



Registration of a Charge

Company name: **CITATION (NBS) LIMITED**

Company number: **08336890**



X714QJ0Q

Received for Electronic Filing: **06/11/2018**

Details of Charge

Date of creation: **02/11/2018**

Charge code: **0833 6890 0003**

Persons entitled: **GLAS TRUST CORPORATION LIMITED**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

ALLEN & OVERY LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8336890

Charge code: 0833 6890 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd November 2018 and created by CITATION (NBS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th November 2018 .

Given at Companies House, Cardiff on 8th November 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

SUPPLEMENTAL SECURITY AGREEMENT

DATED 2 November **2018**

BETWEEN

THE COMPANIES LISTED HEREIN
as the Original Chargors

and

GLAS TRUST CORPORATION LIMITED
as Security Agent

This Supplemental Security Agreement relating to a security agreement dated 9 March 2016 is entered into subject to the terms of an Intercreditor Agreement dated 9 March 2016

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Signatories	
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THIS DEED is dated 2 November 2018 and made

BETWEEN:

- (1) **THE COMPANIES LISTED** in Schedule 1 (Original Chargors) each as an **Original Chargor** and together, the **Original Chargors**; and
- (2) **GLAS TRUST CORPORATION LIMITED** (the **Security Agent**) as agent and trustee for the Secured Parties (as defined below).

BACKGROUND:

- (A) The Parent, the Lenders and the Security Agent, amongst others, have agreed to enter into an amendment and restatement agreement to be dated on or about the date of this Deed (the "**Amendment and Restatement Agreement**") to amend and restate the terms of the Senior Facilities Agreement.
- (B) The Chargors and the Security Agent have agreed to enter into this Deed in connection with the Amendment and Restatement Agreement and in order to grant further continuing security to the Security Agent in respect of the Secured Liabilities (as defined below).
- (C) Each Chargor enters into this Deed in connection with the Intercreditor Agreement (as defined below).
- (D) This Deed is supplemental to the Existing Security Documents.
- (E) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed:

Account Bank means, in relation to a Restricted Account, the bank with which the Restricted Account is maintained.

Act means the Law of Property Act 1925.

Chargor means each of the Original Chargors and each of the New Chargors.

Enforcement Event has the meaning given to the term Declared Default in the Senior Facilities Agreement.

Existing Debenture means the English law governed debenture dated 9 March 2016 entered into between the Chargors (as defined therein) and the Security Agent.

Existing Security Documents means:

- (a) the Existing Debenture; and

- (b) the Existing Security Accession Deeds.

Existing Security Accession Deeds means the:

- (a) security accession deeds each dated 25 April 2016 and entered into by the relevant Original Chargor (as applicable) listed at numbers 3 to 10 (inclusive) in Schedule 1 (Original Chargors) hereto; and
- (b) security accession deeds each dated 15 February 2018 and entered into by the relevant Original Chargor (as applicable) listed at numbers 11 and 12 in Schedule 1 (Original Chargors) hereto.

Fixtures means all fixtures and fittings and fixed plant and machinery on the Mortgaged Property.

Intercompany Loan Agreement means any intercompany loan agreement to which a Chargor is party as a lender, including those specified in Schedule 2 (Security Assets) under the heading “Relevant Contracts” and the intercompany loan agreements (if any) specified as such in any Security Accession Deed.

Intercreditor Agreement means the intercreditor agreement dated 9 March 2016 between, among others, Citation Holdco Limited, Citation Bidco Limited and the Security Agent.

Investments means:

- (a) all shares, stocks, debentures, bonds or other securities and investments included in the definition of Security Assets;
- (b) any dividend or interest paid or payable in relation to any of the above; and
- (c) any right, money or property accruing or offered at any time in relation to any of the above by way of redemption, substitution, exchange, bonus or preference under option rights or otherwise.

Mortgaged Property means all freehold or leasehold property included in the definition of “Security Assets”.

New Chargor means each company which accedes to this Deed as a Chargor pursuant to a Security Accession Deed.

Party means a party to this Deed.

Premises means all buildings and erections included in the definition of “Security Assets”.

Receiver means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed.

Restricted Account means all present and future bank accounts in the name of any Chargor and includes the bank accounts (if any) specified in Schedule 2 (Security Assets) under the heading “Restricted Accounts” and the bank accounts (if any) specified in any Security Accession Deed, and:

- (a) if there is a change of Account Bank, any account into which all or part of a credit balance from a Restricted Account is transferred; and

- (b) any account which is a successor to a Restricted Account on any re-numbering or re-designation of accounts and any account into which all or part of a balance from a Restricted Account is transferred for investment or administrative purposes.

Restricted IP means any Material Intellectual Property owned by or licensed to a Chargor which, in each case, that Chargor is prohibited from charging and in respect of which consent has not yet been obtained from the third party pursuant to Clause 2.11(b) (Third Party Consents).

Restricted Mortgaged Property means any leasehold property (which is material in the context of its business) held by a Chargor under a lease with a third party which precludes either absolutely or conditionally that Chargor from creating a mortgage or charge over its leasehold interest in that property and in respect of which consent has not yet been obtained from the third party pursuant to Clause 2.11(a) (Third Party Consents).

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

Secured Party has the meaning given to it in the Intercreditor Agreement.

Security Accession Deed means a deed executed by a member of the Group substantially in the form set out in Schedule 5 (Form of Security Accession Deed), with those amendments which the Security Agent may approve or reasonably require.

Security Assets means all assets of each Chargor the subject of any security created by this Deed.

Security Period means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

Senior Facilities Agreement means the senior facilities agreement dated 9 March 2016 between, among others, Citation Holdco Limited, Citation Bidco Limited, the Agent (as defined therein) and the Security Agent, as amended and or amended and restated from time to time and most recently pursuant to the Amendment and Restatement Agreement.

Trade Contract means each contract entered into by a Chargor with a trade counterparty.

1.2 Construction

- (a) Capitalised terms defined in the Intercreditor Agreement and the Senior Facilities Agreement have, unless expressly defined in this Deed, the same meaning in this Deed, as applicable.
- (b) The provisions of clause 1.2 (Construction) of the Intercreditor Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Intercreditor Agreement will be construed as references to this Deed.
- (c) In this Deed:
 - (i) a **Finance Document** or any other agreement or instrument includes (without prejudice to any prohibition on amendments) any amendment to that Finance Document or other agreement or instrument, including any change in the purpose of, any extension of or any increase in the amount of a facility or any additional facility;
 - (ii) the term this **Security** means any security created by this Deed;

- (iii) **assets** includes present and future properties, revenues and rights of every description; and
 - (iv) for the purposes of the definitions of Restricted IP and Restricted Mortgaged Property and Clause 2.11 (Third Party Consents), the term “third party” in relation to a Chargor means any person which is not a member of the Group or an Affiliate of a member of the Group.
- (d) Any covenant of a Chargor under this Deed (other than a payment obligation) remains in force during the Security Period.
 - (e) The terms of the other Finance Documents and of any side letters between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
 - (f) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
 - (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

2. CREATION OF SECURITY

2.1 General

- (a) All the security created under this Deed:
 - (i) is created in favour of the Security Agent;
 - (ii) is created over present and future assets of each Chargor;
 - (iii) is security for the payment of all the Secured Liabilities;
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
 - (v) is created in addition to and does not affect the Security created by the Existing Security Documents.
- (b) If the rights of a Chargor under a document (including any contract or policy of insurance) cannot be secured without the consent of a party to that document:
 - (i) this Security will secure all amounts which that Chargor may receive, or has received, under that document but exclude the document itself; and
 - (ii) if the Security Agent (acting reasonably) determines that the relevant asset is material the Chargor shall use reasonable endeavours to obtain any necessary consent of, or waiver from, the relevant party to that document being secured under this Deed.
- (c) The Security Agent holds the benefit of this Deed on trust for the Secured Parties.

2.2 Land

- (a) Each Chargor charges:
 - (i) by way of a legal mortgage:
 - (A) the estates or interests in any freehold or leasehold property now owned by it as specified opposite its name in Schedule 2 (Security Assets) (as supplemented pursuant to each Security Accession Deed) under the heading “Real Property”, with, subject to Clause 2.11 (Third Party Consents), the exception of any Restricted Mortgaged Property; and
 - (B) any estates or interests in any leasehold property in paragraph (a)(i)(A) above which has ceased to fall within the definition of Restricted Mortgaged Property by virtue of receipt of the relevant landlord’s consent to charge that property, but only with effect from the date on which that consent is obtained.
 - (ii) (to the extent that they are not the subject of a mortgage under paragraph (i) above) by way of fixed charge:
 - (A) the estates or interests in any freehold or leasehold property now owned by it as specified opposite its name in Schedule 2 (Security Assets) (as supplemented pursuant to each Security Accession Deed) under the heading “Real Property”, with, subject to Clause 2.11 (Third Party Consents), the exception of any Restricted Mortgaged Property; and
 - (B) any estates or interests in any leasehold property in paragraph (a)(ii)(A) above which has ceased to fall within the definition of Restricted Mortgaged Property by virtue of receipt of the relevant landlord’s consent to charge that property, but only with effect from the date on which that consent is obtained.
- (b) A reference in this Clause 2.2 to a mortgage or charge of any freehold or leasehold property includes:
 - (i) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
 - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 Investments

- (a) Each Chargor charges:
 - (i) by way of a fixed charge all shares in any other Obligor or Material Company which is a Subsidiary of an Obligor owned by it or held by any nominee on its behalf; and;
 - (ii) by way of a fixed charge its interest in all shares, stocks, debentures, bonds or other securities and investments owned by it or held by any nominee on its behalf.
- (b) A reference in this Clause 2.3 to a mortgage or charge of any stock, share, debenture, bond or other security includes:
 - (i) any dividend or interest paid or payable in relation to it; and

- (ii) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.
- (c) For the avoidance of doubt, there shall be excluded from the security created by this Deed all investments and shares in any Joint Ventures.

2.4 Plant and machinery

Each Chargor charges by way of a fixed charge all plant and machinery owned by it and its interest in any plant or machinery in its possession.

2.5 Restricted credit balances

Subject to any prior Security in favour of any Account Bank which is created by law or in the standard terms and conditions of the Account Bank (to the extent such terms and conditions have not been waived) each Chargor charges by way of a fixed charge all of its rights in respect of any amount standing to the credit of any Restricted Account and the debt represented by it.

2.6 Insurances

Subject to paragraph (b) of Clause 2.1 (General), each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest, excluding any third party liability or public liability insurance and any directors and officers insurance (in each case, other than to the extent any Chargor has a legal or beneficial claim on the proceeds) but including, without limitation the contracts and policies of insurance specified in Schedule 2 (Security Assets) under its name under the heading “Insurances” and the contracts and policies of insurance (if any) specified in any Security Accession Deed.

2.7 Other contracts

- (a) Subject to paragraph (b) of Clause 2.1 (General) and, in respect of Trade Contracts, paragraph (b) below, each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of:
 - (i) any agreement to which it is a party (including any Hedging Agreement and any Intercompany Loan Agreement), except to the extent that it is subject to any fixed security created under any other term of this Clause 2.7; this includes the agreements (if any), as specified in Schedule 2 (Security Assets) (as supplemented pursuant to each Security Accession Deed) under its name under the heading “Relevant Contracts”;
 - (ii) any letter of credit issued in its favour;
 - (iii) any bill of exchange or other negotiable instrument held by it; and
 - (iv) any other agreement to which the Chargor is a party and which the Security Agent and the Chargor have designated a relevant contract,

each a **Relevant Contract**.

- (b) There shall be excluded from the security created by this Deed any Trade Contract which prohibits the Chargor party to it from creating Security over its rights under that Trade Contract for so long as such prohibition is in existence or until consent has been received from the relevant third party.

2.8 Intellectual property

Each Chargor charges by way of a fixed charge:

- (a) all of its rights in respect of any Material Intellectual Property (as defined in the Senior Facilities Agreement), with, subject to Clause 2.11 (Third Party Consents), the exception of Restricted IP; and
- (b) all of its rights in respect of any Material Intellectual Property (as defined in the Senior Facilities Agreement) which by virtue of obtaining third party consent to charge such Material Intellectual Property has ceased to fall within the definition of Restricted IP, but only with effect from the date on which that consent is obtained.

2.9 Miscellaneous

Each Chargor charges by way of fixed charge:

- (a) any beneficial interest, claim or entitlement it has in any pension fund;
- (b) its goodwill;
- (c) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (d) the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph (c) above; and
- (e) its uncalled capital.

2.10 Floating charge

- (a) Each Chargor charges by way of a floating charge all its assets not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause 2.10.
- (b) Except as provided below, the Security Agent may by notice to a Chargor convert the floating charge created by that Chargor under this Clause 2.10 into a fixed charge as regards any of that Chargor's assets specified in that notice, if:
 - (i) an Enforcement Event has occurred; or
 - (ii) the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- (c) The floating charge created by this Clause 2.10 may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,under section 1A of the Insolvency Act 1986.

- (d) The floating charge created by this Clause 2.10 will automatically convert into a fixed charge over all of a Chargor's assets if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator.
- (e) The floating charge created by this Clause 2.10 is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

2.11 Third Party Consents

- (a) If a Chargor has an interest in any Restricted Mortgage Property, that Chargor shall notify the Security Agent and:
 - (i) as soon as reasonably practicable and within five Business Days of the date of this Deed or a Security Accession Deed (as the case may be), send a request for consent to each landlord of Restricted Mortgaged Property to the creation of charges envisaged by Clauses 2.2(a)(i)(B) (Land) and 2.2(a)(ii)(B) (Land) and use its reasonable endeavours to obtain consent of each such landlord for a period of 20 Business Days from service of the request for consent. If the relevant Chargor has used its reasonable endeavours but has not been able to obtain consent within such period, its obligation to obtain consent shall expire at the end of such period;
 - (ii) at the reasonable request of the Security Agent, keep the Security Agent informed of the progress of its negotiations with any such landlord; and
 - (iii) provide the Security Agent with a copy of each such consent promptly after its receipt.
- (b) If a Chargor has an interest in any Restricted IP, that Chargor shall:
 - (i) as soon as reasonably practicable and within five Business Days of the date of this Deed or a Security Accession Deed (as the case may be), send a request for consent to each counterparty whose consent is required to the creation of charges envisaged by Clause 2.8(b) (Intellectual property) and use its reasonable endeavours to obtain consent of each such counterparty for a period of 20 Business Days from service of the request for consent. If the relevant Chargor has used its reasonable endeavours but has not been able to obtain consent within such period, its obligation to obtain consent shall expire at the end of such period;
 - (ii) at the reasonable request of the Security Agent, keep the Security Agent informed of the progress of its negotiations with any such counterparty; and
 - (iii) provide the Security Agent with a copy of each such consent promptly after its receipt.
- (c) Immediately upon receipt of the relevant waiver or consent, or upon the relevant prohibition otherwise ceasing to apply, the formerly excluded assets or undertakings shall stand charged or assigned to the Security Agent under the relevant Clause of this Deed (as applicable). If reasonably required by the Security Agent, at any time following satisfaction of that condition or receipt of that waiver or consent, the Chargor will forthwith execute a valid fixed charge or legal assignment over the relevant assets on substantially the same terms as set out in this Deed.
- (d) Where an asset is Restricted IP or Restricted Mortgaged Property and excluded from the Security created by this Deed, that Security shall operate as an assignment or charge of all proceeds and/or receivables which the Chargor derives from or is entitled to in respect of the relevant asset(s) that have been so excluded from such Security.

3. REPRESENTATIONS – GENERAL

3.1 Nature of security

Each Chargor represents and warrants to each Secured Party that this Deed is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

3.2 Times for making representations

- (a) The representations and warranties set out in this Deed are made on the date of this Deed (and, in the case of a Chargor which accedes to this Deed pursuant to a Security Accession Deed, on the date of such Security Accession Deed), on the date on which a Security Asset becomes the subject of this Security and on each date required under clause 24.29 (Times When Representations Made) of the Senior Facilities Agreement.
- (b) Unless a representation and warranty is expressed to be given at a specific date, each representation and warranty under this Deed is deemed to be made by each Chargor by reference to the facts and circumstances then existing at the date the representation or warranty is made.
- (c) When a representation and warranty is repeated, it is applied to the circumstances existing at the time of repetition.

4. RESTRICTIONS ON DEALINGS

No Chargor may:

- (a) create or permit to subsist any Security on any Security Asset; or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset,

except as expressly allowed under the Finance Documents or as created under the Existing Security Documents.

5. RIGHTS OF CHARGORS

Notwithstanding anything to the contrary contained in this Deed and subject to the terms of the Finance Documents, until the occurrence of an Enforcement Event:

- (a) each Chargor shall continue to have the sole right (i) to deal with any Security Assets and all contractual counterparties in respect thereof and (ii) to amend, waive or terminate (or allow to lapse) any rights, benefits and/or obligations in respect of such Security Assets, in each case, without reference to any Secured Party; and
- (b) each Chargor shall continue to operate and transact business in relation to the Restricted Accounts and Relevant Contracts, including making withdrawals from and effecting closures of, the Restricted Accounts other than to the extent agreed to be restricted pursuant to the notice set out in Schedule 3 (Forms of letter for Account Bank) or Schedule 4 (Forms of letter for Relevant Contracts).

6. LAND

6.1 Title

Each Chargor represents to each Finance Party that except as disclosed in any Report relating to any of its Mortgaged Property:

- (a) it is the legal and beneficial owner of its Mortgaged Property;
- (b) no breach of any law or regulation is outstanding which affects or might affect materially the value of its Mortgaged Property;
- (c) nothing has arisen or has been created or is subsisting which would be an overriding interest, or an unregistered interest which overrides first registration or registered dispositions, over its Mortgaged Property;
- (d) it has received no notice of any adverse claims by any person in respect of the ownership of its Mortgaged Property or any interest in it, nor has any acknowledgement been given to any person in respect of its Mortgaged Property; and
- (e) its Mortgaged Property is held by it free from any Security (other than the security created hereunder or under the Existing Security Documents or any Permitted Security) or any tenancies or licences.

6.2 Compliance with leases

Each Chargor must:

- (a) perform all the material terms on its part contained in any lease comprised in the Mortgaged Property; and
- (b) not do or allow to be done any act as a result of which any lease comprised in its Mortgaged Property may become liable to forfeiture or otherwise be terminated.

6.3 Acquisitions

- (a) If a Chargor acquires any freehold or leasehold property which is material in the context of the Group after the date of this Deed it must:
 - (i) notify the Security Agent promptly;
 - (ii) promptly on request by the Security Agent and at the cost of that Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that property in any form (consistent with the provisions of this Deed) which the Security Agent may require;
 - (iii) if the title to that freehold or leasehold property is registered at H.M. Land Registry or required to be so registered, give H.M. Land Registry written notice of this Security; and
 - (iv) if applicable, ensure that this Security is correctly noted in the Register of Title against that title at H.M. Land Registry within one calendar month.
- (b) If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent and that Chargor must use its reasonable endeavours to obtain the landlord's consent.

6.4 Notices

Each Chargor must, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the Mortgaged

Property (or any part of it) that would be reasonably likely to affect materially its value, the ability to sell or let it, or its use:

- (a) deliver a copy to the Security Agent; and
- (b) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirement.

6.5 Leases

No Chargor may grant or agree to grant (whether in exercise or independently of any statutory power) any lease or tenancy of the Mortgaged Property or any part of it or accept a surrender of any lease or tenancy or confer upon any person any contractual licence or right to occupy the Mortgaged Property except for any lease or tenancy which is entered into on normal arm's length market terms at proper market rent with a term of less than 25 years.

6.6 H.M. Land Registry

Each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at H.M. Land Registry:

"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 security agreement dated [] in favour of [] referred to in the charges register or their conveyancer. (Standard Form P)"

6.7 Deposit of title deeds

Each Chargor must deposit with the Security Agent all deeds and documents of title in its possession (or which come into its possession) relating to its Mortgaged Property and all local land charges, land charges and Land Registry search certificates and similar documents received by it or on its behalf, provided that the provision of any such documents by a Chargor pursuant to this Clause 6.7 of the Existing Debenture in relation to the Existing Security Documents shall discharge the obligation to provide the same documents under this Deed.

6.8 Access

Following the occurrence of an Event of Default which is continuing, each Chargor must permit the Security Agent and any person nominated by it at all reasonable times to enter any part of its Mortgaged Property and view the state of it.

6.9 Power to remedy

Following the occurrence of an Event of Default which is continuing, if a Chargor fails to perform any material term affecting its Mortgaged Property, that Chargor must allow the Security Agent or its agents and contractors:

- (a) to enter any part of its Mortgaged Property;
- (b) to comply with or object to any notice served on that Chargor in respect of its Mortgaged Property; and

- (c) to take any action as the Security Agent may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.

That Chargor must promptly on request by the Security Agent pay the reasonable costs and expenses of the Facility Agent or its agents and contractors incurred in connection with any action taken by it under this Clause 6.9.

7. INVESTMENTS

7.1 Investments

[Intentionally blank]

7.2 Deposit

Each Chargor must as soon as reasonably practicable and within five Business Days of the date of this Deed, or:

- (a) in relation to any Investment which a Chargor does not own on the date of this Deed, as soon as reasonably practicable and within five Business Days of the date on which such Chargor becomes the owner of such Investment; or
- (b) in the case of a Chargor which accedes to this Deed pursuant to a Security Accession Deed, as soon as reasonably practicable and within 20 Business Days of the date of such Security Accession Deed,
 - (i) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to any Investment; and
 - (ii) execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees, to be registered, following the occurrence of an Enforcement Event, as the owner or otherwise obtain a legal title to any Investment,

provided that the provision of any documents by a Chargor pursuant to this Clause 7.2 of the Existing Debenture in relation to the Existing Security Documents shall discharge the obligation to provide the same documents or notices under this Deed.

7.3 Calls

- (a) Each Chargor must pay all calls or other payments due and payable in respect of any of its Investments.
- (b) If a Chargor fails to do so the Security Agent may pay the calls or other payments on behalf of that Chargor. That Chargor must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 7.3.

7.4 Other obligations in respect of Investments

- (a) Each Chargor must promptly provide a copy to the Security Agent and comply with all requests for information which is within its knowledge and which are made under any law or regulation or by any listing or other authority or any similar provision contained in any articles of association or other

constitutional document relating to any of its Investments. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of that Chargor.

- (b) Each Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- (c) The Security Agent is not obliged to:
 - (i) perform any obligation of a Chargor;
 - (ii) make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor; or
 - (iii) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Investment.

7.5 Voting rights

- (a) Before the occurrence of an Enforcement Event:
 - (i) the voting rights, powers and other rights in respect of the Investments shall be exercisable by the relevant Chargor provided that the relevant Chargor must exercise such rights and powers in a manner which does not adversely affect the validity or enforceability of this Security or cause an Event of Default to occur; and
 - (ii) all dividends or other income paid or payable in relation to any Investments must be paid directly to the relevant Chargor.
- (b) After the occurrence of an Enforcement Event, the Security Agent may exercise (in the name of the relevant Chargor and without any further consent or authority on the part of the relevant Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

7.6 Financial Collateral

- (a) To the extent that the assets mortgaged or charged under this Deed constitute "financial collateral" and this Deed and the obligations of a Chargor under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) the Security Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (b) Where any financial collateral is appropriated:
 - (i) if the financial collateral is listed or traded on a recognised exchange its value will be taken as the value at which it could have been sold on the exchange on the date of appropriation; or
 - (ii) in any other case, the value of the financial collateral will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it;

and each Secured Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

8. RESTRICTED CREDIT BALANCES

8.1 Representations

Each Chargor represents to each Secured Party that:

- (a) it is the sole legal and beneficial owner of the credit balance from time to time in each Restricted Account which it maintains;
- (b) save as set out in Clause 2.5 (Restricted credit balances), those credit balances are free of any rights or interests in favour of third parties (except for any Security in favour of an Account Bank which is created either by law or in the standard terms and conditions of that Account Bank and by any Security created under the Existing Security Documents; and
- (c) the Restricted Accounts constitute the only bank accounts held by it in England as of the date of this Deed.

8.2 Withdrawals

After an Enforcement Event has occurred, except with the prior consent of the Security Agent, the Chargor may not withdraw any moneys (including interest) standing to the credit of any Restricted Account.

8.3 Notices of charge

- (a) Subject to paragraph (b) below, each Chargor must:
 - (i) serve a notice of charge substantially in the form of, in respect of a Restricted Account, Part 1 of Schedule 3 (Forms of letter for Account Bank) on each Account Bank as soon as reasonably practicable but in any event within five Business Days of the date of this Deed or, in relation to any Restricted Account opened after the date of this Deed, within five Business Days of the date on which such Restricted Account is opened (or, in the case of an Chargor which accedes to this Deed pursuant to a Security Accession Deed, within five Business Days of the date of such Security Accession Deed); and
 - (ii) use its reasonable endeavours to obtain an acknowledgement from each Account Bank, substantially in the form of, in respect of a Restricted Account, Part 2 of Schedule 3 (Forms of letter for Account Bank), within 20 Business Days of the date of service of the notice referred to in paragraph (i) above. If the relevant Chargor has used its reasonable endeavours but has not been able to obtain acknowledgement within such period, its obligation to obtain acknowledgement shall expire at the end of such period.
- (b) Notwithstanding paragraph (a) above, if the service of notice of charge by a Chargor in respect of any of its Restricted Accounts would prevent that Chargor from using that Restricted Account in the course of its business, no notice of charge will be required to be served until an Enforcement Event has occurred.

9. INTELLECTUAL PROPERTY

9.1 Representation

Each Chargor represents to each Secured Party that:

- (a) those Material Intellectual Property are free of any Security (except for those created by or under (i) this Deed or (ii) the Existing Security Documents) and any other rights or interests (including any licences) in favour of third parties;
- (b) to its knowledge, no Material Intellectual Property owned by it is being infringed, nor is there any threatened infringement of any such Material Intellectual Property.

9.2 Preservation

Each Chargor must if requested to do so by the Security Agent, make entries in any public register of its Material Intellectual Property rights (except those relating to Restricted IP) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed provided that registrations will only be required to be made under the governing law of this Deed or at a relevant supra-national registry in accordance with the Agreed Security Principles.

10. RELEVANT CONTRACTS

10.1 Other undertaking

Each Chargor must upon request after an Event of Default which is continuing, supply the Security Agent and any Receiver with copies of each Relevant Contract, provided that this Clause 10.1 shall not require the Chargor to disclose any details of a Relevant Contract which the Chargor is not permitted to disclose under the terms of that Relevant Contract.

10.2 Notices of assignment

- (a) The Chargor must in respect of any Relevant Contract other than a Trade Contract:
 - (i) within five Business Days of the date of this Deed, serve a notice of assignment, substantially in the form of Part 1 of Schedule 4 (Forms of letter for Relevant Contracts), on each counterparty to a Relevant Contract; and
 - (ii) use its reasonable endeavours to procure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 4 (Forms of letter for Relevant Contracts) within 20 Business Days of the date of service of the notice referred to in paragraph (a) above. If the relevant Chargor has used its reasonable endeavours but has not been able to obtain acknowledgement within such period, its obligation to obtain acknowledgement shall expire at the end of such period.
- (b) Notwithstanding paragraph (a) above, if the service of notice of charge by a Chargor in respect of any Trade Contract or Intercompany Loan Agreement would prevent that Chargor from dealing with its rights under that Trade Contract or Intercompany Loan Agreement in the course of its business, no notice of charge will be required to be served until an Enforcement Event has occurred.
- (c) By virtue of them being a party to this Deed (whether as an Original Chargor or by way of executing a Security Accession Deed) each Chargor shall be deemed to have notice of, and to have acknowledged, any assignment or other Security created under this Deed (or any Security Accession

Deed) over any Intercompany Loan Agreements pursuant to which any amounts or other obligations are owed to them by another Chargor.

- (d) The Chargor must in respect of any Trade Contract:
 - (i) promptly after the occurrence of an Enforcement Event, serve a notice of assignment, substantially in the form of Part 1 of Schedule 4 (Forms of letter for Relevant Contracts), on each counterparty to a Trade Contract; and
 - (ii) use its reasonable endeavours to procure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 4 (Forms of letter for Relevant Contracts).

11. WHEN SECURITY BECOMES ENFORCEABLE

11.1 Enforcement Event

This Security will become immediately enforceable upon the occurrence of an Enforcement Event.

11.2 Discretion

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in accordance with the Intercreditor Agreement.

11.3 Power of sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

12. ENFORCEMENT OF SECURITY

12.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are 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 may think fit and without the need to comply with any provision of section 99 or 100 of the Act.

12.2 No liability as mortgagee in possession

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

12.3 Privileges

Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply.

12.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

12.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Security Agent may:
 - (i) redeem any prior Security against any Security Asset; and/or
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the relevant Chargor.
- (b) Each Chargor must pay to the Security Agent, in accordance with Clause 16 (Expenses and Indemnity) of this Deed the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

12.6 Contingencies

If this Security is enforced at a time when no amount is due under the 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. RECEIVER

13.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
 - (i) an Enforcement Event has occurred; or
 - (ii) the relevant Chargor so requests the Security Agent in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from doing so by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

13.2 Removal

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

13.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the Act will not apply.

13.4 Agent of the Chargors

- (a) A Receiver will be deemed to be the agent of the relevant Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The relevant Chargor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to the relevant Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

13.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable in accordance with Clause 11.1 (Enforcement Event) be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

14. POWERS OF RECEIVER

14.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 14 in addition to those conferred on it by any law; this includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act, 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act, 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

14.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset.

14.3 Carry on business

A Receiver may carry on any business of any Chargor in any manner he thinks fit.

14.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by any Chargor.

14.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

14.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- (c) Fixtures, other than landlords' fixtures, may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

14.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

14.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset.

14.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.

14.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

14.11 Subsidiaries

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset.

14.12 Delegation

A Receiver may delegate his powers in accordance with this Deed.

14.13 Lending

A Receiver may lend money or advance credit to any customer of any Chargor.

14.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit.

14.15 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- (c) use the name of any Chargor for any of the above purposes.

15. APPLICATION OF PROCEEDS

Any moneys received by the Security Agent or any Receiver after the occurrence of an Enforcement Event must be applied in accordance with clause 16 (Application of Proceeds) of the Intercreditor Agreement.

16. EXPENSES AND INDEMNITY

Each Chargor shall pay all costs and expenses in relation to this Deed in accordance with clause 20 (Costs and Expenses) of the Intercreditor Agreement, *mutatis mutandis*.

17. DELEGATION

17.1 Power of Attorney

The Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

17.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Security Agent or any Receiver may think fit.

17.3 Liability

Neither the Security Agent nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

18. FURTHER ASSURANCES

Each Chargor must, at its own expense, take whatever action the Security Agent or a Receiver may require for:

- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of its delegates or sub-delegates in respect of any Security Asset.

This includes:

- (i) the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee; or
- (ii) the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Security Agent may think expedient.

19. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which any Chargor is obliged to take under this Deed, provided that such power of attorney may only be exercised (i) after the occurrence of an Enforcement Event; or (ii) where such obligation relates to further assurance or perfection and there has been a material failure by the Chargor to comply with such obligation after having received a written request to do so. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 19.

20. MISCELLANEOUS

20.1 Covenant to pay

Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

20.2 Tacking

Each Secured Party must perform its obligations under the Finance Documents (including any obligation to make available further advances).

20.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, the Secured Party may open a new account with the relevant Chargor.
- (b) If the Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to the Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

20.4 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account any Chargor has with any Secured Party within the Security Period when:

- (a) this Security has become enforceable in accordance with Clause 11.1 (Enforcement Event); and
- (b) no Secured Liability is due and payable,

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

21. NOTICE OF ASSIGNMENT

This Deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other member of the Group and contained in any other Transaction Security Document.

22. RELEASE

At the end of the Security Period, the Security Agent and (if required) the Secured Parties must, at the request and cost of the Chargors, take whatever action is necessary to release the Security Assets from this Security.

23. CONSENT OF CHARGORS

Each Chargor consents to new Subsidiaries becoming Chargors by executing a Security Accession Deed and irrevocably appoints the Parent as its agent for the purpose of executing any Security Accession Deed on its behalf.

24. GOVERNING LAW

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

25. JURISDICTION OF ENGLISH COURTS

- (a) The courts of England have exclusive jurisdiction to settle any dispute including a dispute relating to non-contractual obligations arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement) (a **Dispute**).

- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Subclause is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

26. CONTINUATION

- (a) Except insofar as supplemented by this Deed, the Existing Debenture and the Existing Security Accession Deeds will remain in full force and effect.
- (b) This Deed is designated a Finance Document.

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE 1

ORIGINAL CHARGORS

	Original Chargor	Company Registration Number	Jurisdiction of Incorporation
1.	Citation Holdco Limited	120724	Jersey
2.	Citation Bidco Limited	120677	Jersey
3.	Caesar Topco Limited	08319737	England & Wales
4.	Caesar Midco Limited	08319789	England & Wales
5.	Caesar Bidco Limited	08319877	England & Wales
6.	Citation Holdings Limited	04104682	England & Wales
7.	Citation Limited	03097504	England & Wales
8.	Citation (NBS) Limited	08336890	England & Wales
9.	QMS International Limited	09512735	England & Wales
10.	BCAS Consulting Limited	04093343	England & Wales
11.	Education Personnel Management Holdings Limited	07982303	England & Wales
12.	Education Personnel Management Limited	02723581	England & Wales

SCHEDULE 2

SECURITY ASSETS

SHARES

Chargor	Name of company in which shares are held	Class of shares held	Number of shares held	Aggregate nominal value of shares held (GBP)
Citation Bidco Limited	Caesar Topco Limited	Ordinary A	1	0.01
		Ordinary A	787,639	196,909.75
		Ordinary A1	4242	1,060.50
		Ordinary B	125,000	31,250.00
		Ordinary B1	75,000	75,000.00
Caesar Topco Limited	Caesar Midco Limited	Ordinary	775,835	7,758.35
Education Personnel Management Holdings Limited	Education Personnel Management Limited	Ordinary	1,000	1,000.00
		Ordinary B	111	111.00
Caesar Bidco Limited	Citation Holdings Limited	A Ordinary	200,000	2,000.00
		B Ordinary	250,000	250,000.00
		C Ordinary	75,187	75,187.00
		Ordinary	3,666,666	3,666,666.00
Caesar Midco Limited	Caesar Bidco Limited	Ordinary	775,835	7,758.35
Citation Holdings Limited	Citation (NBS) Limited	Ordinary	1	1.00
	BCAS Consulting Limited	Ordinary	99,500	99,500.00
	Citation Limited	Ordinary	50,000	50,000.00
	QMS International	Ordinary	100	100.00

	Limited			
	Education Personnel Management Holdings Limited	Ordinary	71,235,455	712,354.55

RESTRICTED ACCOUNTS

Chargor	Sort Code	Account	Account Bank
Education Personnel Management Holdings Limited	60-11-30	[REDACTED] 4007	Natwest Bank
Education Personnel Management Limited	60-11-30	[REDACTED] 3930	Natwest Bank
Education Personnel Management Limited	60-11-30	[REDACTED] 3922	Natwest Bank
Education Personnel Management Limited	60-11-30	[REDACTED] 3914	Natwest Bank
Caesar Bidco Limited	404636	[REDACTED] 7671	HSBC Bank plc
Citation (NBS) Limited	404636	[REDACTED] 7140	HSBC Bank Plc
Citation Holdings Limited	404636	[REDACTED] 7191	HSBC Bank plc
Citation Limited	404636	[REDACTED] 7175	HSBC Bank Plc
Citation Limited	404636	[REDACTED] 7159	HSBC Bank Plc
Citation Limited	404636	[REDACTED] 7183	HSBC Bank Plc
Citation Limited	404636	[REDACTED] 7205	HSBC Bank Plc
QMS International Limited	400520	[REDACTED] 4289	HSBC Bank plc
QMS International Limited	206253	[REDACTED] 7304	Barclays Bank PLC

RELEVANT CONTRACTS

1. Client agreement between Ormiston Academies Trust as customer and Education Personnel Management Limited as supplier dated 1 November 2016;
2. Client agreement between The Harris Federation as customer and Education Personnel Management Limited as supplier dated 1 April 2008;
3. Client agreement between The Elliot Foundation Academies Trust as customer and Education Personnel Management Limited as supplier dated 1 April 2015;
4. Client agreement between Active Learning Trust as customer and Education Personnel Management Limited as supplier dated 1 April 2013;
5. Client agreement between CfBT Schools Trust as customer and Education Personnel Management Limited as supplier dated 1 January 2015;
6. Licence agreement between Education Personnel Management Limited as customer and Microsoft as supplier dated April 2001;
7. Software and licence agreement between Education Personnel Management Limited as customer and Sprint Software as supplier dated April 2017;
8. Software and licence agreement between Education Personnel Management Limited as customer and Cezanne software as supplier dated March 2017;
9. Software and licence agreement between Education Personnel Management Limited as customer and MiraclePay as supplier dated January 2014;
10. Software support and maintenance agreement between Education Personnel Management Limited and COS dated January 2015;
11. Online and e-bulk services between Education Personnel Management Limited and Atlantic Data Ltd. dated 25 October 2015;
12. Intra group loan agreement between Citation Holdings Limited as borrower and Caesar Bidco Limited as lender dated 14 August 2013;
13. Intra group loan agreement between Caesar Bidco Limited as borrower and Caesar Midco Limited as lender dated 22 December 2012;
14. Intra group loan agreement between Caesar Bidco Limited as borrower and Caesar Midco Limited as lender dated 14 August 2013
15. Client agreement between St Cloud Care Limited as customer and Citation Limited as supplier dated 14 November 2014;
16. Client agreement between Carewatch Care Services Ltd as customer and Citation Limited as supplier dated 1 June 2015;
17. Client agreement between Forest Healthcare as customer and Citation Limited as supplier dated 27 February 2015;

18. Client agreement between Full House Restaurant Holdings as customer and Citation Limited as supplier dated 3 March 2015;
19. Client agreement between Perspective Financial Group Limited as customer and Citation Limited as supplier dated 12 April 2014;
20. Client agreement between Homeserve Furniture Repairs Ltd as customer and Citation Limited as supplier dated 18 September 2015;
21. Business agreement between the English Community Care Association as customer and Citation Limited (previously Citation plc) dated 1 January 2012;
22. Business agreement between the Confederation of Roofing Contractors as customer and Citation Limited (previously Citation plc) dated 8 March 2013;
23. Business agreement between the Door and Hardware Federation as customer and Citation Limited (previously Citation plc) dated 1 April 2010;
24. Business agreement between the Hampshire Care Association as customer and Citation Limited dated 5 March 2015;
25. Business agreement between the Horticultural Trades Association as customer and Citation Limited (previously Citation plc) dated 9 August 2010;
26. Business agreement between the London Care and Support Forum as customer and Citation Limited (previously Citation plc) dated 19 October 2015;
27. Business agreement between the National Insulation Association as customer and Citation Limited (previously Citation plc) dated 12 July 2012;
28. Business agreement between the Registered Care Association as customer and Citation Limited dated 12 August 2015;
29. Business agreement between the Renewable Energy Association customer and Citation Limited dated 1 April 2014;
30. Business agreement between the Surface Engineering Association as customer and Citation Limited dated 1 February 2016;
31. Business agreement between the Surrey Care Association as customer and Citation Limited dated 9 May 2014;
32. Introduction agreement between Citation Limited as supplier and AON UK as introducer dated 11 January 2016;
33. Introducer appointed representative agreement between Citation Limited as introducer and AON UK Limited as supplier dated 7 January 2016;
34. Services white labelling agreement between QuiqSolution Ltd as service provider and Citation Ltd as reseller dated 2 September 2014;
35. Premium client contract agreement between David Lyall T/A Scott and Company as client and QMS International Limited (previously QMS International plc) as supplier dated 3 November 2014;

36. Premium client contract agreement between Equita Limited as client and QMS International Limited (previously QMS International plc) as supplier dated 31 July 2015;
37. Premium client contract agreement between Gaia Technologies plc as client and QMS International Limited (previously QMS International plc) as supplier dated 10 June 2015;
38. Premium client contract agreement between Northern Doctors Urgent Care Ltd as client and QMS International Limited (previously QMS International plc) as supplier dated 23 January 2013;
39. Premium client contract agreement between Oliver Wyman as client and QMS International Limited (previously QMS International plc) as supplier dated 17 April 2012;
40. Premium client contract agreement between R G Carter Construction Limited as client and QMS International Limited as supplier 7 September 2015;
41. Premium client contract agreement between Ross & Roberts Limited as client and QMS International Limited as supplier 31 July 2015;
42. Premium client contract agreement between Toshiba Tec U.K. Imaging Systems Limited as client and QMS International Limited as supplier 16 February 2015;
43. License agreement between QMS International Limited (previously QMS International plc) as licensor and Root Services as licensee dated 5 August 2009;

REAL PROPERTY

Chargor	Address	Freehold or Leasehold and Title Number (or, if unregistered, root of title)
Citation Limited	Part of the Ground Floor and the First Floor, Kings Court, Water Lane, Wilmslow (SK9 5AZ)	CH639663
QMS International Limited	Muspole Court, 21-23 Muspole Street, Norwich (NR3 1DJ)	NK449955

MATERIAL INTELLECTUAL PROPERTY

Proprietor	Country	Registration Number	Classes	Status
Citation Limited	United Kingdom	2354949	Class 35: Auditing; business advice; business advice relating to health and safety, and human resources; business management advice. Class 36: Administration of insurance claims; advisory services relating to insurance; advisory services relating to insurance claims; arranging of insurance; brokerage of insurance; consultancy services relating to insurance; financial services relating to insurance; information services relating to insurance; insurance. Class 41: Training services relating to health and safety, and human resources. Class 42: Consultancy services relating to legal matters, health and safety, and human resources; contract preparation services; information services relating to health and safety, and human resources. inspection services; inspection services relating to health and safety and human resources; legal advice; legal advice relating to health and safety and human resources; legal consultancy services, enquiry services; legal services; legal services relating to business; quality audits; testing and quality control services.	Registered

INSURANCES

Chargor	Policy Number	Insurer	Cover Policy
Citation Holdings Limited	36025968	Chubb Insurance Company of Europe SE	Commercial Combined
Citation Holdings Limited	Y095021FLT0115A	QBE Insurance (Europe) Limited	Motor Fleet
Citation Holdings Limited	HU PI6 9232130 (23)	Hiscox Insurance Company Limited	Professional Indemnity
Citation Holdings Limited	24651909	AIG Europe Limited	Excess Liability
Citation Holdings Limited	06658964	Chubb Insurance Company of Europe SE	Computers
Citation Holdings Limited	0015860290	AIG Europe Limited	Personal Accident / Travel

SCHEDULE 3

FORMS OF LETTER FOR ACCOUNT BANK

PART 1

NOTICE TO ACCOUNT BANK (RESTRICTED ACCOUNT)

[On the letterhead of the Chargor]

To: [Account Bank]

Copy: [Security Agent]

[Date]

Dear Sirs,

Security Agreement dated [●] 2018 between, among others, Citation Bidco Limited and the Security Agent (the 2018 Security Agreement)

This letter constitutes notice to you that under the 2018 Security Agreement we (the **Chargor**) have charged (by way of a fixed charge) in favour of [●] (the **Security Agent**) all our rights in respect of any amount standing to the credit of the account maintained by us with you (Account no. _____ sort code _____) (the **Restricted Account**) and the debt represented by it.

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to the Restricted Account requested from you by the Security Agent;
- (b) following written notice from the Security Agent that the security created under the Security Agreement has become enforceable, comply with the terms of any written notice or instruction relating to the Restricted Account received by you from the Security Agent; and
- (c) following written notice from the Security Agent that the security created under the Security Agreement has become enforceable, hold all sums standing to the credit of the Restricted Account to the order of the Security Agent; and
- (d) following written notice from the Security Agent that the security created under the Security Agreement has become enforceable, pay or release any sum standing to the credit of the Restricted Account in accordance with the written instructions of the Security Agent.

For the avoidance of doubt, you may continue to deal with the Chargor in relation to the Restricted Account until you receive written notice to the contrary from the Security Agent. Following notice from the Security Agent that the Security created under the 2018 Security Agreement has become enforceable, we shall not be permitted to withdraw any amount from the Restricted Account without the prior written consent of the Security Agent.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you.

[We request the waiver of the following rights: [REFER TO SPECIFIC STANDARD TERMS AND CONDITIONS OF THE ACCOUNT BANK, IF RELEVANT].]

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent and us.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at [ADDRESS] with a copy to us within 20 Business Days of the date of this letter.

Yours faithfully,

.....
(Authorised Signatory)

[Chargor]

PART 2

ACKNOWLEDGEMENT OF ACCOUNT BANK (RESTRICTED ACCOUNT)

[On the letterhead of the Account Bank]

To: [Security Agent]

Copy: [Chargor]

[Date]

Dear Sirs,

Security Agreement dated [●] 2018 between, among others, Citation Bidco Limited and the Security Agent (the 2018 Security Agreement)

We confirm receipt from [●] (the **Chargor**) of a notice dated [●] of a charge upon the terms of the 2018 Security Agreement over all the rights of the Chargor to any amount standing to the credit of its account with us (Account no. _____, sort code _____) (the **Restricted Account**) and the debt represented by it.

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not previously received notice (other than notices which have subsequently been irrevocably withdrawn) of the interest of any third party in the Restricted Account [other than the notice(s) delivered pursuant to the Existing Debenture or the Existing Security Accession Deeds (each as defined in the 2018 Security Agreement)]; and
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Restricted Account, except prior security interests in favour of the Account Bank created or arising by operation of law or in the standard terms and conditions of the Account Bank (including, as applicable, for the netting of credit and debit balances pursuant to current account netting arrangements).

[We hereby consent to waive the following rights: [REFER TO SPECIFIC STANDARD TERMS AND CONDITIONS OF THE ACCOUNT BANK, IF RELEVANT].]

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

Yours faithfully,

.....
(Authorised signatory)

[Account Bank]

SCHEDULE 4
FORMS OF LETTER FOR RELEVANT CONTRACTS

PART 1

NOTICE TO COUNTERPARTY

To: [Contract party]

[Date]

Dear Sirs,

Security Agreement dated [] 2018 between []
and [] (the 2018 Security Agreement)

This letter constitutes notice to you that under the 2018 Security Agreement we have assigned by way of security to [] (the **Security Agent**) all our rights in respect of [insert details of Contract] (the **Contract**).

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that the security has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given to, the Security Agent or as it directs.

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [ADDRESS], with a copy to ourselves, within 20 Business Days of the date of this letter.

Yours faithfully,

.....

[Chargor]

(Authorised signatory)

PART 2

ACKNOWLEDGEMENT OF COUNTERPARTY

To: [Security Agent]
as Security Agent

Copy: [Chargor]

[Date]

Dear Sirs,

We confirm receipt from [] (the **Chargor**) of a notice dated [] of an assignment on the terms of the 2018 Security Agreement dated [] of all the Chargor's rights in respect of [insert details of the Contract] (the **Contract**).

We confirm that we will pay all sums due, and give notices, under the Contract as directed in that notice.

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

Yours faithfully,

.....

(Authorised signatory)

[Counterparty]

SCHEDULE 5

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**); and
- (2) [●] (the **Security Agent**) as agent and trustee for the Secured Parties (as defined in the Security Agreement (defined below)).

RECITAL:

This accession deed is supplemental to a security agreement dated [●] 2018 between, amongst others, the Chargors named therein and the Security Agent, as previously supplemented and amended by earlier Security Accession Deeds (if any) (the **2018 Security Agreement**).

NOW THIS DEED WITNESSES as follows:

1. INTERPRETATION

1.1 Definitions

Terms defined in the 2018 Security Agreement shall have the same meaning when used in this accession deed.

1.2 Construction

Clause 1.2 (Construction) of the 2018 Security Agreement will be deemed to be set out in full in this accession deed, but as if references in such clause to the 2018 Security Agreement were references to this accession deed.

2. ACCESSION OF NEW CHARGOR

2.1 Accession

The New Chargor agrees to be a Chargor for the purposes of the 2018 Security Agreement with immediate effect and agrees to be bound by all of the terms of the 2018 Security Agreement as if it had originally been a party to it as a Chargor.

2.2 Covenant to pay

The New Chargor covenants to pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

2.3 Specific Security

The New Chargor grants such security as is created by the Security Agreement, as if it had originally been a party to it as a Chargor; this includes security assets specified in the Schedule hereto, which supplements Schedule 2 (Secured Assets) to the 2018 Security Agreement.

3. CONSENT OF EXISTING CHARGORS

The existing Chargors agree to the terms of this accession deed and agree that its execution will in no way prejudice or affect the security granted by each of them under (and covenants given by each of them in) the 2018 Security Agreement.

4. CONSTRUCTION OF SECURITY AGREEMENT

The 2018 Security Agreement and this deed shall be read together as one instrument on the basis that references in the 2018 Security Agreement to “this Deed” will be deemed to include this accession deed.

5. GOVERNING LAW

This accession deed (and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this accession deed or its formation) and obligations of the Parties hereto and any matter, claim or dispute arising out of or in connection with this accession deed (including any non-contractual claims arising out of or in association with it) shall be governed by and construed in accordance with English law.

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

SIGNATORIES

SIGNATORIES TO DEED OF ACCESSION

New Chargor

EXECUTED AS A DEED by)
[●])
acting by)

Director
Witness

Notice Details

Address: [●]
Facsimile: [●]
Attention: [●]

Security Agent

[●]

By:

[Chargors' Agent]

EXECUTED AS A DEED by)
[●],)
on behalf of each of the existing Chargors)
acting by)

Director
Witness

SCHEDULE TO DEED OF ACCESSION

Supplementing Schedule 2 to the 2018 Security Agreement

[●]

SIGNATORIES

Original Chargors

EXECUTED as a **DEED**

By: **CITATION BIDCO LIMITED**

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

ELOISE WANN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

HANNAH CORK

Signature of witness

Name of witness

Address of witness

— [REDACTED
— UNDER S859G
— OF THE
— COMPANIES
— ACT 2006]
—

FINANCE MGR

Occupation of witness

EXECUTED as a DEED

By: CITATION HOLDCO LIMITED

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

ELOISE WANN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

HANNAH CORK

Signature of witness

Name of witness

Address of witness

[REDACTED
UNDER S859G OF
THE COMPANIES
ACT 2006]

FINANCE MGR

Occupation of witness

EXECUTED as a **DEED**

By: **CITATION HOLDINGS LIMITED**

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

ELOISE WATN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

HANNAH CORK

Signature of witness

Name of witness

Address of witness

[REDACTED
UNDER S859G
OF THE
COMPANIES
ACT 2006]

FINANCE MGR

Occupation of witness

EXECUTED as a **DEED**

By: **CITATION LIMITED**

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

ELOISE WANN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

HANNAH CORK

Signature of witness

Name of witness

Address of witness

[REDACTED
UNDER S859G OF
THE COMPANIES
ACT 2006]

FINANCE MGR.

Occupation of witness

By: CAESAR TOPCO LIMITED

ELOISE WANN

Name of Authorised Signatory

HANNAH CORK

Address of witness

FINANCE MGR

Occupation of witness

EXECUTED as a DEED

By: **CAESAR BIDCO LIMITED**

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

ELOISE WANN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

HANNAH CORK

Signature of witness

Name of witness

Address of witness

[REDACTED

UNDER S859G

OF THE

COMPANIES

ACT 2006]

FINANCE MGR

Occupation of witness

EXECUTED as a DEED

By: CAESAR MIDCO LIMITED

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

ELOISE WANN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

HANNAH CORK

Signature of witness

Name of witness

Address of witness

[REDACTED
UNDER S859G OF
THE COMPANIES
ACT 2006]

FINANCE MGR

Occupation of witness

By: **BCAS CONSULTING LIMITED**

ILINALEBY

Name of Authorised Signatory

— — — — —
HANNAH CORK

Address of witness

FINANCE MGR

Occupation of witness

EXECUTED as a DEED

By: **CITATION (NBS) LIMITED**

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

ELOISE WANN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

HANNAH CORK

Signature of witness

Name of witness

Address of witness

[REDACTED UNDER
S859G OF THE
COMPANIES ACT
2006]

FINANCE MGR

Occupation of witness

By: QMS INTERNATIONAL LIMITED

ELOISE WANN

Name of Authorised Signatory

HANNAH COLE

Address of witness

FINANCE MGR

Occupation of witness:

EXECUTED as a **DEED**

By: **EDUCATION PERSONNEL**
MANAGEMENT HOLDINGS LIMITED

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

ELOISE WANN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

HANNAH CORK

Signature of witness

Name of witness

Address of witness

[REDACTED UNDER
S859G OF THE
COMPANIES ACT
2006]

FINANCE MGR

Occupation of witness

EXECUTED as a DEED

By: **EDUCATION PERSONNEL
MANAGEMENT LIMITED**

[REDACTED UNDER S859G OF THE
COMPANIES ACT 2006]

ELOISE WANN

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

[REDACTED UNDER S859G OF THE
COMPANIES ACT 2006]

HANNAH CORKE

Signature of witness

Name of witness

Address of witness

[REDACTED UNDER
S859G OF THE
COMPANIES ACT
2006]

FINANCE MGR

Occupation of witness

Security Agent

GLAS TRUST CORPORATION LIMITED

)

[REDACTED UNDER S859G OF THE
COMPANIES ACT 2006]

)

By: John Sealy
Transaction Manager

)