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COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

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

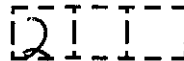
CHFP025

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



05516176

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

Name of company

* Alpha Schools (Highland) Project plc (the "Company")

Date of creation of the charge

5 April 2006 *24/10/06*

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

A Cash Collateral Account Security (the "Security") *in favour of*
on 5th April 2006

Amount secured by the mortgage or charge

The Secured Obligations (as defined in the Master Definitions Schedule) being all present or future, actual or contingent, obligations of each of the Company, Alpha Schools (Highland) Limited ("ProjectCo") and Alpha Schools Highland Holdings Limited ("HoldCo") (together the "Obligors") (whether entered into solely or jointly, or jointly or severally, with one or more persons and whether actual or contingent and whether as principal or as surety or otherwise) to:

- a) in the case of ProjectCo, the ProjectCo Debenture Beneficiaries;
- b) in the case of the Company, the Issuer Debenture Beneficiaries; and
- c) in the case of HoldCo, the HoldCo Debenture Beneficiaries,

under the Finance Documents (other than the Guaranteed Investment Contract (as defined in the Master Definitions Schedule)) which shall include, without limitation, any obligations of any Obligor which may from time to time arise by way of subrogation.

See Paper Apart for definitions.

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

Prudential Trustee Company Limited, Laurence Pountney Hill, London as Security Trustee for the Debenture Beneficiaries under the Security Trust and Intercreditor Deed dated 6 April 2006 (the "Security Trustee")

Postcode EC4R 0HH

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

McGrigors
Princes Exchange
1 Earl Grey Street
Edinburgh
EH3 9AQ

EiManage 799864/2

Time critical reference

For official Use (02/00)

Mortgage Section | Post room

0CT SR1N5EJ9 0127
COMPANIES HOUSE 13/04/06

Short particulars of all the property mortgaged or charged

The Company has charged by pledge and assignation the Account and the Funds (and the Company's whole right, title and interest, past, present and future therein) to the Security Trustee.

The Company shall not assign or create or permit any form of security or lien to arise over or otherwise deal with the Funds or any part thereof except for any Permitted Encumbrance and shall not make withdrawals from or receive the Funds or any part thereof until the Senior Creditors Release Date save as permitted under clause 2.4 of the Collateral Deed (as defined in the Master Definitions Schedule).

See Paper Apart for Definitions.

Please do not write in this margin

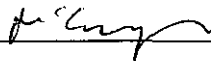
Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

N/A

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

Signed



Date

13/01/06

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

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

PAPER APART TO FORM 395 IN RESPECT OF THE ISSUER CASH COLLATERAL ACCOUNT SECURITY GRANTED BY ALPHA SCHOOLS (HIGHLAND) PROJECT PLC IN FAVOUR OF PRUDENTIAL TRUSTEE COMPANY LIMITED AS SECURITY TRUSTEE, DATED 5 APRIL 2006

Terms used in this Form 395 shall have the following meanings:

"**Account**" means the account named "Alpha Schools (Highland) Project plc Issuer Debt Payment Account" held at the Royal Bank of Scotland plc at its West End Branch with account number 10480816 with sort code 83-51-00;

"**Debenture Beneficiaries**" has the meaning given to it in the Master Definitions Schedule;

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

"**Funds**" means all sums which are now or may at any time after the date of the Security be deposited in or otherwise standing to the credit of the Accounts, whether comprising principal or interest accrued or accruing;

"**HoldCo Debenture Beneficiaries**" has the meaning given to it in the Master Definitions Schedule;

"**Issuer Debenture Beneficiaries**" has the meaning given to it in the Master Definitions Schedule;

"**Junior Finance Documents**" means the HoldCo Loan Note Instrument, the ProjectCo Loan Note Instrument, the Issuer Loan Note Instrument, the HoldCo Loan Notes, the ProjectCo Loan Notes, the Issuer Loan Notes and the Intragroup Loan Agreement each as defined in the Master Definitions Schedule;

"**Master Definitions Schedule**" means the master definitions schedule dated 29 March 2006 initialled for the purposes of identification by or on behalf of, *inter alia*, the parties to the Debenture;

"**Permitted Encumbrance**" has the meaning given to it in the Master Definitions Schedule;

"**ProjectCo Debenture Beneficiaries**" has the meaning given to it in the Master Definitions Schedule;

"**Receivables**" means all book and other debts and monetary claims now or hereafter due or arising to the Chargor;

"**Security**" means all or any of the Security Interests now or at any time created by or pursuant to the Debenture;

"**Security Interest**" means any mortgage, charge, pledge, lien, retention of title arrangement (other than in respect of goods purchased in the ordinary course of business), hypothecation, encumbrance or security interest of any kind, or any agreement or arrangement having substantially the same economic or financial effect as any of the foregoing (including any "**hold back**" or "**flawed asset**" arrangement);

"**Security Trust and Intercreditor Deed**" means the security trust and intercreditor deed between, *inter alia*, the Obligors and the Security Trustee dated 6 April 2006;

"**Senior Creditors**" means each of Ambac, EIB, the Bond Trustee, the Bondholders and the Security Trustee (each as defined in the Master Definitions Schedule) and "**Senior Creditor**" means each such person;

"Senior Creditors Release Date" has the meaning given to it in the Master Definitions Schedule;

"Senior Finance Documents" means:

- (a) the Bond Documents;
- (b) the Reimbursement and Indemnity Agreement;
- (c) the Accounts Agreement;
- (d) the Accounts Mandate Agreement;
- (e) the Direct Agreements;
- (f) the Collateral Deed;
- (g) the Master Definitions Schedule;
- (h) the EIB Loan Agreement;
- (i) the Guaranteed Investment Contract;
- (j) the Equity Subscription Agreement;
- (k) each Noteholder Support Document;
- (l) the Intercompany Onloan Agreements;
- (m) the Ambac Fee Letter;
- (n) each Security Document;
- (o) the Fees Letters;
- (p) the Collateral Warranties; and
- (q) any other agreements or documents between, *inter alia*, any Obligor and any Senior Creditor (other than individual Bondholders in such capacity) which the Majority Creditor (as defined in the Master Definitions Schedule) may from time to time designate as a Senior Finance Document,

each as defined in the Master Definitions Schedule;

FILE COPY



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

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

COMPANY No. 05516176

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A CASH COLLATERAL ACCOUNT SECURITY INTIMATED ON 5TH APRIL 2006 AND DATED THE 29th MARCH 2006 AND CREATED BY ALPHA SCHOOLS (HIGHLAND) PROJECT PLC FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE ALPHA SCHOOLS (HIGHLAND) LIMITED TO THE PROJECTCO DEBENTURE BENEFICIARIES, AND ALL MONIES DUE OR TO BECOME DUE FROM THE ALPHA SCHOOLS (HIGHLAND) HOLDINGS LIMITED, AND ALL MONIES DUE OR TO BECOME DUE FROM THE ALPHA SCHOOLS (HIGHLAND) PROJECT PLC TO THE HOLDCO DEBENTURE BENEFICIARIES ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 13th APRIL 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 21st APRIL 2006.

MP



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES