



**Registration of a Charge**

Company name: **LEARNING AT WORK LIMITED**

Company number: **06388790**



X7GWKD4R

Received for Electronic Filing: **19/10/2018**

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**Details of Charge**

Date of creation: **15/10/2018**

Charge code: **0638 8790 0006**

Persons entitled: **MML UK PARTNERS LLP (AS SECURITY AGENT)**

Brief description: **N/A**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**SHOOSMITHS LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 6388790

Charge code: 0638 8790 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th October 2018 and created by LEARNING AT WORK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th October 2018 .

Given at Companies House, Cardiff on 23rd October 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

DATED 15 October

2018

(1) THE COMPANIES SPECIFIED IN SCHEDULE 1 TO THIS DEED

and

(2) MML UK PARTNERS LLP (AS SECURITY AGENT)

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COMPOSITE GUARANTEE AND DEBENTURE

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This Deed is subject to the terms of the Senior Intercreditor Agreement originally dated 26 March 2015 as amended and / or restated from time to time made between, amongst others, HSBC Bank plc, the Security Agent, the Secured Parties and the Companies and the Loan Note Intercreditor Deed originally dated 26 March 2015, as amended 29 October 2015, 7 April 2016, 8 February 2018 and on or around the date of this Deed made between the Security Agent, the Secured Parties and the Companies.

SHOOSMITHS

Ref. DAA/VQS/M-768658

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THIS DEED is made the 15 day of October 2018

## BETWEEN

1. **THE COMPANIES** whose names and registered offices are specified in Schedule 1 to this Deed (each an "**Original Obligor**" and together the "**Original Obligors**"); and
2. **MML UK PARTNERS LLP**, a limited liability partnership incorporated in England and Wales (company number OC393766) whose registered office is at Orion House, 5 Upper St. Martin's Lane, London WC2H 9EA acting as security trustee for the Secured Parties (as defined below) on the terms set out in the Loan Note Intercreditor Deed (as defined below), in such capacity (the "**Security Agent**").

## BACKGROUND

- (A) The Security Agent is holding the benefit of this composite guarantee and debenture on trust for the Secured Parties in accordance with the terms of the Loan Note Intercreditor Deed.
- (B) It is intended that this document take effect as a deed notwithstanding the fact that a Party may only execute it under hand.

The Parties agree as follows.

## 1 INTERPRETATION

### 1.1 Definitions

In this Deed the following definitions apply:

<b>"Accession Deed"</b>	a deed substantially in the form set out in Part A, Schedule 6 ( <i>Additional Obligors</i> );
<b>"Account"</b>	(a) the accounts (if any) with the details listed under the heading "Accounts" in Schedule 2 or such other account or accounts as the Security Agent may from time to time designate in writing; and  (b) all Related Rights;
<b>"Additional Obligor"</b>	a company which becomes an Additional Obligor in accordance with clause 22 ( <i>Changes to Parties</i> );
<b>"Authorisation"</b>	an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;
<b>"Business Day"</b>	a day (other than a Saturday or Sunday) on which banks are open for general business in London;
<b>"Charged Property"</b>	all the assets of each Obligor which from time to time are the subject of the security created or expressed to be created in favour of the Security Agent by or pursuant to this Deed;

**"Delegate"**

any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Agent or the Receiver;

**"Enforcement Event"**

- (a) any of the Secured Obligations are not paid or discharged when the same ought to be paid or discharged by an Obligor (whether on demand, at scheduled maturity, or by acceleration or otherwise);
- (b) any Obligor is in breach of any of its obligations under this Deed or under any other agreement between an Obligor and relevant Secured Party and that breach (if capable of remedy) has not been remedied to the satisfaction of the relevant Secured Party within 7 days of notice by the Security Agent or relevant Secured Party to the relevant Obligor(s) to remedy the breach;
- (c) a default or event of default, however defined, occurs under any agreement between the Obligor and any Secured Party;
- (d) any Obligor is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (e) the value of the assets of any Obligor is less than its liabilities (taking into account contingent and prospective liabilities);
- (f) a moratorium is declared in respect of any indebtedness of any Obligor;
- (g) any corporate action, legal proceedings or other procedure or step is taken in relation to:
  - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Obligor;
  - (ii) a composition, compromise, assignment or arrangement with any creditor of any Obligor;
  - (iii) the appointment of a liquidator, receiver,



administrative receiver, administrator, compulsory manager or other similar officer in respect of any Obligor or any of its assets; or

(iv) enforcement of any security over any assets of any Obligor;

(h) any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Obligor;

(i) any indebtedness of any Obligor is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of an Obligor becomes entitled to declare any such indebtedness due and payable prior to its specified maturity;

(j) any event occurs in relation to any Obligor that is analogous to those set out in paragraphs (d) to (h) above; or

(k) any representation, warranty or statement made or deemed to be made by any Obligor under this Deed or any other agreement between any Obligor and any Secured Party is or proves to have been incorrect or misleading when made or deemed to be made;

**"Environment"**

the natural and man-made environment, including all or any of the following media, namely air, water and land (including air within buildings and other material or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media;

**"Environmental Claim"**

any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law;

**"Environmental Law"**

all and any international, European Union or national laws, common law, statutes, directives, bye-laws, orders, regulations or other subordinate legislation, notices, codes of practice, circulars, guidance notes, judgments or decrees, relating to or connected with the protection of human health or the Environment or the conditions of the work place or the generation, transportation, storage, treatment or disposal of Hazardous Items;

**"Environmental Permits"**

any permit or other Authorisation and the filing of any notification, report or assessment required under any Environmental law for the operation of the business of an Obligor conducted on or from the properties owned

	or used by an Obligor;
<b>"EU Regulation"</b>	regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings;
<b>"Finance Documents"</b>	(a) this Deed; and  (b) the Loan Note Documents;
<b>"Floating Charge Property"</b>	has the meaning given in clause 4.1.14;
<b>"Hazardous Items"</b>	any waste of any kind, noise, vibration, smell, fumes, smoke, soot, ash, dust, grit, pollution, chemicals, leachate, petroleum products, ground water, noxious, radioactive, inflammable, explosive, dangerous or offensive gases or materials and any other substances of whatever nature which could cause harm to the health of living organisms or the Environment or to public health or welfare;
<b>"Instructing Noteholders"</b>	has the meaning given to such term in the Loan Note Intercreditor Deed;
<b>"Insurance Policy"</b>	any policy of insurance and cover note in which an Obligor may from time to time have an interest;
<b>"Intellectual Property Rights"</b>	(a) all present and future patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered (including any specified opposite its name under the heading "Intellectual Property Rights" in Schedule 2);  (b) the benefit of all applications and rights to use such assets; and  (c) all Related Rights;
<b>"Investment Derivative Rights"</b>	all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investment;
<b>"Investments"</b>	(a) any stocks, shares, debentures, bonds, warrants or other securities, whether held directly by or to the order of an Obligor or by any trustee, fiduciary or clearance system on its behalf (including any specified opposite its name under the heading "Shares" in Schedule 2 or in any Accession Deed); and  (b) all Related Rights (including all rights against any

	trustee, fiduciary or clearance system);
<b>"Issuer"</b>	the issuer of any Investment;
<b>"Loan Note Documents"</b>	means the Loan Notes, the Loan Note Instrument, the Loan Note Security Document and the Loan Note Intercreditor Deed, in each case, in agreed form and any other documents entered into pursuant to any of them;
<b>"Loan Note Instrument"</b>	means the instrument, in agreed form, pursuant to which the Loan Notes are constituted;
<b>"Loan Note Intercreditor Deed"</b>	the loan note intercreditor deed originally dated 26 March 2015 as amended on 29 October 2015, 7 April 2016, 8 February 2018 and or around the date of this Deed made between the Security Agent, the Secured Parties and the Companies;
<b>"Loan Notes"</b>	means the £5,400,000 secured subordinated loan notes, in agreed form, due 2019 of Genius Bidco Limited, company number 09489643;
<b>"LPA 1925"</b>	the Law of Property Act 1925;
<b>"Material Adverse Effect"</b>	means in the opinion of the Security Agent (acting on the instruction of the Instructing Noteholders) a material adverse effect on: <ul style="list-style-type: none"> <li>(a) the business, operations, property, condition (financial or otherwise) or prospects of any Obligor;</li> <li>(b) the ability of an Obligor to perform its obligations under this Deed; or</li> <li>(c) the validity or enforceability of, or the effectiveness or ranking of any security granted or purporting to be granted pursuant to this Deed or the rights or remedies of the Security Agent under this Deed;</li> </ul>
<b>"Material Contract"</b>	<ul style="list-style-type: none"> <li>(a) the SPA; and</li> <li>(c) all Related Rights;</li> </ul>
<b>"Obligor"</b>	means an Original Obligor or an Additional Obligor unless it has ceased to be an Obligor in accordance with clause 22 ( <i>Changes to Parties</i> );
<b>"Party"</b>	a party to this Deed;
<b>"Plant and Machinery"</b>	<ul style="list-style-type: none"> <li>(a) all equipment, machinery, plant, computers, office equipment, vehicles and all other assets</li> </ul>

	of a similar nature which are now, or at any time after the date of this Deed become, the property of an Obligor; and
	(b) all Related Rights;
<b>"Real Property"</b>	<p>(a) any freehold, leasehold or other immovable property (including the property (if any) specified opposite its name in Schedule 2); and</p> <p>(b) any buildings, erections, fixtures or fittings from time to time situated on or forming part of such property (including any trade fixtures and fittings); and</p> <p>(c) all Related Rights;</p>
<b>"Receivables"</b>	<p>(a) all present and future book and other debts and monetary claims owing to an Obligor; and</p> <p>(b) all Related Rights;</p>
<b>"Receiver"</b>	a receiver, manager, administrator or administrative receiver appointed pursuant to the provisions of this Deed or any applicable law;
<b>"Resignation Letter"</b>	a letter substantially in the form set out in Schedule 7 ( <i>Form of Resignation Letter</i> );
<b>"Related Rights"</b>	<p>in relation to any asset,</p> <p>(a) the proceeds of sale of any part of that asset;</p> <p>(b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;</p> <p>(c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and</p> <p>(d) any income, moneys and proceeds paid or payable in respect of that asset;</p>
<b>"Secured Obligations"</b>	all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever) owed by an Obligor to any Secured Party under or pursuant to any Finance Document together with all costs, charges and expenses incurred by the Security Agent or such Secured Party in connection with the protection, preservation or enforcement of its respective rights;

<b>"Secured Parties"</b>	means, MML UK Partners LLP, MML Capital Europe VI S.A., any transferee or assignee from time to time of the Loan Notes, any successor in title of the Security Agent and any Receiver or Delegate;
<b>"Security Period"</b>	the period beginning on the date of this Deed and ending on the date on which the Secured Obligations have been unconditionally and irrevocably repaid and discharged in full and no Secured Party has any commitment to lend to any Obligor;
<b>"Senior Discharge Date"</b>	has the meaning given to such term in the Senior Intercreditor Agreement;
<b>"Senior Intercreditor Agreement"</b>	the senior intercreditor agreement originally dated 26 March 2015 as amended and / or restated from time to time made between, inter alios, HSBC Bank plc, the Security Agent, the Secured Parties and the Companies;
<b>"Shareholders' Agreement"</b>	has the meaning given to such term in the Senior Intercreditor Agreement;
<b>"SPA"</b>	the share purchase agreement dated 26 March 2015 made between, amongst others, Genius Bidco Limited and Heather Turner, Brenda McLeish, Jonathan Cummins and Julie Gilhespie; and
<b>"Subsidiary"</b>	a subsidiary within the meaning of section 1159 of the Companies Act 2006.

## 1.2 Interpretation

### 1.2.1 In this Deed:

- a) clause and schedule headings are for convenience of reference only and shall not affect the construction of this Deed;
- b) references to clauses and schedules are references to the clauses of and schedules to this Deed;
- c) references to this Deed, any other Finance Document or any other agreement or instrument shall be construed as references to this Deed, that agreement or instrument as amended, novated, supplemented, extended or restated;
- d) references to a person shall be construed to include that person's permitted assigns, permitted transferees or successors in title and shall be construed as including any individual, firm, trust, partnership, joint venture, company, corporation, unincorporated body of persons or any state or agency thereof, whether or not having separate legal personality;
- e) references to a provision of law are references to that provision as amended or re-enacted;

- f) words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
  - g) an Enforcement Event is "**continuing**" if it has not been remedied or waived;
  - h) the words "**including**" shall not be construed as limiting the generality of the words preceding it;
  - i) "**clearance system**" means a person whose business is or includes the provision of clearance services or security accounts or any nominee or depositary for that person; and
  - j) unless the context otherwise requires, any reference to "**Charged Property**" includes any part of that Charged Property, any proceeds of that Charged Property and any present and future assets of that type.
- 1.2.2 Any covenant by an Obligor under this Deed remains in force during the Security Period and is given for the benefit of the Security Agent.
- 1.2.3 The terms of any finance arrangements between the parties to this Deed are incorporated in this Deed to the extent required to ensure that any disposition of Real Property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.2.4 Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- 1.2.5 Notwithstanding any terms of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- 1.2.6 Each Obligor's obligations under this Deed are joint and several.

### 1.3 General

- 1.3.1 The fact that no or incomplete details of any Charged Property are inserted in Schedule 2 (*Assets*) does not affect the validity or enforceability of the security created by this Deed.
- 1.3.2 If an Obligor assigns an agreement under this Deed and the assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:
- a) that Obligor must notify the Security Agent immediately;
  - b) the assignment or charge will not take effect until that consent is obtained;
  - c) unless the Security Agent otherwise requires, that Obligor must use all reasonable endeavours to obtain the consent as soon as practicable;
  - d) that Obligor must promptly supply the Security Agent with a copy of the consent obtained by it.



- 1.3.3 If there is any conflict or inconsistency between any provision of this Deed any any provision of the Loan Note Intercreditor Deed or the Senior Intercreditor Agreement, the provision of the Loan Note Intercreditor Deed or the Senior Intercreditor Agreement shall prevail. In the event that there is a conflict between the provisions of the Loan Note Intercreditor Deed and the Senior Intercreditor Agreement, the provision of the Senior Intercreditor Agreement shall prevail.

## **2 COVENANT TO PAY**

Each Obligor covenants that it will pay and discharge the Secured Obligations as and when the same are due.

## **3 GUARANTEE AND INDEMNITY**

### **3.1 Guarantee and indemnity**

Each Obligor irrevocably and unconditionally, jointly and severally:

- a) guarantees to the Security Agent punctual performance by each other Obligor of the Secured Obligations;
- b) undertakes with the Security Agent that whenever another Obligor does not pay any of the Secured Obligations, that Obligor shall immediately on demand pay that amount as if it was the principal obligor; and
- c) agrees with the Security Agent that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Security Agent immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it on the date when it would have been due. The amount payable by an Obligor under this indemnity will not exceed the amount it would have had to pay under this Clause 3.1 if the amount claimed had been recoverable on the basis of a guarantee.

## **4 GRANT OF SECURITY**

### **4.1 Charges**

Each Obligor with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 charges in favour of the Security Agent as continuing security for the payment and discharge of the Secured Obligations:

- 4.1.1 by way of legal mortgage, the Real Property now or at any time after the date of this Deed belonging to that Obligor;
- 4.1.2 by way of fixed charge, any Real Property now or at any time after the date of this Deed belonging to that Obligor (other than property charged under clause 4.1.1 above);
- 4.1.3 by way of fixed charge, all Plant and Machinery owned by it and its interest in any Plant and Machinery in its possession;
- 4.1.4 by way of fixed charge, all present and future Receivables owned by it;

- 4.1.5 by way of fixed charge,
  - a) all present and future Investments owned by it;
  - b) all Investment Derivative Rights owned by it;
  - c) where any Investment is held in a system for the deposit and settlement of transactions in investments, all rights against the operator of such system or any participant in respect of such Investment;
- 4.1.6 by way of fixed charge, all present and future Intellectual Property Rights owned by it;
- 4.1.7 by way of fixed charge all of its rights in respect of any amount standing to the credit of any Accounts held by it and the debt represented by those Accounts;
- 4.1.8 by way of fixed charge, its goodwill;
- 4.1.9 by way of fixed charge, the uncalled capital of that Obligor;
- 4.1.10 by way of fixed charge, all rights, interests and claims in the Insurance Policies;
- 4.1.11 by way of fixed charge, all rights, interests and claims in the Material Contract, other than those validly and effectively assigned under clause 4.3;
- 4.1.12 by way of fixed charge, the benefits of all licences, consents and authorisations held in connection with its business or the use of any Charged Property, and the right to any compensation in respect of any of them;
- 4.1.13 by way of fixed charge, all rights, interests and claims in any pension fund now or in the future; and
- 4.1.14 by way of floating charge, the whole of its undertaking and assets, present and future other than any assets validly and effectively mortgaged, charged or assigned by way of security (whether at law or in equity) by this Deed (the "**Floating Charge Property**").

## 4.2 Qualifying Floating Charge

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to any floating charge created by this Deed and the floating charge created under this Deed is a "qualifying floating charge" for these purposes.

## 4.3 Security Assignment

Immediately following the Senior Discharge Date, Genius Bidco Limited with full title guarantee assigns absolutely to the Security Agent, subject to a proviso for re-assignment on redemption, as continuing security for the payment and discharge of the Secured Obligations all of its rights, title, interest and benefit from time to time in and to the Material Contract.

## 5 CRYSTALLISATION OF FLOATING CHARGE

- 5.1 The Security Agent may at any time by notice in writing to an Obligor immediately convert the floating charge created by clause 4.1.14 into a fixed charge as regards any property or assets specified in the notice if:



- 5.1.1 an Enforcement Event has occurred and is continuing; or
- 5.1.2 the Security Agent considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- 5.1.3 the Security Agent considers that it is desirable in order to protect the priority of the security created under this Deed.

## **6 NEGATIVE PLEDGE**

- 6.1 No Obligor shall create or permit to subsist any security over any of the Charged Property, other than any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by an Obligor and any security granted in favour of HSBC Bank plc on or around 26 March 2015.
- 6.2 No Obligor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, discount, factor, transfer, assign, lease, lend or otherwise dispose of any of the Charged Property.

## **7 PERFECTION OF SECURITY**

### **7.1 Deposit of Title Documents**

Immediately following the Senior Discharge Date (or, if later, the date of acquisition of the relevant Charged Property), each Obligor shall deposit with the Security Agent:

- 7.1.1 all deeds and documents of title relating to the Charged Property; and
- 7.1.2 all Insurance Policies to which that Obligor is entitled to possession.

### **7.2 Notices of Assignment**

Each Obligor shall immediately following the Senior Discharge Date give notice in the form set out in Schedule 3 (*Form of Notice of Assignment to Contract Counterparty*) to each person with whom that Obligor has entered into a Material Contract and shall use all reasonable endeavours to procure that each addressee of such notice promptly provides an acknowledgement to the Security Agent in the form set out in Schedule 3 (*Form of Acknowledgement from Contract Counterparty*).

### **7.3 Registration of Intellectual Property Rights**

Each Obligor shall, if requested by the Security Agent, execute all such documents and do all acts that the Security Agent may reasonably require to record the interest of the Security Agent in any registers relating to any registered Intellectual Property Rights.

### **7.4 Land Registry disposal restriction**

In respect of any Real Property or part of or interest in any Real Property title to which is registered at the Land Registry (or any unregistered land subject to first registration), each Obligor shall apply or consent to an application being made to the Chief Land Registrar to enter the following restriction on the Register of Title for its Real Property:

*"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 Deed*

*dated [●] 2018 in favour of MML UK Partners LLP as security agent referred to in the charges register."*

## **8 FURTHER ASSURANCE**

8.1 Each Obligor shall, at its own expense, promptly take whatever action the Security Agent may require for:

- 8.1.1 creating, perfecting or protecting the security intended to be created by this Deed;
- 8.1.2 facilitating the realisation of any of the Charged Property; or
- 8.1.3 facilitating the exercise of any right, power or discretion exercisable by the Security Agent or any Receiver (or any delegates or sub-delegates) in respect of any of the Charged Property,

including the execution of any security or other document (in such form as the Security Agent may reasonably require), the giving of any notice, order or direction and the making of any registration which the Security Agent may think expedient.

