

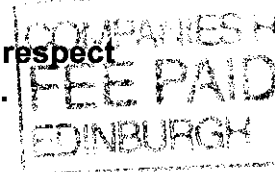
# M

## 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

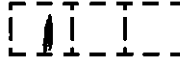
Pursuant to section 395 of the Companies Act 1985

Please do not write in this margin

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

For official use

Company number



05516176

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

Name of company

\* Alpha Schools (Highland) Project plc (the "Chargor")

\*insert full name of Company

Date of creation of the charge

6 April 2006

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

Debenture (the "Debenture")

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 Chargor, 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 Chargor, 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, Part 2 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

Ei 799492

Time critical reference

For official Use (02/00)

Mortgage Section

Post room



SCT SR1N6EJA 0126  
COMPANIES HOUSE 18/04/06

Short particulars of all the property mortgaged or charged

See Paper Apart, Part 1 for details of the property charged and Paper Apart Part 2 for definitions.

Tacking

The Security Trustee and other Debenture Beneficiaries shall perform any obligation to make further advances to the Chargor, HoldCo and ProjectCo under the Senior Finance Documents.

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

Signed



Date

13/04/06

On behalf of ~~XXXXXXXXXXXXXXXXXX~~ [chargee] †

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

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
  - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
  - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 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 DEBENTURE GRANTED BY ALPHA SCHOOLS (HIGHLAND) PROJECT PLC IN FAVOUR OF PRUDENTIAL TRUSTEE COMPANY LIMITED AS SECURITY TRUSTEE, DATED 6 APRIL 2006**

**PART 1**

Short particulars of all the property mortgaged or charged (continued):

**1 FIXED SECURITY**

**1.1 Charges**

**1.1.1 Plant, machinery and chattels**

The Chargor charges by way of first fixed charge, all plant, machinery and other chattels now or hereafter owned by it, and its interest in all plant, machinery and other chattels held by it under any lease, licence, hire or rental contract or other arrangement (excluding any forming part of its stock in trade or work in progress) together with the benefit of all hiring, leasing or rental contracts in respect of any such plant, machinery or chattels hired, leased or rented by it to any other person, and any guarantees, indemnities and Security Interests for the performance of such person's obligations now or hereafter held or enjoyed by it in relation thereto.

**1.1.2 Authorised Investments**

The Chargor charges by way of first fixed charge all Authorised Investments now or hereafter owned by it or held by any nominee on its behalf.

**1.1.3 Receivables**

The Chargor charges by way of first fixed charge (except to the extent the subject of a valid fixed Security Interest under any other provision of the Debenture), all Receivables together with the benefit of all guarantees, indemnities, Security Interests and other rights of any nature now or hereafter held or enjoyed by it in relation thereto.

**1.1.4 Intellectual Property Rights**

The Chargor charges by way of first fixed charge, all Intellectual Property now or hereafter owned by it (solely or with others), and its interest in all Intellectual Property now or hereafter held or used by it (solely or with others) under licence, sub licence, franchise or otherwise in any way together with the benefit of all licences, sub licences, franchises and other agreements or arrangements of any nature entered into by it in relation to the use by it or third parties of such Intellectual Property.

**1.1.5 Miscellaneous**

The Chargor charges by way of first fixed charge:

- (a) the benefit of all statutory or regulatory licences, permissions, consents or authorisations held by it in connection with its business or the use of any Security Asset and any right to payment of compensation thereunder;
- (b) all sums, realised or recovered by any liquidator or administrator of the Chargor pursuant to Part VI of the Insolvency Act 1986;

- (c) its goodwill; and
- (d) its uncalled capital.

## 1.2 **Assignments**

### 1.2.1 **Specified Agreements**

The Chargor assigns absolutely by way of security, the benefit of and its whole present and future rights under the Specified Agreements and all other contracts or agreements to which it is or may at any time hereafter be or become a party and the proceeds of all payments, claims, awards and other sums (including liquidated and ascertained damages) paid or payable to the Chargor under or in respect thereof and all the Chargor's present and future claims, rights, remedies and causes of action thereunder.

### 1.2.2 **Insurances**

The Chargor assigns absolutely by way of security, the benefit of and its whole present and future rights and claims under or in respect of all Insurances including without limitation, all rights to submit, negotiate and settle claims, and all monies now or hereafter payable thereunder, including return of premiums.

## 2 **FLOATING CHARGE**

In security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee charges by way of first floating charge, its whole undertaking, property, rights and assets, present and future except to the extent they are effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under or pursuant to the Debenture (including any such property rights or assets comprised in a charge which is reconverted under clause 3.5 (*Reconversion*) of the Debenture, or any other mortgage, charge or assignment in favour of the Security Trustee. Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the Debenture and the floating charge created by or pursuant to clause 3.1 of the Debenture is a qualifying floating charge for the purpose of the Insolvency Act 1986.

## 3 **PRIORITY**

- 3.1 Any present or future fixed Security Interest created by the Chargor in favour of the Security Trustee under or pursuant to the Debenture, or otherwise, shall, save as the Security Trustee may otherwise agree in writing at or after the time of its creation, rank and have priority before the floating charge described at paragraph 2 above.
- 3.2 Any Security Interest created by the Chargor after the date of the Debenture (except any Security Interest in favour of the Security Trustee) shall be expressed to be subject to the Debenture and the Security, and shall rank and have priority after the Security.

## 4 **NEGATIVE PLEDGE**

The Chargor shall not create or permit to subsist any Security Interest on any of its assets other than any Permitted Encumbrance.

## **PART 2:**

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

**"Authorised Investments"** means, at any time in respect of monies standing to the credit of any Investment Account, any of the following investments which has a scheduled maturity of less than 12 months (except in respect of monies standing to the credit of the Escrow Account, which investments must have a scheduled maturity of less than the greater of (i) 12 months and (ii) the day of any anticipated withdrawal of the proceeds of such investments from such Account):

- (a) gilt-edged securities and other freely transferable and marketable debt securities issued by the Government of the United Kingdom, denominated in sterling and which constitute direct, primary and unsubordinated obligations;
- (b) bonds or notes of or guaranteed by any supranational entity or sovereign, the unsecured, unguaranteed and unsubordinated medium term obligations of which have a medium term senior debt rating of AA- (or better) issued by S&P or Aa3 (or better) issued by Moody's;
- (c) commercial paper, denominated in sterling, constituting direct, primary and unsubordinated obligations, which has a short term senior debt rating of A1+ (or better) issued by S&P and P-1 (or better) issued by Moody's; and
- (d) call or fixed deposits, certificates of deposit of any building society (which is an authorised institution under the Building Societies Act 1986) or any bank (which is authorised under the Financial Services and Markets Act 2000) and which has (i) in the case of investments in respect of monies standing to the credit of the Escrow Account which investments have an outstanding maturity of 12 months or more, a long term debt rating of AA- (or better) issued by S&P and Aa3 (or better) issued by Moody's or (ii) in all other cases, a short term senior debt rating A1+ (or better) issued by S&P and P-1 issued by Moody's;

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

**"Escrow Account"** has the meaning given to it in the Master Definitions Schedule;

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

**"Guaranteed Investment Contract"** has the meaning given to it in the Master Definitions Schedule;

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

**"Insurances"** means all policies or contracts of insurance now or hereafter effected by the Chargor or on its behalf or in which it may have an interest;

**"Intellectual Property"** means all right, title and interest in trade marks, service marks, trade names, logos, get-up, patents, inventions, registered and unregistered designs, copyright, semi-conductor topography, databases and Know-how and all similar proprietary rights which may subsist in any part of the world now or in the future including, where such rights are obtained or enhanced by registration, any registration of such rights and applications in rights to apply for such registrations;

**"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 Agreements 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 Assets"** means all or any part of or interest in the undertaking, property, rights and assets of the Chargor which now or at any time hereafter are or are expressed to be the subject of any Security Interest created or purported to be 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 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;

**"Specified Agreements"** means the following agreements:

- 1 EIB Proceeds Onloan Agreement;
- 2 Bond Proceeds Onloan Agreement;
- 3 Bond Custody Agreement
- 4 Intragroup Onloan Agreement;
- 5 Paying Agency Agreement;
- 6 Equity Subscription Agreement;
- 7 ProjectCo Loan Notes;
- 8 Subscription Agreement; and
- 9 Shareholders' Agreement,

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 DEBENTURE DATED THE 6th APRIL 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.

*P  
UWA*



*Companies House*

— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES