*) and all Related Rights.

"Secured Liabilities" has the meaning given to that term in the Intercreditor Agreement.

"Secured Parties" means the Super Senior Creditors, the Senior Secured Creditors, the Creditor Representatives (other than any Senior Notes Trustee), the Arrangers, the Security Agent and any Receiver or Delegate from time to time but, in the case of each Credit Facility Lender, Hedge Counterparty, Creditor Representative, Arranger, or Pari Passu Creditor (other than a Pari Passu Noteholder) only if it is a party to the Intercreditor Agreement or has acceded to the Intercreditor Agreement, in the appropriate capacity, in accordance with Clause 22.12 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement.

"Security Accession Deed" means a deed of accession to this Deed in the form set out in Schedule 8 (*Form of Security Accession Deed*), or such other form as the Security Agent may approve.

"Supplemental Legal Charge" means a legal charge in the form set out in Schedule 7 (*Form of Supplemental Legal Charge*), or such other form as the Security Agent may approve.

"this Deed" means this debenture as varied, amended or supplemented from time to time.

- 1.2 **Intercreditor Agreement:** Unless otherwise expressly defined in this Deed or the context otherwise requires, words and expressions defined in the Intercreditor Agreement have the same meaning in this Deed or any notice given under or in connection to this Deed.
- 1.3 **Construction**
- (a) The provisions of Clause 1.2 (*Construction*) of the Intercreditor Agreement shall apply to this Deed with all necessary modifications as if they were expressly set out in full in this Deed.
 - (b) "**rights**" shall be construed as including rights, benefits, privileges, consents, authorities, discretions, remedies and powers and "**right**" shall be construed accordingly.
 - (c) A reference to "**Secured Liabilities**" includes any liabilities which would be treated as such but for the liquidation or dissolution or similar event affecting a Chargor or relevant member of the Group.
 - (d) Any reference to the Security Agent, a Chargor, the Secured Parties or the Facility Agent shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees or permitted assigns in accordance with their respective interests.
 - (e) References in this Deed to any Clause or Schedule shall be to a clause or schedule of this Deed unless otherwise specified.
 - (f) Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
 - (g) Clause and schedule headings are for ease of reference only.
- 1.4 **Deed:** This document is to take effect as a deed notwithstanding that the Security Agent has executed it under hand only.
- 1.5 **Law of Property (Miscellaneous Provisions) Act 1989:** The terms of the other Priority Finance Documents and other documents under which the Secured Liabilities arise and of any side letters relating thereto between each Chargor and any of the Secured Parties are incorporated herein to the extent required for any purported disposition of the Charged Assets contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.6 **Law of Property (Miscellaneous Provisions) Act 1994:** The obligations of the Chargors under this Deed and any document entered into pursuant to this Deed shall be in addition to the covenants deemed to be included in this Deed or such other document by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.
- 1.7 **Schedules:** Any failure to state any Real Property, Investments, or Bank Accounts of any Chargor on the date of this Deed in any of Schedule 2 (*Details of the Scheduled Real Property*), Schedule 3 (*Details of the Scheduled Investments*) or Schedule 4 (*Details of Scheduled Bank Accounts*), will not affect any Charges over such assets.
- 1.8 **Third party rights:** Save as expressly stated in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- 1.9 **Covenants and representations:**
- (a) Each covenant of a Chargor contained in this Deed remains in force until the Release Date.
 - (b) The representations and warranties set out in this Deed are made on the date of this Deed.

2. COVENANT TO PAY

Covenant to pay: Subject to any limits on its liability referred to in the Priority Finance Documents, each Chargor shall on demand pay or discharge to the Security Agent the Secured Liabilities when the same have become due in the manner provided for in the Priority Finance Documents.

3. SECURITY

3.1 **Creation of Charges:** All Charges and assignments under this Deed are:

- (a) made in favour of the Security Agent (for the benefit of itself and the other Secured Parties);
- (b) made with full title guarantee; and
- (c) Security for the payment and discharge of all Secured Liabilities.

All Charged Assets are excluded from the Charges created pursuant to Clause 3.2 (*Fixed Charges*) to the extent specifically assigned pursuant to Clause 3.3 (*Assignment by way of Security*).

3.2 **Fixed Charges:** Each Chargor charges:

- (a) **Real Property:**
 - (i) by way of first legal mortgage all its rights, title and interest in and to the Scheduled Real Property and all other Real Property now belonging to it; and
 - (ii) by way of first fixed charge all its rights, title and interest, present and future, in and to Real Property not mortgaged pursuant to paragraph (i) above;
- (b) **Investments:**
 - (i) by way of first fixed charge all its rights, title and interest in and to the Scheduled Investments and all other Investments now belonging to it; and
 - (ii) by way of first fixed charge all its rights, title and interest in and to all Investments belonging to it (present and future) not referred to in paragraph (i) above;
- (c) **Monetary Claims:** by way of first fixed charge all its rights, title and interest present and future in and to all Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Deed;
- (d) **Intellectual Property:** by way of first fixed charge all its rights, title and interest present and future in and to Intellectual Property and all Related Rights;
- (e) **Bank Accounts:** by way of first fixed charge all its rights, title and interest present and future in and to the Bank Accounts (including the Scheduled Bank Accounts);
- (f) **Insurance Policies:** by way of first fixed charge all its rights, title and interest present and future in and to the Insurance Policies and all Related Rights;
- (g) **Authorisations:** by way of first fixed charge the benefit of all consents, agreements and other Authorisations held by each Chargor in connection with any of its assets; and
- (h) **Goodwill and uncalled capital:** by way of first fixed charge all its rights, title and interest present and future in and to:
 - (i) all its uncalled capital; and

- (ii) all its goodwill,

except, in the case of the Parent, its rights, title and interest in and to the Excluded Assets.

3.3 Assignment by way of Security

- (a) Each Chargor hereby assigns and agrees to assign absolutely (subject to the right to reassignment on redemption pursuant to Clause 21.11 (*Redemption and Release*)) all its present and future rights, title, interest and benefit in and to the Assigned Contracts, including all moneys payable to each Chargor, and any claims, awards and judgments in favour of such Chargor, under or in connection with the Assigned Contracts.
- (b) Until the Charges become enforceable following the occurrence of a Declared Default, each Chargor shall be entitled to exercise all its rights in the Assigned Contracts.

3.4 Floating Charge

- (a) Each Chargor charges by way of first floating Charge its undertaking and all its assets both present and future other than any asset effectively mortgaged, charged or assigned under Clause 3.2 (*Fixed Charges*) or Clause 3.3 (*Assignment by way of Security*) including any assets comprised within a Charge reconverted under Clause 3.8 (*Reconversion*). The floating Charge created by each Chargor under this Clause is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 of the Insolvency Act 1986.
- (b) The floating Charges created by this Clause 3.4 (*Floating Charge*) shall be deferred in point of priority to all fixed Security validly and effectively created by a Chargor under the Priority Finance Documents in favour of the Security Agent as Security for the Secured Liabilities.

3.5 Automatic crystallisation

- (a) Notwithstanding any other provision of this Deed (and without prejudice to any law which may have a similar effect), the floating Charge created under this Deed will automatically be converted without notice and with immediate effect into a fixed Charge over, in the circumstances described in paragraphs (i) and (ii) below, the relevant Charged Asset, and in the circumstances described in paragraphs (iii) and (iv) over all the Charged Assets subject to such floating Charge but subject to Clause 13.3 (*Effect of moratorium*), if:
 - (i) any person levies or attempts to levy any distress, execution, attachment, expropriation, sequestration or other legal process against any of those Charged Assets; or
 - (ii) any Chargor creates or attempts to create any Security or trust over any of those Charged Assets which is prohibited under the terms of the Priority Finance Documents; or
 - (iii) a resolution is passed or an order is made or a petition is presented for the winding-up or administration, dissolution or reorganisation of any Chargor which (in the case of a winding-up petition) is not discharged within 15 Business Days or in any event before such petition is heard or a resolution is passed for a creditors' voluntary winding-up or a creditors' voluntary winding-up is commenced (other than in connection with a "Permitted Reorganisation" as defined in the Intercreditor Agreement); or
 - (iv) an Administrator or Receiver is appointed in respect of a Chargor or any person (who is entitled to do so) gives notice of its intention to appoint an Administrator in respect of a Chargor pursuant to paragraphs 15 or 26 of Schedule B1 of the Insolvency Act 1986 or files such notice with the court.

3.6 Crystallisation of Floating Charge by notice

The Security Agent may at any time by notice in writing to any Chargor convert the floating Charge created by such Chargor pursuant to Clause 3.4 (*Floating Charge*) with immediate effect into a fixed Charge (but on terms no more onerous to such Chargor than the equivalent terms under this Deed) as regards such assets as may be specified (whether generally or specifically) in such notice if:

- (a) a Declared Default has occurred; or
- (b) the Security Agent (acting reasonably) considers those assets to be in jeopardy of being seized or sold pursuant to any distress, attachment, execution, sequestration or other legal process; or
- (c) the Security Agent (acting reasonably) considers that it is necessary in order to protect the priority of Security.

3.7 **No Waiver:** Any notice given by, or on behalf of, the Security Agent under Clause 3.6 (*Crystallisation of Floating Charge by notice*) above in relation to an asset shall not be construed as a waiver or abandonment of the Security Agent's right to give any other notice in respect of any other asset or of any other right of a Secured Party under this Deed.

3.8 **Reconversion:** Any Charge which has converted into a fixed charge under Clause 3.5 (*Automatic crystallisation*) or Clause 3.6 (*Crystallisation of Floating Charge by notice*) shall be reconverted into a floating Charge by notice in writing given at any time by the Security Agent to the relevant Chargor in relation to the assets specified in such notice if in the case of (i) a Declared Default is waived or remedied or (ii) the Security Agent no longer considers that it is necessary in order to protect the priority, value or enforceability of the Security.

3.9 **Fixed and floating Security:** If for any reason any Security in respect of any asset created or purported to be created pursuant to this Clause 3 as a fixed charge or assignment does not, or ceases to, take effect as a fixed charge or assignment, then it shall take effect as a first floating charge in respect of such asset. However, it is the intent of the parties that the Security over other Charged Assets shall remain unaffected.

3.10 **Excluded assets:** If the rights of any Chargor under any instrument or agreement cannot be the subject of legal, valid, binding and enforceable Security pursuant to any Charge or assignment which this Deed purports to create under Clause 3.2(c) (*Monetary Claims*), Clause 3.2(d) (*Intellectual Property*), Clause 3.2(f) (*Insurance Policies*), Clause 3.2(g) (*Authorisations*), Clause 3.2(h) (*Goodwill and uncalled capital*), or Clause 3.3 (*Assignment by way of Security*) without the consent of another party:

- (a) this Deed will charge all amounts which the relevant Chargor may receive, or has received, under that document;
- (b) the relevant charge or assignment over such instrument or agreement shall not take effect until such consent is obtained; and
- (c) if the relevant assets are material, the relevant Chargor shall use reasonable endeavours to promptly obtain any necessary consent or waiver relating to third party arrangements which would otherwise prevent or prohibit such rights being charged or assigned under this Deed provided that no such action will be required if such Chargor would incur a material cost in doing so or if requesting such consent is likely to be commercially prejudicial and, if such consent or waiver is obtained, such rights shall immediately become subject to an effective fixed charge or assignment pursuant to Clause 3.2 (*Fixed Charges*) or an assignment under Clause 3.3 (*Assignment by way of Security*) (as the case may be) and such Chargor shall promptly provide a copy of such consent to the Security Agent.

3.11 **Security trust:** The Security Agent holds the benefit of this Deed on trust for itself and for and on behalf of the Secured Parties on the terms of the Priority Finance Documents.

4. **GENERAL OBLIGATIONS**

4.1 **Negative pledge and disposals:** Subject to Clause 8 (*Monetary Claims*), except with the written consent of the Security Agent, each Chargor shall not:

- (a) create or permit to subsist any Security over any Charged Assets and/or assign the benefit of an Assigned Contract or Charged Asset save as expressly permitted pursuant to the Priority Finance Documents; or
- (b) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, assign, lease, license, sub-license, hire out, grant, lend or otherwise dispose of any of the Charged Assets or the equity of redemption therein or permit any person to do any such thing except as permitted pursuant to the terms of the Priority Finance Documents.

4.2 **General undertakings**

Upon the occurrence of a Declared Default, each Chargor shall, promptly on request from the Security Agent, furnish the Security Agent with such information as the Security Agent may require about the Charged Assets.

5. **FURTHER ASSURANCE**

- (a) Subject to the Agreed Security Principles and the terms of this Deed, each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
 - (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security under this Deed) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to this Deed or by law; and/or
 - (ii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security under this Deed.
- (b) Subject to the Agreed Security Principles and the terms of this Deed, each Chargor 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 Finance Parties by or pursuant to this Deed or any of the Charged Assets.

6. **REAL PROPERTY**

6.1 **Leases restricting charging**

- (a) There shall be excluded from the charge created by Clause 3.2 (*Fixed Charges*) any leasehold Real Property vested in a Chargor from time to time where the relevant lease either requires the consent of the relevant landlord (or another third party) to charging or mortgaging the property or prohibits charging or mortgaging the property absolutely (each an "**Excluded Property**") until the relevant consent or waiver of prohibition has been obtained.

- (b) In respect of each Excluded Property which is a lease with an unexpired term of more than 7 years and which has a market value in excess of £1,000,000, the relevant Chargor undertakes to:
 - (i) notify the Security Agent that the relevant Real Property is an Excluded Property;
 - (ii) use its reasonable endeavours (not involving the payment of money or the incurrance of any external expenses, other than payments and expenses in the ordinary course relating to such matters on fees and expenses of landlords and telephone, courier and postage) to obtain the relevant consent or waiver of prohibition and shall submit an application therefor within 20 Business Days of the date of this Deed provided that if such consent or waiver shall not have been obtained by the date being three months from the date of the initial application, the relevant Chargor's obligations under this paragraph shall cease in relation to the relevant Excluded Property; and
 - (iii) notify the Security Agent in writing upon receipt of the relevant consent or waiver of prohibition.

For the avoidance of doubt, the relevant Chargor shall not be required to create a fixed charge or legal mortgage over such Excluded Property until it has received the relevant waiver of prohibition or consent (as applicable).

- (c) Forthwith upon receipt of the relevant waiver of prohibition or consent, the charge by way of first legal mortgage granted in Clause 3.2(a)(i) (*Real Property*) shall take effect in respect of the relevant Excluded Property. If required by the Security Agent at any time following receipt of that waiver of prohibition or consent, the relevant Chargor will promptly execute a Supplemental Legal Charge over such Excluded Property.

6.2 Acquisition of Real Property

- (a) Each Chargor shall promptly notify the Security Agent of any acquisition by it or on its behalf of any freehold Real Property with a market value in excess of £500,000 or any leasehold Real Property with a term of more than 7 years and which has a market value in excess of £1,000,000 after the date of this Deed ("**After-acquired Property**").
- (b) Each Chargor shall promptly, on request of the Security Agent and at the cost of the relevant Chargor, execute and deliver to the Security Agent a Supplemental Legal Charge in favour of the Security Agent over any After-acquired Property.
- (c) If any After-acquired Property is held by such Chargor under a lease which either requires the consent of the relevant landlord (or another third party) to charging or mortgaging the property or prohibits charging or mortgaging the property absolutely ("**After-acquired Excluded Property**") then that Chargor shall not be required to execute and deliver to the Security Agent any Supplemental Legal Charge referred to in paragraph (b) above in respect of such property until the relevant consent or waiver of prohibition has been obtained. For each After-acquired Excluded Property the relevant Chargor undertakes, at the cost of that Chargor, to:
 - (i) notify the Security Agent that the relevant After-acquired Property is an After-acquired Excluded Property;
 - (ii) use its reasonable endeavours (not involving the payment of money or the incurrance of any external expenses, other than payments and expenses in the ordinary course relating to such matters on fees and expenses of landlords and telephone, courier and postage) to obtain the relevant consent or waiver of prohibition and shall submit an application therefor within 20 Business Days after such After-acquired Property is acquired provided that if such consent or waiver shall not have been obtained by the

date being three months from the date of the initial application, the relevant Chargor's obligations under this paragraph shall cease in relation to the relevant After-acquired Property;

- (iii) notify the Security Agent in writing upon receipt of the relevant waiver of prohibition or consent; and
 - (iv) promptly upon receipt of the relevant waiver of prohibition or consent execute and deliver to the Security Agent a Supplemental Legal Charge in favour of the Security Agent over such After-acquired Excluded Property.
- (d) If title to any After-acquired Property is or is to be registered at the Land Registry, such Chargor shall, as soon as reasonably practicable after acquisition of the After-acquired Property, notify the Security Agent of the relevant title number and shall apply to the relevant Land Registry to enter:
- (i) a notice of the Supplemental Legal Charge referred to in Clause 6.2(b) or 6.2(c)(iv) above (as applicable) on the charges register of such After-acquired Property; and
 - (ii) the restriction set out in Clause 6.4(a) (*Registered land*) (as repeated in such Supplemental Legal Charge) on the proprietorship register of such After-acquired Property; and
 - (iii) to the extent applicable, a notice of the obligation to make further advances in accordance with Clause 6.6(b) (*Registered land*).

In the case of any other After-acquired Property, the relevant Chargor shall apply to register this Deed at the Land Charges Registry if, for any reason, the title deeds and documents relating thereto are not deposited with the Security Agent.

6.3 Delivery of title documents: Forthwith upon the request of the Security Agent, each Chargor shall, deposit with the Security Agent (or as it may direct) all deeds, certificates and other documents evidencing title relating to the Charged Real Property. If any such documents are at the relevant time at the Land Registry, such Chargor shall provide or procure the provision to the Security Agent of such undertakings and such letters addressed to the Land Registry as the Security Agent may reasonably require.

6.4 Registered land

- (a) Each Chargor consents to an application being made and shall, if requested by the Security Agent, apply to the Land Registry for a restriction in the following terms to be entered on the Proprietorship Register of such of the Charged Real Property as is now or hereafter registered at the Land Registry and against which this Deed may be noted:

"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 [] in favour of [] referred to in the Charges Register or signed on such proprietor's behalf by its conveyancer."

- (b) To the extent that the Secured Parties are under an obligation to make further advances, each Chargor shall also make an application (and consents to an application being made) to the Land Registry for a note of such obligation to be entered on the Charges Register of any registered land forming part of the Charged Real Property.

7. INVESTMENTS

7.1 Deposit of documents

Each Chargor shall no later than one Business Day immediately following the Closing Date (as defined in the RCF Facility Agreement), or, if later, promptly upon its becoming entitled to the relevant Investment deliver (or procure delivery) to the Security Agent, or as it directs:

- (a) all certificates and other documents of title or evidencing title in respect of each of the Scheduled Investments listed against its name in Schedule 3 (*Details of the Scheduled Investments*) and each of the other Charged Investments belonging to it;
- (b) all stock transfer forms and other documents which the Security Agent may reasonably request in such form and executed in such manner as the Security Agent may require with a view to perfecting or maintaining the Charges over the Charged Investments or registering any Charged Investment in the name of the Security Agent or its nominees; and
- (c) (if applicable) declarations of trust in relation to any Investments in which a Chargor has an interest but which are not held in its sole name as required by the Security Agent.

All documents required by this Clause 7.1 shall be in such form as the Security Agent shall reasonably require.

7.2 Voting rights and distributions

- (a) Until the occurrence of a Declared Default, the relevant Chargor shall be entitled to:
 - (i) receive and retain all dividends, distributions and other amounts paid on or derived from any shares or stock comprised in its Charged Investments (including the Scheduled Investments); and
 - (ii) exercise or direct the exercise of the voting rights and other rights and powers attached to its Charged Investments in any manner as it sees fit other than in a manner which:
 - (A) may adversely affect the validity or enforceability of the Charges or which would cause an Event of Default (as defined in the Intercreditor Agreement) to occur.
 - (B) would cause the Security Agent or its nominee to incur any cost or expense or render itself subject to any liability, in each case, for which it has not previously been indemnified under the Intercreditor Agreement or otherwise to its satisfaction or would otherwise materially prejudice the Security Agent.
- (b) After the occurrence of a Declared Default:
 - (i) the Security Agent or any applicable Receiver may at its discretion (in the name of the relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor) but shall not be obliged to:
 - (A) transfer the Charged Investments of each Chargor on behalf of the relevant Chargor to such nominee as the Security Agent shall select;
 - (B) receive and retain all dividends, distributions and other moneys paid on the Charged Investments and apply the same in accordance with Clause 15 (*Application*); and

- (C) exercise any voting rights and any other rights and powers attached to any Charged Investments in such manner as it considers fit as if it were the sole beneficial owner of the Charged Investment (including all powers given to trustees under Part II of the Trustee Act 2000);
- (ii) each Chargor shall comply, or procure the compliance, with any directions of the Security Agent or any Receiver in respect of the exercise of any rights and powers exercisable in relation to such Charged Investments and shall promptly execute and/or deliver to the Security Agent or any Receiver such forms of proxy as it or he requires with a view to enabling such person as it or he selects to exercise those rights;
- (iii) at any time when any Charged Investments are registered in the name of the Security Agent or its nominee, the Security Agent will not be under any duty to ensure that any dividends, distributions or other moneys payable in respect of those Charged Investments are duly and promptly paid or received by it or its nominee, or to verify that the correct amounts are paid or received, or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, moneys or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Charged Investments; and
- (iv) any Derivative Rights shall, if received by any Chargor or its nominee, be held on trust for and forthwith paid or transferred to the Security Agent or the Receiver.

7.3 **Calls**

- (a) Each Chargor shall promptly pay all calls or other payments which may at any time become due in respect of any of its Charged Investments where failure to do so would be prejudicial to the Secured Parties.
- (b) If a Chargor fails to comply with paragraph (a) above within five Business Days (or such longer period as is specified for payment), the Security Agent may, if it thinks fit, pay such calls or other payments on behalf of the relevant Chargor. Such Chargor shall promptly on request from the Security Agent reimburse the Security Agent for any such payment and pending reimbursement that payment shall constitute part of the Secured Liabilities.

8. **MONETARY CLAIMS**

8.1 **Dealing with Monetary Claims**

- (a) Each Chargor shall be permitted to collect, use and dispose of all or any part of its Monetary Claims at its discretion prior to the occurrence of a Declared Default.
- (b) After the occurrence of a Declared Default, each Chargor shall, at its own expense, promptly do all such acts and things as the Security Agent may require for creating a fixed charge over Monetary Claims or, at any time after the Charges have become enforceable following the occurrence of a Declared Default, a legal assignment of Monetary Claims.

8.2 **Release of Monetary Claims**

Following the occurrence of a Declared Default, no Chargor shall, except with the prior written consent of the Security Agent, be entitled to withdraw or otherwise transfer the proceeds of realisation of any Monetary Claims standing to the credit of any Bank Account and shall:

- (a) pay all moneys received or receivable by it from any source (including all proceeds of collection of Monetary Claims) into such Collection Accounts (if any) as are specified by the

Security Agent or if no such Collection Accounts are specified it may deal with such moneys as it elects; and

- (b) give notice to the debtors of any of its Monetary Claims of the Security created by this Deed in such form as the Security Agent may require.

9. BANK ACCOUNTS

9.1 Notification, maintenance and variation

Each Chargor shall:

- (a) within five Business Days after any Bank Account becomes charged pursuant to this Deed, deliver to the Security Agent a duly completed notice in respect of each Bank Account in the relevant form set out in Schedule 5 (*Notices for Bank Accounts*) (as applicable) or in such other form as the Security Agent may approve unless the service of such notice would prevent the relevant Chargor from using the Bank Account in the ordinary course of its business in which case no notice of security shall be served until the occurrence of a Declared Default;
- (b) use all reasonable endeavours (not involving the payment of money or the incurrence of any external expenses, other than payments and expenses in the ordinary course relating to such matters on fees and expenses of buyers engaged to assist with such matters and telephone, courier and postage) to procure the delivery to the Security Agent of a duly completed acknowledgement within 20 Business Days of service in respect of any notice delivered pursuant to paragraph (a) above in the relevant form set out in Schedule 5 (*Notices for Bank Accounts*) (as applicable) or in such other form as the Security Agent may approve and each Chargor's obligation under this paragraph will cease on the expiry of the 20 Business Day period referred to in this paragraph; and
- (c) deliver to the Security Agent on the date of this Deed (and, if any Bank Account becomes charged by this Deed thereafter, on the date falling five Business Days after such Bank Account becomes charged), details of each Bank Account maintained by such Chargor (other than with the Security Agent).

The execution of this Deed by a Chargor and the Security Agent shall constitute notice to the Security Agent of the Security created over any Bank Account opened or maintained with the Security Agent.

9.2 Operation of Bank Accounts

- (a) Until the occurrence of a Declared Default, the Chargors shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account (other than any Cash Collateral Account) subject to the terms of the Priority Finance Documents.
- (b) After the occurrence of a Declared Default, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account except with the prior written consent of the Security Agent.

9.3 Application of moneys

- (a) The Security Agent (or its Receiver) may (subject to the Intercreditor Agreement) apply, transfer or set-off any credit balances from time to time on any Bank Accounts in or towards payment or satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application*) after the occurrence of a Declared Default or at any time when the Secured Parties are entitled, subject to the Intercreditor Agreement, to exercise the relevant set-off rights under the terms of the Priority Finance Documents.

- (b) After a Declared Default, each Chargor shall not release, sell, transfer, assign, factor, discount or otherwise deal in any way with any of the Bank Accounts other than in a manner which is not prohibited by the Priority Finance Documents.

9.4 **Exercise of rights following enforcement by Security Agent**

After the Charges have become enforceable following the occurrence of a Declared Default, the Security Agent shall be entitled without notice to exercise all rights and powers held by it in relation to the Bank Accounts and to:

- (a) demand and receive any moneys due under or arising out of each Bank Account; and
- (b) exercise all rights the relevant Chargor was then entitled to exercise in relation to the Bank Accounts or would, but for this Deed, be entitled to exercise.

10. **INTELLECTUAL PROPERTY**

10.1 **Intellectual Property licence agreements restricting charging, etc.**

- (a) There shall be excluded from the Security created under this Deed any Intellectual Property licence agreement where Clauses 3.2 (*Fixed Charges*), 3.3(*Floating Charges*) or 3.4 (*Assignment by way of Security*) would breach the terms of that licence agreement (an "**Excluded IP Licence**").
- (b) In respect of each Excluded IP Licence, this Deed will charge all amounts which the relevant Chargor may receive, or has received, under that Excluded IP Licence.

11. **INSURANCE**

11.1 **Notices**

Within five Business Days after any Insurance Policy becomes charged pursuant to this Deed, the relevant Chargor shall serve (with a copy to the Security Agent) a Notice of Insurance Assignment to the brokers or underwriters of each such Insurance Policy and each Chargor shall use all its reasonable endeavours (not involving the payment of money or the incurrence of any external expenses, other than payments and expenses in the ordinary course relating to such matters on fees and expenses of entities engaged to assist with such matters and telephone, courier and postage) to procure the prompt delivery to the Security Agent of a duly completed acknowledgement within 20 Business Days of service in respect of any notice delivered pursuant to this Clause 11.1 in the form set out in Part 2 of Schedule 6 (*Form of Notice of Assignment to Insurers*) or in such other form as the Security Agent may approve and each Chargor's obligation under this Clause 11.1 will cease on the expiry of the 20 Business Day period referred to in this Clause 11.1.

11.2 **Application of moneys**

Subject to the terms of the Intercreditor Agreement and any person having prior rights to such moneys following the occurrence of a Declared Default, each Chargor shall hold any moneys received under any Insurance Policies relating to Charged Assets upon trust for the Security Agent pending payment to the Security Agent for application in accordance with Clause 15 (*Application*).

12. **ASSIGNED CONTRACTS**

12.1 **Assigned Contracts**

- (a) Each Chargor shall, on the date of this Deed (or the date on which the relevant Additional Material Contract is assigned pursuant to Clause 3.3 (*Assignment by way of Security*) (if later)) give notice of the assignments in Clause 3.3 (*Assignment by way of Security*) in relation to the

Assigned Contracts which are intra-group loans entered into by an Intra-Group Lender and Debtor substantially in the form set out in Schedule 6 (*Notices of Assignment*) (or in such other form as is acceptable to the Security Agent) and shall use all reasonable endeavours to ensure that each recipient of any notice promptly signs and returns the relevant form of acknowledgement requested in that notice.

- (b) In relation to Assigned Contracts which are loans made to another member of the Group which are Obligors, the execution of this Deed or any accession deeds to this Deed shall constitute notice to and acknowledgement by the relevant debtor under each such loan of the matters set out in paragraphs 1 and 2 of Part 1 of Schedule 6 (*Form of Notices of Assignment of Assigned Contract*).
- (c) Each Chargor shall, following the occurrence of a Declared Default give notice of the assignments in Clause 3.3 (*Assignment by way of Security*) in relation to the Assigned Contracts (other than intra-group loans entered into by an Intra-Group Lender and Debtor) substantially in the form set out in Schedule 6 (*Notices of Assignment*) (or in such other form as is acceptable to the Security Agent) and shall use all reasonable endeavours to ensure that each recipient of any notice promptly signs and returns the relevant form of acknowledgement requested in that notice.
- (d) This Deed constitutes notice in writing to each Chargor of any Security over any debt owed by that Chargor to any other member of the Group or over any contract or agreement between that Chargor and any other member of the Group whether created under this Deed or any other Security Document.
- (e) Each Chargor shall remain liable to perform all its obligations under each Assigned Contract in accordance with the terms thereof. Neither the Security Agent nor any Receiver or Delegate shall be under any obligation or liability to any Chargor or any other person under or in respect of any Assigned Contract.

13. ENFORCEMENT

13.1 **Power of sale:** The power of sale or other disposal and other powers conferred on the Security Agent and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale and other powers conferred on mortgagees under section 101 of the LPA and such powers shall arise on the date of this Deed free from the restrictions imposed by section 103 of the LPA, which shall not apply to the Charges.

13.2 Enforceability of Security

- (a) For the purposes of all powers implied by the LPA or any other applicable statute, the Secured Liabilities shall be deemed to have become due and payable upon the date of this Deed.
- (b) Save as provided in Clause 13.3 (*Effect of moratorium*) below:
 - (i) the Security created by or pursuant to this Deed shall become immediately enforceable upon the occurrence of a Declared Default;
 - (ii) upon a petition being presented or application made for the appointment of an Administrator in respect of any Chargor, the Security created by or pursuant to this Deed by that Chargor only shall become immediately enforceable; or
 - (iii) upon notice being given by a person entitled to do so of the intention to appoint an Administrator in respect of any Chargor or such notice being filed with the court, the Security created by or pursuant to this Deed by that Chargor only shall become immediately enforceable,

and the power of sale conferred by section 101 of the LPA and all other powers conferred on mortgagees and Receivers by law (as varied and extended by this Deed) shall be exercisable in relation to the Charges and the Security Agent may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion, take possession, hold or dispose of any Charged Asset at any time after the Charges have become enforceable following the occurrence of a Declared Default. In the case of sub-paragraphs (ii) and (iii) above, if the Security created by or pursuant to this Deed by a Chargor has become immediately enforceable in accordance with such paragraph (ii) or (iii) above only, if (in the case of sub-paragraph (ii)) the relevant petition or appointment is withdrawn or rejected or (in the case of sub-paragraph (iii)) the notice is withdrawn or rejected, the Security created by or pursuant to this Deed by that Chargor only and that has become enforceable in accordance with such paragraph (ii) or (iii) above only shall cease immediately to be enforceable.

- (c) The statutory power of leasing conferred upon the Security Agent shall be extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent thinks fit and without the need to comply with any of the provisions of sections 99 and 100 of the LPA and any lease granted will bind any holder of a subsequent Security deriving title under the Security Agent.

13.3 **Effect of moratorium:** The Charges will not become enforceable solely as a result of any person obtaining or taking steps to obtain a moratorium under Schedule A1 of the Insolvency Act 1986.

13.4 **Contingencies:** If the Charges are enforced after the occurrence of a Declared Default at a time when no amount is due under the Priority Finance Documents but at a time when amounts may or will become due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

13.5 **Renewal of deposits:** Without prejudice to any right of set-off any Secured Party may have under any other Priority Finance Document or otherwise, if any time deposit matures on any account a Chargor has with any Secured Party prior to the Release Date when:

- (a) the Charges have become enforceable following the occurrence of a Declared Default; and
- (b) no Secured Liability is at that time due and payable,

that time deposit will automatically be renewed for any further period which that Secured Party considers appropriate.

13.6 **Right of appropriation: financial collateral:** After the Charges have become enforceable following the occurrence of a Declared Default, to the extent that any of the Charged Assets constitute "financial collateral" and this Deed and the obligations of any Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)(the "**Regulations**")), the Security Agent shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be:

- (a) in the case of cash, the amount standing to the credit of each of the Bank Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and
- (b) in the case of Investments, the market price of such Investments determined by the Security Agent by reference to a public index or by such other process as the Security Agent may select, in each case, in a commercially reasonable manner having taken advice from an independent investment or accountancy firm selected by the Security Agent.

In each case, the parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

14. **APPOINTMENT AND RIGHTS OF RECEIVERS AND ADMINISTRATORS**

14.1 **Appointment of Receivers and Administrators**

(a) If:

- (i) a Declared Default occurs; or
- (ii) so requested by the relevant Chargor,

the Security Agent may, by deed or otherwise in writing signed by any officer of the Security Agent or any other person authorised by the Security Agent for this purpose without the prior consent of the relevant Chargor:

- (A) appoint one or more persons to be Receiver of any Charged Assets of the relevant Chargor and/or appoint two or more Receivers of separate parts of the Charged Assets; or
 - (B) when permitted by law, appoint one or more persons to be an Administrator of the relevant Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986; or
 - (C) (subject to any requirement for a court order under the Insolvency Act 1986 or any other applicable insolvency law) remove any Receiver so appointed and, at its option, appoint another person(s) to be an additional or replacement Receiver.
- (b) If more than one person is appointed Receiver or Administrator of any assets, each Receiver or Administrator may act either jointly or severally unless the document appointing him states otherwise.
- (c) Section 109(1) of the LPA does not apply to this Deed.
- (d) The powers of appointment of a Receiver under this Deed shall be in addition to all other statutory and other powers of appointment of the Security Agent under the LPA or otherwise.

14.2 **Rights of Receivers:** Any Receiver appointed pursuant to this Deed shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the relevant Chargor) have and be entitled to exercise, in relation to the Charged Assets (and any other assets which when got in, would be Charged Assets) in relation to which he is appointed:

- (a) all the rights, powers, privileges and immunities conferred on an administrative receiver or other receivers duly appointed under the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (b) all the powers conferred by the LPA or any other applicable law on mortgagees, mortgagees in possession and on receivers; and
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which such Chargor itself could do or omit to do.

In addition, a Receiver shall be entitled (either in his own name or in the name of the relevant Chargor or any trustee or nominee for the relevant Chargor) or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit and either alone or jointly with any other person:

- (a) **Take possession:** to enter upon, take possession of, get in and collect the Charged Assets, to require directors of such Chargor to call up unpaid share capital and to take action to enforce payment of unpaid calls and to require payment to him or the Secured Parties of any Monetary Claims or credit balance on any Bank Account;
- (b) **Carry on business:** to manage or carry on any business of such Chargor;
- (c) **Contracts:** to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which such Chargor is a party to the extent necessary to dispose of the Charged Assets and to perform its obligations;
- (d) **Deal with Charged Assets:** to sell, transfer, assign, exchange, hire out, lend or otherwise dispose of, convert into money or realise the Charged Assets (including any Fixtures, other than landlord's fixtures, which may be severed and sold separately from the Real Property containing them) either by public offer or auction, tender or private contract to any person on any terms and for a consideration of any nature he thinks fit;
- (e) **New Subsidiary:**
 - (i) to form or procure the formation of any new corporation, trust or partnership (a "**new vehicle**");
 - (ii) to subscribe for or acquire any Investment in such new vehicle;
 - (iii) to transfer or transfer any right in or grant any lease or licence in any Charged Assets to such new vehicle; and
 - (iv) to sell, transfer, assign, exchange or otherwise dispose of any such investments or any rights attaching thereto;
- (f) **Borrowings:** to borrow or raise money either unsecured or on the Security of the Charged Assets either in priority to the Charges or otherwise and on such terms as he thinks fit;
- (g) **Covenants and guarantees:** to lend money or advance credit to any customer of a Chargor, enter into bonds, covenants, commitments, guarantees, indemnities or like matters and to make all requisite payments to effect, maintain or satisfy the same;
- (h) **Rights of ownership:** to the extent permitted by law to manage and use the Charged Assets and to exercise and do (or permit the relevant Chargor or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if he were the absolute beneficial owner of the Charged Assets;
- (i) **Leases and tenancies:** to grant leases, tenancies or licences and rights of user in relation to any Charged Assets to any person on any terms and for any rent or fee, to agree to any change to such terms or rent and to accept any surrender of such lease, tenancy, licence or rights of user on any terms (including the payment of any surrender premium) and to make agreements and arrangements with and make allowances to any lessees, tenants or other persons from whom any rents and profits may be payable, in each case it shall think fit;
- (j) **Repairs:** to effect any repairs or improvements to or insurance on, or do any act which he may think desirable to protect or improve, any Charged Asset or any business of any Chargor or make it more productive, to carry out and/or complete any building operations and to apply for and maintain any planning permissions, building regulation approvals and other consents, in each case as he thinks fit;
- (k) **Proceedings and claims:** to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets or the business of the relevant Chargor;

- (l) **Compromise of claims:** to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Chargor or relating in any way to the Charged Assets;
- (m) **Redemption of Security:** to redeem any Security (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of encumbrancers;
- (n) **Employment:** to appoint and discharge officers, employees, agents and advisors and others for the purposes of this Deed and to discharge any person appointed by the relevant Chargor;
- (o) **Receipts:** to give a valid receipt for any moneys and execute any document which is necessary or desirable for realising any Charged Assets;
- (p) **Insolvency Act 1986:** to exercise all powers set out in Schedule 1 or Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1, Schedule B1 or Schedule 2, as the case may be, after the date of this Deed; and
- (q) **Other powers:** to do all such other acts and things the Receiver may consider necessary or expedient for preserving, improving or realising the Charged Assets or the getting in and collection of the Charged Assets (or any assets which when got in would constitute Charged Assets) or which are incidental to the exercise of any of the rights, powers and discretions conferred on the Receiver under or by virtue of this Deed or by law.

Each of the powers specified in each of the above paragraphs shall (except as otherwise provided) be distinct and shall not be in any way limited by reference to any other paragraph or the order in which they appear.

14.3 **Agent of Chargor:** Any Receiver shall be the agent of the relevant Chargor for all purposes unless and until the relevant Chargor goes into liquidation after which time the Receiver shall act as principal and shall not become agent of the Secured Parties. Subject to any applicable law, the Chargors alone shall be responsible for his contracts, engagements, acts, omissions, defaults and liabilities. No Secured Party shall incur any liability by reason of the appointment of a Receiver under this Deed.

14.4 **Remuneration:** The Security Agent may from time to time determine the remuneration of any Receiver and the maximum rate specified in section 109(6) of the LPA will not apply. The Security Agent may direct payment of such remuneration out of moneys accruing to the Receiver but the Chargors alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver.

15. DISTRIBUTION

Application: All moneys from time to time received or recovered by the Security Agent or a Receiver or Delegate pursuant to this Deed or pursuant to the powers conferred by it shall (subject to the terms of the Intercreditor Agreement and the payment of any liabilities having priority to the Secured Liabilities by law and by way of variation of the provisions of the LPA), be applied in accordance with the Intercreditor Agreement.

16. SECURITY AGENT'S RIGHTS

16.1 **General rights:** All or any of the rights which are conferred by this Deed (either expressly or impliedly) or by law upon a Receiver may be exercised after the Charges become enforceable following the occurrence of a Declared Default by the Security Agent or, to the extent permitted by law, an Administrator, irrespective of whether the Security Agent shall have taken possession or appointed a Receiver of the Charged Assets.

16.2 **Redemption of prior Security:**

- (a) Subject to the Intercreditor Agreement and Clause 13.3 (*Effect of moratorium*), in the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security or upon the exercise of any power of sale under this Deed by the Security Agent or any Receiver, the Security Agent may at any time redeem any Security having priority to any Charges or procure the transfer of that Security to itself and may settle the accounts of the prior encumbrancer and any accounts so settled shall, in the absence of manifest error, be conclusive and binding on each Chargor.
- (b) Each Chargor shall, on demand by the Security Agent, pay to the Security Agent all the costs and expenses incurred by it in connection with any such redemption or transfer.
- (c) All the rights conferred by a prior charge upon the chargee or any receiver thereunder shall be exercisable by the Security Agent or a Receiver in like manner as if the same were expressly included herein and the Security Agent shall be entitled to exercise all the rights of a receiver appointed thereunder.

16.3 **Delegation:**

- (a) The Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period any of the rights, powers or discretions vested in it under this Deed.
- (b) That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct, omission or default on the part of any such delegate or sub delegate.

16.4 **Continuation of accounts:** At any time following the commencement of the winding-up of any Chargor or if any Secured Party receives notice or is deemed to have received notice of any subsequent Security affecting the Charged Assets or of any assignment or transfer (other than pursuant to the Priority Finance Documents), the Secured Party may open a new account with it in the name of such Chargor. If the Secured Party does not open a new account, it shall nevertheless be treated as if it had done so at the time when the winding-up commenced or the Secured Party received, or was deemed to have received, notice of such subsequent Security. All payments made thereafter by a Chargor to that Secured Party shall be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Liabilities as at the time when the winding-up commenced or the Security Agent received such notice.

16.5 **Retention of documents:** The Security Agent shall be entitled to continue to retain any document delivered to it under this Deed relating to a Charged Asset until the Charges over such Charged Asset are released in accordance with this Deed. If, for any reason, it ceases to hold any such document before such time, it may by notice to the relevant Chargor require that the relevant document be redelivered to it and the relevant Chargor shall promptly comply with that requirement or procure that it is complied with.

16.6 **Custody:** The Security Agent shall be entitled to keep all certificates and documents of title relating to the Charged Assets in safe custody at any of its branches or otherwise provide for their safe custody by third parties and shall not be responsible for any loss or damage occurring to or in respect thereof unless such loss or damage shall be caused by its own gross negligence or wilful misconduct.

16.7 **Recovery of debts:** The Security Agent and any manager or officer of the Security Agent or of any branch is hereby irrevocably empowered on or after the date the Charges are first enforced to receive all Monetary Claims and on payment to give an effectual discharge therefor and on non-payment to

take (if the Security Agent in its sole discretion so decides) all steps and proceedings either in the name of each Chargor or in the name of the Security Agent for the recovery thereof and also to agree accounts and to make allowances and to give time to any surety. Neither the Security Agent nor any Receiver shall be obliged to make any enquiry as to the sufficiency of any sums received in respect of any Monetary Claims or to make any claims or take any other action to collect or enforce the same.

17. RESPONSIBILITIES OF SECURITY AGENT, RECEIVERS AND DELEGATES

17.1 **No obligation to remain in possession:** If the Security Agent, any Receiver or any Delegate shall take possession of the Charged Assets, it may from time to time in its absolute discretion relinquish such possession.

17.2 **No liability as mortgagee in possession:** Neither the Security Agent nor any Receiver or Delegate will be liable, by reason of entering upon or into possession of a Charged Asset (or viewing or repairing any Charged Assets or otherwise), to account as mortgagee in possession in respect of any Charged Assets or for any loss upon realisation or for any neglect, default or omission in respect of any Charged Assets for which a mortgagee in possession might otherwise be liable.

17.3 **Security Agent's obligation to account:** Neither the Security Agent nor any Receiver or Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason):

- (a) be liable to account to any Chargor or any other person for anything except the Security Agent's own actual receipts which have not been distributed or paid to such Chargor or the persons entitled (or at the time of payment believed by the Security Agent to be entitled) thereto; or
- (b) be liable to such Chargor or any other person for any costs, losses, liabilities or expenses related to any realisation of any Charged Assets or from any act, default, omission or misconduct of the Security Agent, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Charged Assets or in connection with any Priority Finance Document unless caused by its own gross negligence or wilful misconduct.

18. POWER OF ATTORNEY

18.1 **Appointment:** Each Chargor by way of Security irrevocably appoints the Security Agent, every Receiver and every Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit following the occurrence of a Declared Default or if the relevant Chargor has failed to comply with a further assurance or perfection obligation within five Business Days of being notified by the Security Agent of such failure and being requested to comply:

- (a) to do all acts and things which such Chargor is obliged to do under this Deed (or any other Priority Finance Document) but has failed to do, including, without limitation:
 - (i) to fill in the name of the transferee and to date and complete any instrument of transfer in respect of any Charged Investments which has been executed in blank by such Chargor and, in the case of registered Charged Investments, to procure the registration of the transferee as the holder of the relevant Charged Investments in circumstances in which the Charged Investments are to be transferred under the terms of this Deed;
 - (ii) to execute charges over, transfers, conveyances, assignments and assurances of, and all other instruments, notices, orders and directions relating to, the Charged Assets; and
 - (iii) to register or renew registration of the existence of the Charges or the restrictions on dealing with the Charged Assets in any register;

- (b) to transfer any interest in any Charged Assets in the circumstances in which such transfer may be required under this Deed, including on an enforcement of the Charges over such Charged Assets; and
 - (c) to exercise any right conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Assets under this Deed or any other Priority Finance Document or by law after such right has become exercisable.
- 18.2 **Ratification:** Each Chargor agrees to ratify and confirm whatever any such attorney shall carry out or purport to carry out in the exercise or purported exercise of the power of attorney granted by Clause 18.1 (*Appointment*).
- 19. **PROTECTION OF THIRD PARTIES**
- 19.1 **No duty to enquire:** No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire:
 - (a) whether any right which the Security Agent or any Receiver or Delegate is purporting to exercise or any of its powers has arisen or become exercisable;
 - (b) whether the Secured Liabilities have become payable or any amount remains outstanding under the Priority Finance Documents;
 - (c) as to the application of any money borrowed or raised or paid to the Security Agent or any Receiver, Administrator or Delegate; or
 - (d) as to the propriety or regularity of such dealings.
- 19.2 **Receipt:** The receipt of the Security Agent or any Receiver or Delegate shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Assets or in making any acquisition, the Security Agent or any Receiver may do so for any such consideration, in such manner and on such terms as it thinks fit.
- 19.3 **Statutory protection:** All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Secured Party, any Receiver or any Delegate.
- 19.4 **Tacking:** Subject to the terms of the Priority Finance Documents, each Secured Party is under an obligation to make further advances or purchase further notes (as applicable) and any such obligation will be deemed to be incorporated in this Deed as if set out in this Deed.
- 20. **PAYMENTS**
- 20.1 **Certificates:** A certificate, determination, notification or opinion of the Security Agent or any other Secured Party as to the amount of the Secured Liabilities or any other matter connected with this Deed or the Charges shall, in the absence of manifest error, be conclusive evidence of the matters to which it relates.
- 20.2 **Payments:** All payments under or pursuant to this Deed (including damages in respect of breaches hereof) shall be made in accordance with the Intercreditor Agreement.
- 21. **EFFECTIVENESS OF SECURITY**
- 21.1 **Chargors' obligations continuing:** Each Chargor's obligations under Clause 2 (*Covenant to pay*) and the Charges are continuing obligations and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment, discharge or satisfaction in whole or in part.

- 21.2 **Cumulative rights:** The rights and remedies provided in this Deed are cumulative and in addition to and independent of and not in any way prejudiced by any rights or remedies provided by law or any other Security, guarantees or rights of set-off or combination thereof held by any Secured Party.
- 21.3 **Failure to exercise rights:** No failure by the Security Agent to exercise or delay in the exercise of any right or remedy under this Deed will operate as a waiver thereof nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy.
- 21.4 **Immediate recourse:** This Deed and the Chargors' obligations under this Deed are in addition to, and not to be prejudiced by or to be merged with, any other guarantee, indemnity or Security at any time existing in favour of any person. Each Chargor waives any right it may have to require any Secured Party (or any trustee or agent on its behalf) to make demand of, proceed against or enforce any other rights or Security or claim payment from any person before claiming against such Chargor. This waiver applies irrespective of any law or any provision of any Priority Finance Document (other than the Intercreditor Agreement) to the contrary.
- 21.5 **Grant of waivers:** A waiver given or consent granted by the Security Agent under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.
- 21.6 **Waiver of defences:** As between each Chargor and the Secured Parties but without affecting the obligations of any Borrower (as defined in the RCF Facility Agreement), each Chargor shall be liable under Clause 2 (*Covenant to pay*) as if it were the principal debtor and not merely a surety. Neither the Charges nor the obligations of each Chargor under this Deed shall be affected by any act, omission, matter or thing which, but for this Clause 21.6, would reduce, release or prejudice any of its obligations under any Priority Finance Document including (without limitation and whether or not known to such Chargor or any Secured Party):
- (a) any time, waiver or consent given to, or any composition with, any Chargor, Obligor or any other person;
 - (b) the release of any Chargor, Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group or any other person (other than any express release of the Charges given in accordance with this Deed);
 - (c) the taking, perfection, enforcement, variation, compromise, exchange, renewal, release of, or the refusal or neglect to take, perfect or enforce, any rights against, or Security over, assets of, or any guarantee or undertaking given by, any Chargor, Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
 - (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or constitution or status of any Chargor, Obligor or any other person;
 - (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatever nature) or replacement of any Priority Finance Document or any other document or Security, including without limitation any change in the purpose of, any new or increased advances or utilisations, any extension of any date for payment or any increase in any commitment or facility or the issue of any additional notes or the addition of any new facility under any Priority Finance Document or other document or Security;
 - (f) the illegality, invalidity or unenforceability of any obligation of any person under, or expressed to arise under, any Priority Finance Document or other document or Security;

- (g) any intermediate payment of any of the liabilities owing to the Priority Creditors in whole or in part;
- (h) any insolvency or similar proceedings; or
- (i) any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any person under any Priority Finance Document resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order.

21.7 **Deferral of Chargor's rights:** Until all Secured Liabilities have been irrevocably and unconditionally paid and discharged in full or the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have (by reason of performance by it of its obligations under the Priority Finance Documents or by reason of any amount being payable, or liability arising, under this Deed):

- (a) to be indemnified by any other Obligor;
- (b) to claim any contribution or payment from any other provider of Security or surety of any Obligor's obligations under the Priority Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Parties under the Priority Finance Documents or of any other Security or guarantee taken pursuant to, or in connection with, the Priority Finance Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under this Deed;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

Such Chargor shall hold any benefit, payment or distribution received or recovered by it as a result of any exercise of any such right on trust for the Secured Parties and shall pay an amount equal to the amount received or recovered immediately to the Security Agent.

21.8 **Partial invalidity:** If at any time any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect (or any of the Charges intended to be created by or pursuant to this Deed is ineffective) in any jurisdiction, that shall not affect the legality, validity or enforceability of:

- (a) the remaining provisions or the effectiveness of any of the remaining Charges in that jurisdiction; or
- (b) that or any other provision or the effectiveness of such Charges in any other jurisdiction.

21.9 **Reinstatement:** If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or Obligor or any Security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, Security or other disposition which is avoided or reduced (or must be restored in insolvency, liquidation, administration or otherwise, without limitation), then:

- (a) the liability of each Chargor and Obligor and the Charges will continue or be reinstated as if the discharge, release or arrangement, avoidance or reduction had not occurred;
- (b) each Secured Party shall be entitled to recover the value or amount of that payment, Security or arrangement from each Chargor, as if the avoidance or reduction had not occurred, together with any other cost, loss, expense or liability incurred by such Secured Party as a result of such avoidance or reduction; and

- (c) each Chargor shall on demand indemnify the Security Agent against any funding or other cost, loss, liability or expense incurred by the Security Agent as a result of the Security Agent being required for any reason to refund all or part of any amount received by it in respect of any of the Secured Liabilities.
- 21.10 **Security retention:** If the Security Agent considers that any amount paid or credited under any Priority Finance Document is capable of being avoided or otherwise set aside under any laws relating to insolvency or otherwise that amount shall not be treated as paid for the purposes of determining whether the Secured Liabilities have been paid.
- 21.11 **Redemption and Release:**
 - (a) The Security Agent shall at the cost of the relevant Chargors on the date on which it is satisfied (acting reasonably) that all the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and no further Secured Liabilities are capable of becoming outstanding (the "**Release Date**") or following receipt of a notice under paragraph (c) below, take any action that is necessary to release and/or re-assign the Charged Assets from the Charges but without recourse to or any representation or warranty by the Security Agent or any of its nominees.
 - (b) The Security Agent shall at the cost of the relevant Chargor following receipt of notice under paragraph (c) below take any action that is necessary to release and/or re-assign the Excluded Assets from the fixed Charges but without recourse to or any representation or warranty by the Security Agent or any of its nominees.
 - (c) Subject always to Clause 21.11(a), if the Chargors are entitled to, under the terms of the Priority Finance Documents, and wish to require the release of the Charges in whole or in part, they shall give the Security Agent not less than five Business Days' prior notice in writing requesting release of the Charges.
 - (d) All documents which are necessary in connection with the redemption or release of the Charges or the transfer of the Charged Assets back to the relevant Chargor shall be in such form as the Security Agent shall reasonably require.
- 21.12 **Consolidation:** Section 93 of the LPA (restricting the right of consolidation of the Charges with any other Security) shall not apply to the Charges and the Security Agent may consolidate all or any of the Charges with any other Security to the extent lawful.
- 21.13 **Subsequent security interests:** If the Security Agent (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Assets or any assignment or transfer of the Charged Assets which is prohibited by the terms of this Deed or any Priority Finance Documents, all payments thereafter by or on behalf of the relevant Chargor to the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Liabilities as at the time when the Security Agent received such notice.
- 21.14 **Appropriations:** Until all Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and all facilities which might give rise to Secured Liabilities have been terminated, each Secured Party (or any trustee or agent on its behalf) may, subject to the terms of the Intercreditor Agreement and without affecting the liability of any Chargor under this Deed refrain from applying or enforcing any other moneys, Security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and no Chargor shall be entitled to the benefit of the same.

22. SET-OFF

- 22.1 **Set-Off:** After a Declared Default has occurred the Security Agent and each other Secured Party may (without notice to the relevant Chargor) set off or otherwise apply against the Secured Liabilities any credit balance to which any Chargor is entitled on any account with the Security Agent or such Secured Party and any other obligation (contingent or otherwise) owing by the Security Agent or such Secured Party regardless of the place of payment, booking branch or currency of either obligation or the terms of any deposit standing to the credit of such account.
- 22.2 **Currency conversion:** A Secured Party may exercise such rights notwithstanding that the obligations concerned may be expressed in different currencies and each Secured Party is authorised to convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- 22.3 **Set-off rights cumulative:** This Clause 21.14 (*Set-off*) shall be in addition to and without prejudice to any rights of set-off or any other rights or remedies which a Secured Party may have.

23. COMMUNICATIONS

Any communication or document made or delivered under or in connection with this Deed shall be made or delivered in accordance with Clause 28 (*Notices*) of the Intercreditor Agreement.

24. COUNTERPARTS

- 24.1 **Counterparts:** This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.
- 24.2 **Non-signatories:** Failure by one or more parties ("**Non-Signatories**") to execute this Deed on the date hereof will not invalidate the provisions of this Deed as between the other parties who do execute this Deed. Such Non-Signatories may execute this Deed (or a counterpart thereof) on a future date and will thereupon become bound by its provisions.

25. CHANGES TO PARTIES

- 25.1 **Assignment:** The Security Agent and any Secured Party may at any time assign or otherwise transfer all or any part of its rights under this Deed in accordance with and subject to the Priority Finance Documents. Subject to the provisions of the Intercreditor Agreement and the other Priority Finance Documents, the Security Agent shall be entitled to disclose such information concerning the Chargors and this Deed as the Security Agent considers appropriate to any actual or proposed direct or indirect successor, or to any person to whom information may be required to be disclosed by any applicable law.
- 25.2 **Accession:**
- (a) Each Chargor shall procure that any new Subsidiary of it which is required to do so by the terms of the Priority Finance Documents executes a Security Accession Deed and thereby charges its assets and undertaking contemplated by this Deed to the Security Agent.
 - (b) Each Chargor consents to new Subsidiaries becoming Chargors as contemplated by Clause 25.1 (*Assignment*) and irrevocably appoints EDU UK Intermediate Limited as its agent for the purpose of executing accession deeds on its behalf.

26. GOVERNING LAW AND SUBMISSION TO JURISDICTION

- 26.1 **Governing law:** This Deed is governed by and shall be construed in accordance with English law. Any non-contractual obligations arising out of or in connection with this Deed are governed by English law.

26.2 **Jurisdiction:**

- (a) Subject to paragraph (c) below, the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) or the consequences of its nullity (a "**Dispute**").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle any Disputes between them and accordingly no party shall argue to the contrary.
- (c) This Clause is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking:
 - (i) proceedings relating to a Dispute in any other courts with jurisdiction; and
 - (ii) to the extent allowed by law, concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF the parties hereto have caused this Deed to be duly executed as a deed but it shall not be treated as being delivered until the date first written above.

SCHEDULE 1
The Chargors

<u>Chargor</u>	<u>Register Number</u>
EDU UK Intermediate Limited	07285315
EDU UK Bidco Limited	07285370
EDU UK BondCo PLC	08644488
Study Group Holdings UK Limited	05888001
Study Group UK Limited	03108030
Bellerbys Educational Services Limited	02325576
Embassy Educational Services (UK) Limited	01599830

SCHEDULE 2
Details of the Scheduled Real Property

Chargor: Bellerbys Educational Services Limited (company number 2325576):

Part Block G, Creek Road, McMillan Court, Greenwich, title number TGL254297 (leasehold)

Blocks J, K and L, Stowage, Greenwich, title number TGL246250 (leasehold)

Bounty House, Stowage, Greenwich, title number TGL245531 (freehold)

SCHEDULE 3
Details of the Scheduled Investments

<u>Chargor</u>	<u>Shares</u>
EDU UK Intermediate Limited	1 ordinary share of £1.00 in EDU UK BidCo Limited
	50,000 ordinary shares of £1.00 each in EDU UK BondCo PLC
EDU UK Bidco Limited	102 ordinary shares of £1.00 each in Study Group Holdings UK Limited
Study Group Holdings UK Limited	14,259,825 ordinary shares of US\$0.01 each in Study Group UK Limited
	144,022,000 deferred A shares of £0.01 each in Study Group UK Limited
	1,400,000 deferred B shares of US\$0.01 each in Study Group UK Limited
Study Group UK Limited	100 ordinary shares of £1.00 each in Embassy Educational Services (UK) Limited
	122 ordinary shares of £1.00 each in Bellerbys Educational Services Limited
	40,000 preference shares of £1.00 each in Bellerbys Educational Services Limited

SCHEDULE 4
Details of the Scheduled Bank Accounts

Account Holder	Bank	Bank Account number
Embassy Educational Services (UK) Limited	National Westminster Bank	██████
Bellerbys Educational Services Limited	National Westminster Bank	██████
Study Group UK Limited	National Westminster Bank	██████
Study Group Holdings UK Limited	National Westminster Bank	██████
Study Group UK Limited	National Westminster Bank	██████
Bellerbys Educational Services Limited	National Westminster Bank	██████
Embassy Educational Services (UK) Limited	National Westminster Bank	██████
Embassy Educational Services (UK) Limited	National Westminster Bank	██████
Embassy Educational Services (UK) Limited	National Westminster Bank	██████
Embassy Educational Services (UK) Limited	National Westminster Bank	██████
Study Group UK Limited	National Westminster Bank	██████
Study Group UK Limited	National Westminster Bank	██████
Bellerbys Educational Services Limited	National Westminster Bank	██████████
Embassy Educational Services (UK) Limited	National Westminster Bank	██████████

SCHEDULE 5
Notices for Bank Accounts

Part 1

Form of Notice to Account Bank for a Bank Account

To: [name of Account Bank]

[address]

Dated: [•]

Dear Sirs

[•] (the "**Chargor**")

Name of account	Account number and sort code

Debenture dated [•] made between, amongst others, the Chargor and [•] as Security Agent (the "**Deed**")

1. We hereby give notice that, pursuant to the Deed, the Chargor has charged (by way of first fixed charge) in favour of the Security Agent all its rights, title and interest in and to, the accounts with you listed above (the "**Specified Accounts**") including all moneys which may at any time be standing to the credit of such accounts.
2. The Chargor hereby irrevocably and unconditionally instructs and authorises you:
 - (a) to disclose to the Security Agent any information relating to the Accounts which the Security Agent requests you to disclose;
 - (b) following notice from the Security Agent that the Security created under the Deed has become enforceable following the occurrence of a Declared Default, to pay or to release any moneys standing to the credit of the Accounts, in accordance with any instructions which you receive from the Security Agent;
 - (c) following notice from the Security Agent that the Security created under the Deed has become enforceable following the occurrence of a Declared Default, not to permit any withdrawal of any moneys standing to the credit of the Accounts, without the prior written consent of the Security Agent and to hold all such moneys to the order of the Security Agent; and
 - (d) following notice from the Security Agent that the Security created under the Deed has become enforceable following the occurrence of a Declared Default, to comply with the terms of any written notices or instructions relating to the Deed and/or the Accounts and the debts represented by them which you receive from the Security Agent.

The Security Agent hereby confirms that the Chargor may operate the Specified Accounts in accordance with the terms of the mandates relating to such Specified Accounts until receipt of further notice as contemplated by paragraph 2 above.

3. The instructions and authorisations which are contained in this letter shall remain in full force and effect until the Chargor and the Security Agent together give you notice in writing revoking or amending them. You may comply with the instructions contained in this letter without further authority from the Chargor.

4. The instructions and authorisations in this letter supersede any instructions and authorisations to the contrary given to you by or on behalf of any Chargor.
5. We agree that you are not bound to enquire whether the right of any person (including the Security Agent) to withdraw any moneys from the Specified Account[s] has arisen or be concerned with (A) the propriety or regularity of the exercise of that right or (B) notice to the contrary or (C) being responsible for the application of any moneys received by such person (including the Security Agent). Further, we agree that you shall have no liability for having acted on any notice or instructions by any person (including the Security Agent) which on their face appear to be genuine, and which comply with the latest mandates held by you in connection with the Specified Account[s] or relevant electronic banking system procedures in the case of an electronic instruction, and you, as account bank, shall not be deemed to be a trustee for the Chargor or the Security Agent of the Specified Account[s].
6. This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.
7. Please acknowledge your acceptance of the instructions and authorisations contained in this notice by signing the attached Form of Acknowledgement and returning it to the Security Agent at [●] copied to us.

Yours faithfully

[*name of Chargor*]

[*name of Security Agent*]

By
Authorised Signatory

By
Authorised Signatory

Form of Acknowledgement of Notice to Account Bank for a Bank Account

To: [name of Security Agent]

Copy: [Chargor]

Dear Sirs

Debenture dated [●] between [●] (the "Deed")

We hereby acknowledge receipt of the notice (a copy of which is attached hereto (the "Notice")) dated [●] and addressed to us by you regarding the Accounts. Terms defined in the Notice shall have the same meanings when used in this letter. We hereby confirm that we:

- (a) accept the instructions and authorisations contained in the Notice and agree to comply with the terms thereof;
- (b) do not have, and will not make or exercise, in priority to your charge, any claims or demands, any rights of counterclaim, Security, rights of combination, consolidation or set-off or rights against the Chargor in respect of the Accounts and/or the debts represented by them other than in respect of fees for operating the accounts or unless otherwise permitted by the Notice;
- (c) have not received notice of any interest of any third party in any Account and/or the debts represented by them and to our knowledge there are no restrictions on the creation of Security over the Accounts pursuant to the Deed;
- (d) have not designated any of the Specified Account[s] a dormant account within the meaning of the Dormant Bank and Building Society Accounts Act 2008 and we agree that we will not so designate the Specified Account[s] or take any steps to transfer the balance standing to the credit of the Specified Account to the reclaim fund without the Security Agent's prior written consent; and

We shall be entitled to assume that any notice or instruction from the Security Agent is validly given if it is signed by or on behalf of the Security Agent.

We agree that, in the event that we become aware at any time that any person other than yourselves has or will have any right or interest in the Accounts and/or the debts represented by them, we will promptly notify you.

Notwithstanding anything contained in the Notice, you agree that we are not bound to enquire whether the right of any person (including the Security Agent) to withdraw any moneys from the Specified Account[s] has arisen or be concerned with (A) the propriety or regularity of the exercise of that right or (B) notice to the contrary or (C) to be responsible for the application of any moneys received by such person (including the Security Agent). Further, you agree that we shall have no liability for having acted on any notice or instructions by any person (including the Security Agent) which on their face appear to be genuine, and which comply with the latest mandates held by us in connection with the Specified Account[s] or relevant electronic banking system procedures in the case of an electronic instruction, and we, as account bank, shall not be deemed to be a trustee for the Chargor or the Security Agent of the Specified Account[s].

The only Account[s] maintained with us [is] [are] the Specified Account[s] referred to in the Notice [and [●]].

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....
[*name of bank*]

SCHEDULE 6
NOTICES OF ASSIGNMENT

Part 1

Form of Notice of Assignment of Assigned Contract

To: [insert name and address of counterparty]

[•]

Dear Sirs

Re: [identify the Assigned Contract] (the "**Document**")

We give notice to you that [insert name of relevant Chargor] (the "**Company**") has [assigned (subject to a proviso for re-assignment on redemption) to/charged] in favour of [insert name of Security Agent] (the "**Security Agent**") for the benefit of itself and the Secured Parties (as defined in the debenture dated _____ 2013 made between, amongst others, the Company and [•] as Security Agent (the "**Deed**") all its right, title and interest in the Document as Security for certain obligations owed by the Company to the Secured Parties pursuant to the Deed.

1. We further notify you that:

- (a) the Company shall remain entitled to exercise all its rights, powers and discretions under the Document;
- (b) subject to paragraph (a) above you may continue to deal with the Company in relation to the Document until you receive written notice to the contrary from the Security Agent. Thereafter the Company will cease to have any right to deal with you in relation to the Document and therefore from that time you should deal only with the Security Agent;
- (c) you are authorised to disclose information in relation to the Document to the Security Agent on request;
- (d) following notice from the Security Agent that the Security created under the Deed has become enforceable following the occurrence of a Declared Default, you must hold all sums from time to time due and payable by you to the Company under the Document to the order of the Security Agent;
- (e) you will pay or release all moneys to which the Company is entitled under the Document to the Company until the Security Agent directs otherwise;
- (f) the provisions of this notice may only be revoked with the written consent of the Security Agent;
- (g) you should continue to give notices under the Document to the Company, in each case unless and until you receive written notice from the Security Agent to the contrary, in which event all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Agent or as it directs; and
- (h) the Company will remain liable to perform all its obligations under the Document and neither the Security Agent nor any receiver, delegate or sub-delegate appointed by it shall at any time be under any obligation or liability to you under or in respect of the Document.

2. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Company) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- (b) you have not received notice that the Company has assigned its rights under the Document to a third party or created any other interest (whether by way of Security or otherwise) in the Document in favour of a third party;
- (c) you will pay any sums payable to the Company or any other person under or pursuant to the Document as directed by or pursuant to this notice or by the Security Agent; and
- (d) [*subject to any close-out netting and set-off provisions expressly included in the Document*]¹ you do not have and will not exercise any rights of counterclaim or set-off in respect of any Document.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

[*name of Chargor*]

[*name of Security Agent*]

By
Authorised Signatory

By
Authorised Signatory

¹ Include where the Assigned Contract is a Hedging Document.

Form of Acknowledgement of Notice of Assignment of Assigned Contract

To: *[insert name and address of Security Agent]*

Copy to: *[insert name and address of Chargor]*

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraphs 2(a) to 2(d) above.

.....

for and on behalf of

[insert name of Counterparty]

Dated:

Part 2
Form of Notice of Assignment to Insurers

To: [insert name and address of insurance company]

[•]

Dear Sirs,

Re: [identify the relevant Insurance Policy(ies)] (the "**Policies**")

1. We hereby notify you that [insert name of relevant Chargor] (the "**Company**") has [assigned (subject to a proviso for re-assignment on redemption) to/charged] in favour of [insert name of Security Agent] (the "**Security Agent**") for the benefit of itself and certain other banks and financial institutions (the "**Secured Parties**") all its right, title and interest in the Policies as Security for certain obligations owed by the Company to the Secured Parties.
2. We further notify you that:
 - (a) you may continue to deal with the Company in relation to the Policies until you receive written notice to the contrary from the Security Agent. Thereafter the Company will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Security Agent;
 - (b) you are authorised to disclose information in relation to the Policies to the Security Agent on request;
 - (c) following notice from the Security Agent that the Security has become enforceable following the occurrence of a Declared Default, you must hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Agent;
 - (d) the provisions of this notice may only be revoked with the written consent of the Security Agent.
3. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Company) by way of confirmation that:
 - (i) you agree to the terms set out in this notice and to act in accordance with its provisions;
 - (ii) you have noted the Security Agent's interest [as joint insured] [as assignee/chargee] on the Policies;
 - (iii) you will not cancel, avoid, release or otherwise allow the Policies to lapse without giving the Security Agent at least 30 days' written notice;
 - (iv) you have not received notice that the Company has assigned its rights under the Policies to a third party or created any other interest (whether by way of Security or otherwise) in the Policies in favour of a third party;
 - (v) the Security Agent shall not in any circumstances be liable for the premiums in relation to the Policies; and
 - (vi) [the Policies shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Security Agent.]

4. This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....
for and on behalf of
[*insert name of Company*]

Form of Acknowledgement of Notice of Assignment to Insurers

To: *[insert name and address of Security Agent]*

Copy to: *[insert name and address of Chargor]*

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraph 3 above.

.....

for and on behalf of

[insert name of insurance company]

Dated:

SCHEDULE 7
FORM OF SUPPLEMENTAL LEGAL CHARGE

Dated _____

(1) [Enter Chargor name]

as the Chargor

- and -

(2) [•]

as the Security Agent

SUPPLEMENTAL CHARGE

**Supplemental charge to a Debenture
dated [•] 2013
relating to the Properties listed in Schedule 1**

THIS SUPPLEMENTAL CHARGE dated

is made as a deed

BETWEEN:

1. **[Enter Chargor name]** (a company incorporated in England and Wales with registered number [●]) (the "**Chargor**");

AND

2. **[●]** as Security Agent, for itself and for and on behalf of the Secured Parties (the "**Security Agent**").

RECITALS:

- (A) This Supplemental Charge is supplemental to a debenture dated [●] 2013 entered into between various companies and the Security Agent (the "**Debenture**").
- (B) The Chargor is the registered proprietor of the Properties (as defined below).
- (C) The Chargor therefore enters into this Supplemental Charge pursuant to Clause 6 (*Real Property*) of the Debenture in order to effect and register at the Land Registry the charge by way of legal mortgage over the Properties in favour of the Security Agent.

NOW THIS DEED WITNESSES as follows:

1. **INTERPRETATION**

1.1 **Definitions**

Unless otherwise defined herein, terms defined in the Debenture shall have the same meaning when used in this Supplemental Charge.

In this Supplemental Charge:

"**Properties**" means the properties specified in Schedule 1 (*Properties*) to this Supplemental Charge and shall include:

- (a) the proceeds of sale of all or any part of such properties;
- (b) all rights, benefits, privileges, warranties, covenants, undertakings, easements, servitudes, appurtenances and licences relating to such properties;
- (c) all money received by or payable to the Chargor in respect of such properties; and
- (d) all buildings, fixtures and fittings from time to time on such properties.

1.2 **Construction**

Clauses 1.3 (*Construction*) to 1.8 (*Third party rights*) of the Debenture will be deemed to be set out in full in this Supplemental Charge, but as if references in those clauses to the Debenture were references to this Supplemental Charge.

1.3 **Intercreditor Agreement**

This Supplemental Charge is subject to and has the benefit of the Intercreditor Agreement.

2. CHARGING PROVISIONS

The Chargor, as continuing security for the payment and discharge of the Secured Obligations, hereby charges in favour of the Security Agent with full title guarantee the following assets, both present and future from time to time owned by it or in which it has an interest:

- (b) by way of first legal mortgage, the Properties; and
- (c) by way of floating charge, the Properties to the extent not effectively mortgaged by way of legal mortgage under Clause 2(a) above,

pursuant to Clause 3.2(a) (*Fixed Charges*) and Clause 3.4 (*Floating Charge*) respectively of the Debenture as supplemented by this Supplemental Charge.

3. FURTHER ASSURANCES

- 3.1 In relation to real property which is registered at the Land Registry or which is subject to a first registration application at the Land Registry and which is charged by way of legal mortgage under the Debenture (as supplemented by this Supplemental Charge) situated in England and Wales, the Chargor hereby covenants to a restriction being entered on the Register of Title of the Properties under the Land Registration Act 2002 and agrees to apply for such a restriction in the following terms:

"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 Supplemental Charge dated [●] 201[●] in favour of [●] referred to in the Charges Register or its conveyancer".

- 3.2 Subject to the terms of the Priority Finance Documents, each Secured Party is under an obligation to make further advances to the Chargor (which obligation is deemed to be incorporated into this Supplemental Charge) and this security has been made for securing those further advances. The Chargor shall apply to the Land Registry on the prescribed Land Registry form for a notice to be entered on the Register of Title in relation to the Properties and charged by it by way of legal mortgage under this Supplemental Charge that there is an obligation to make further advances on the security of the registered charge.
- 3.3 If the Chargor fails to make the applications set out in Clauses 3.1 or 3.2, the Chargor irrevocably consents to the Security Agent making such application on its behalf and shall promptly provide the Security Agent with all information and properly incurred fees which the Security Agent may reasonably request in connection with such application.
- 3.4 In respect of any of the Properties mortgaged or charged under this Supplemental Charge title to which is registered at the Land Registry, it is certified that the security created by this Supplemental Charge does not contravene any of the provisions of the articles of association of the Chargor.

4. UNDERTAKING

The Chargor shall, promptly after execution of this Supplemental Charge, notify any other party with an interest in the Properties of the Security created by the Debenture (as supplemented by this Supplemental Charge) if required to do so under the terms of any agreement between the Chargor and such other party.

5. INCORPORATION OF PROVISIONS

The provisions of the Debenture shall apply to and be deemed to be incorporated in this Supplemental Charge as if set out herein in full, *mutatis mutandis*, except that references to:

- (a) "this Debenture" shall be construed as references to this Supplemental Charge; and

- (b) "real property", "freehold property", "leasehold property" and "Property" shall be construed to include the Properties.

6. SECURITY DOCUMENT

- 6.1 The parties hereto agree that on and with effect from the date of this Supplemental Charge the Debenture shall be supplemented and amended by this Supplemental Charge so that it shall incorporate the amendments set out therein.
- 6.2 Save as supplemented by this Supplemental Charge, the provisions of the Debenture shall continue in full force and effect.

7. COUNTERPARTS

This Supplemental Charge may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Supplemental Charge.

8. GOVERNING LAW AND SUBMISSION TO JURISDICTION

- 8.1 **Governing law:** This Supplemental Charge is governed by and shall be construed in accordance with English law. Any non-contractual obligations arising out of or in connection with this Supplemental Charge are governed by English law.

8.2 Jurisdiction:

- (a) Subject to Clause 8.2(c) below, the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Supplemental Charge (including a dispute regarding the existence, validity or termination of this Supplemental Charge or any non-contractual obligation arising out of or in connection with this Supplemental Charge) or the consequences of its nullity (a "**Dispute**").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle any Disputes between them and accordingly no party shall argue to the contrary.
- (c) This Clause is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking:
 - (i) proceedings relating to a Dispute in any other courts with jurisdiction; and
 - (ii) to the extent allowed by law, concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof this Supplemental Charge has been duly executed as a deed but is not delivered until the date first above written.

SCHEDULE 1

Properties

<u>Property Description</u>	<u>Title Number</u>
-----------------------------	---------------------

SIGNATORIES TO SUPPLEMENTAL CHARGE

THE CHARGOR[S]

EXECUTED AS A DEED by)
EDU UK INTERMEDIATE LIMITED)
acting by two directors or)
one director and a witness)

Name(s).....

.....

Witness's signature.....
(if signed by one director only)

Name.....

Address.....

[AND/
OR]

EXECUTED AS A DEED by)
EDU UK BIDCO LIMITED)
acting by two directors or)
one director and a witness)

Name(s).....

.....

Witness's signature.....
(if signed by one director only)

Name.....

Address.....

[AND/
OR]

EXECUTED AS A DEED by)
EDU UK BONDCO PLC)
acting by two directors or)
one director and a witness)

Name(s).....

.....

Witness's signature.....
(if signed by one director only)

Name.....

Address.....

[AND/
OR]

EXECUTED AS A DEED by)
STUDY GROUP HOLDINGS UK LIMITED)
acting by two directors or)
one director and a witness)

Name(s).....

.....

Witness's signature.....
(if signed by one director only)

Name.....

Address.....

[AND/
OR]

EXECUTED AS A DEED by)
STUDY GROUP UK LIMITED)
acting by two directors or)
one director and a witness)

Name(s).....

.....

Witness's signature.....
(if signed by one director only)

Name.....

Address.....

[AND/
OR]

EXECUTED AS A DEED by)
BELLERBYS EDUCATIONAL SERVICES)
LIMITED)
acting by two directors or)
one director and a witness)

Name(s).....

.....

Witness's signature.....
(if signed by one director only)

Name.....

Address.....

[AND/
OR]

EXECUTED AS A DEED by)
EMBASSY EDUCATIONAL SERVICES)
(UK) LIMITED)
acting by two directors or)
one director and a witness)

Name(s).....

.....

Witness's signature.....
(if signed by one director only)

Name.....

Address.....

THE SECURITY AGENT

EXECUTED AS A DEED by)
[●])
acting by)
under the authority of that entity,)
in the presence of:)

Witness:

Name:

Address:

SCHEDULE 8

FORM OF SECURITY ACCESSION DEED

THIS SECURITY ACCESSION DEED is made on [●].

BETWEEN:

- (1) _____, a company incorporated in [*England and Wales*] with registered number [●] (the "**New Chargor**");
- (2) [*Parent*] (the "**Parent**"); and
- (3) _____, as security trustee for itself and the other Secured Parties (the "**Security Agent**").

RECITAL:

This deed is supplemental to a debenture dated [●] 201[●] between, amongst others, the Chargor[s] named therein and the Security Agent, as previously supplemented and amended by earlier Security Accession Deeds (if any) (the "**Debenture**").

NOW THIS DEED WITNESSES as follows:

1. INTERPRETATION

1.1 Definitions

Unless otherwise expressly defined herein or the context otherwise requires, terms defined in the Debenture shall have the same meaning when used in this deed.

*["Assigned Contracts" includes [insert details of any Assigned Contracts not listed in the original Debenture].]*²

1.2 Construction

Clauses 1.2 (*Intercreditor Agreement*) to 1.9 (*Covenants and Representations*) of the Debenture will be deemed to be set out in full in this deed, but as if references in those clauses to the Debenture were references to this deed.

The terms of Clause 4.1 (*Negative pledge and disposals*) of the Debenture are incorporated herein and shall be deemed to form part of this deed for the purposes of section 859D(2)(c) of the Companies Act 2006.

2. ACCESSION OF NEW CHARGOR

2.1 Accession

The New Chargor agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party to it as a Chargor.

2.2 Covenant to pay

² Only to include material contracts and, in respect of intercompany loan agreements, this is not required for any loan agreements whose assignment is deemed acknowledged by the relevant borrower.

The New Chargor shall on demand pay or discharge to the Security Agent the Secured Liabilities when the same have become due in the manner provided for in the Priority Finance Documents, provided that neither such covenant nor the Security created by the Debenture shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or Security to be unlawful or prohibited by any applicable law.

2.3 Creation of Charges

All Charges and assignments under this deed are:

- (a) made in favour of the Security Agent (for the benefit of itself and the other Secured Parties);
- (b) made with full title guarantee; and
- (c) Security for the payment and discharge of all Secured Liabilities.

All Charged Assets are excluded from the Charges created pursuant to clause 2.4 (Fixed Charges) to the extent specifically assigned pursuant to clause 2.5 (Assignment by way of Security).

3. FIXED CHARGES

The New Chargor charges:

- (a) **Real Property:**
 - (i) by way of first legal mortgage and all Real Property in England or Wales now belonging to it (including any property specified in Schedule 1 (*Details of Real Property*) hereto); and
 - (ii) by way of first fixed charge all its rights, title and interest, present and future, in and to Real Property in England or Wales not mortgaged pursuant to paragraph (i) above;
- (b) **Investments:**
 - (i) by way of first fixed charge all its rights, title and interest in and to the all Investments now belonging to it (including any Investments specified in Schedule 2 (*Details of Investments*) hereto); and
 - (ii) by way of first fixed charge all its rights, title and interest in and to all Investments belonging to it (present and future) not referred to in paragraph (i) above;
- (c) **Monetary Claims:** by way of first fixed charge all its rights, title and interest present and future in and to all Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to the Debenture or this deed;
- (d) **Intellectual Property:** by way of first fixed charge all its rights, title and interest present and future in and to Intellectual Property and all Related Rights;
- (e) **Bank Accounts:** by way of first fixed charge all its rights, title and interest present and future in and to the Bank Accounts (including any Bank Accounts specified in Schedule 4 (*Details of Bank Accounts*) hereto);
- (f) **Insurance Policies:** by way of first fixed charge all its rights, title and interest present and future in and to the Insurance Policies and all Related Rights;

- (g) **Authorisations:** by way of first fixed charge the benefit of all consents, agreements and other Authorisations held by it in connection with any of its assets; and
- (h) **Goodwill and uncalled capital:** by way of first fixed charge all its rights, title and interest present and future in and to:
 - (i) all its uncalled capital; and
 - (ii) all its goodwill.

3.2 Assignment by way of Security

The New Chargor hereby assigns and agrees to assign absolutely (subject to the right to reassignment on redemption pursuant to Clause 21.11 (*Final redemption*) of the Debenture) all its present and future rights, title, interest and benefit in and to the Assigned Contracts, including all moneys payable to it, and any claims, awards and judgments in favour of it, under or in connection with the Assigned Contracts.

3.3 Floating Charge

The New Chargor charges by way of first floating Charge its present and future undertaking and all its assets other than any asset effectively mortgaged, charged or assigned under clause 2.4 (*Fixed Charges*) or clause 2.5 (*Assignment by way of Security*).

4. CONSENT OF EXISTING CHARGORS

The Parent, for itself and as agent for each of the other Chargors under the Debenture, agrees to the terms of this deed and agrees that its execution will in no way prejudice or affect the Security granted by each of them under (and covenants and undertakings given by each of them in) the Debenture.

5. CONSTRUCTION OF DEBENTURE

The Debenture and this deed shall be read together as one instrument on the basis that references in the Debenture to "this Deed" will be deemed to include this deed.

6. NOTICES

The New Chargor confirms that its address details for notices in relation to Clause 23 (*Communications*) of the Debenture are as follows:

Address: [•]

Fax: [•]

[Email: [•]]

Attention: [•]

7. COUNTERPARTS

This deed may be executed in any number of counterparts and this has the same effect as if the signature on the counterparts were on a single copy of this deed.

8. GOVERNING LAW AND JURISDICTION

- 8.1 This deed is governed by and shall be construed in accordance with English law. Any non-contractual obligations arising out of or in connection with this deed are governed by English law.

- 8.2 Subject to clause 7.4 below, the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed or any non-contractual obligation arising out of or in connection with this deed) or the consequences of its nullity (a "**Dispute**").
- 8.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle any Disputes between them and accordingly no party shall argue to the contrary.
- 8.4 This clause is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking:
- (a) proceedings relating to a Dispute in any other courts with jurisdiction; and
 - (b) to the extent allowed by law, concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof this deed has been duly executed and delivered on the date first above written.

SCHEDULES TO THE DEED OF ACCESSION

SCHEDULE 1

Details of Real Property

[•]

SCHEDULE 2

Details of Investments

[•]

SCHEDULE 3

Details of Bank Accounts

[•]

[INSERT SIGNATORIES TO SECURITY ACCESSION DEED]

SIGNATORIES

THE CHARGORS

EXECUTED AS A DEED by
EDU UK INTERMEDIATE LIMITED
acting by a director

)
)
)
)



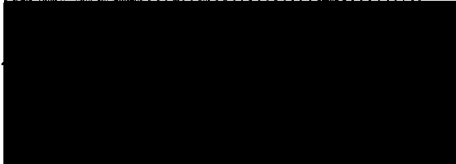
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Witness's signature.



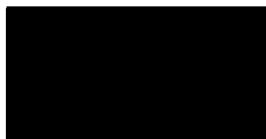
Name... Rachael Newsome

Address.



EXECUTED AS A DEED by
EDU UK BIDCO LIMITED
acting by a director

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)
)
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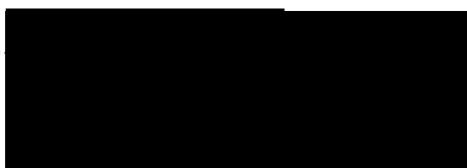
Name....EMMA LANCASTER

Witness's signature



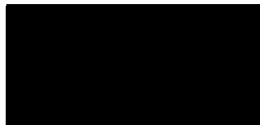
Name....Rachael Newsome

Address....



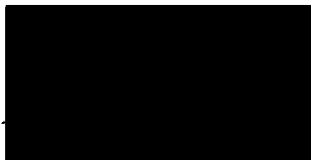
EXECUTED AS A DEED by
EDU UK BONDCO PLC
acting by a director

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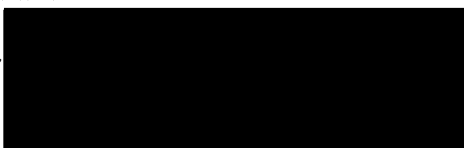
Name.....*EMMA LANCASTER*.....

Witness's signature.



Name...*Rachael Newsome*.....

Address..



EXECUTED AS A DEED by
EMMA LANCASTER
as attorney for
STUDY GROUP HOLDINGS UK LIMITED
in the presence of:

Witness's signature..

Name... Rachael... Newsome.....

Address..

EXECUTED AS A DEED by
STUDY GROUP UK LIMITED
acting by a director

)
)
)
)



Name.....EMMA LANCASTER

Witness's signature



Name..Rachael Newsome.....

Address



EXECUTED AS A DEED by
EMMA LANCASTER
as attorney for
BELLERBYS EDUCATIONAL SERVICES LIMITED
in the presence of:

Witness's signature.


Name.....*Rachael Newsome*.....

Address..

EXECUTED AS A DEED by
EMMA LANCASTER
as attorney for
EMBASSY EDUCATIONAL SERVICES (UK) LIMITED
in the presence of:

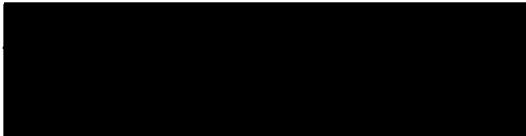
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Witness's signature... 

Name... Rachael Newsome

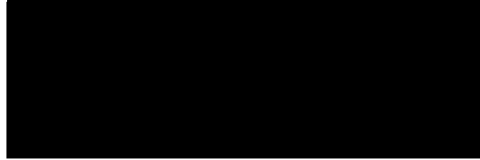
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THE SECURITY AGENT

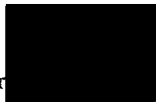
EXECUTED AS A DEED by
BARCLAYS BANK PLC
acting by an authorised signatory

)
)
)



Name.....Rob AZURDIA.....

Witness's signature.....



Name.....Jean Baptiste Lesaux.....

Address....