## **9 REPRESENTATIONS**

9.1 Each Obligor represents and warrants to the Security Agent (for the benefit of the Secured Parties), on the date of this Deed and on each date during the Security Period by reference to the facts and circumstances then existing that:

- 9.1.1 it is a corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation;
- 9.1.2 it has the power to own its assets and carry on its business as it is being conducted;
- 9.1.3 the Charged Property is, or when acquired will be, legally and beneficially owned by it free of any security other than security created by or expressly permitted by this Deed;
- 9.1.4 this Deed creates the security which it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise;
- 9.1.5 this Deed is its legal, valid and binding obligation and, subject to the general principles of law limiting its obligations, is enforceable in accordance with its terms;
- 9.1.6 it has the power to enter into, perform and deliver and has taken all necessary action to authorise its entry into, performance and delivery of this Deed and the transactions contemplated by this Deed;
- 9.1.7 all authorisations required or desirable to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed and to make this Deed admissible in evidence in its jurisdiction of incorporation have been obtained or effected and are in full force and effect; and
- 9.1.8 the Investments are fully paid and are not subject to any option to purchase or similar right; and

- 9.1.9 for the purposes of the EU Regulation, its centre of main interests (as that expression is used in Article 3(1) of the EU Regulation, is situated in England and Wales and it has no other "establishment" (as that term is used in Article 2(10) of the EU Regulation) in any other jurisdiction.

## **10 UNDERTAKINGS**

Each Obligor covenants and agrees with the Security Agent that it will, during the Security Period:

### **10.1 Charged Property generally**

- 10.1.1 if an Enforcement Event is continuing, permit the Security Agent and/or its delegates (not more than once in every financial year unless the Security Agent reasonably suspects an Enforcement Event is continuing or may occur) access at all reasonable times and on reasonable notice at its risk and cost to its premises (including, without limitation, any Charged Property), assets, books, accounts and records;
- 10.1.2 provide the Security Agent with all information which it may reasonably request in relation to the Charged Property;
- 10.1.3 comply in all material respects with all obligations in relation to the Charged Property under any present or future law, regulation, order or instrument of any competent authority or other approvals, licences or consents;
- 10.1.4 notify the Security Agent within 14 days of receipt of every application, requirement, notice, order or proposal given, or made in relation to, the Charged Property by any competent authority and (if required by the Security Agent) immediately provide it with a copy of the same and either (i) comply with such notice, order or proposal or (ii) make such objections to the same as the Security Agent may require or approve;
- 10.1.5 duly and punctually pay all rates, rents, taxes and other outgoings owed by it in respect of the Charged Property;
- 10.1.6 comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Charged Property;
- 10.1.7 not, except with the prior written consent of the Security Agent, enter into any onerous or restrictive obligation affecting any of the Charged Property or agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Charged Property; and
- 10.1.8 not do, cause or permit to be done or omit to do anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Charged Property;

### **10.2 Property matters**

- 10.2.1 not, except with the prior written consent of the Security Agent:
- a) grant or agree to grant any lease, licence or other right of occupation or right to receive rent in respect of any of the Real Property;

- b) accept a surrender of any lease, licence or other right of occupation (whether independently or under any statutory power);
- c) consent to any sublease or assignment of any interest in any part of the Real Property;

#### 10.2.2

- (a) comply and ensure that any relevant third party complies with all Environmental Law;
- (b) obtain, maintain and ensure compliance with all requisite Environmental Permits applicable to it or to any Real Property;
- (c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or any Real Property,

where failure to do so has or is reasonably likely to have a Material Adverse Effect or result in any liability for a Security Agent.

#### 10.2.2 promptly upon becoming aware, notify the Security Agent of:

- (a) any Environmental Claim started, or to its knowledge, threatened;
- (b) any circumstances reasonably likely to result in an Environmental Claim; or
- (c) any suspension, revocation or notification of any Environmental Permit.

#### 10.2.3 must indemnify the Security Agent against any loss or liability which the Security Agent incurs as a result of any actual or alleged breach of any Environmental Law by any person unless it is caused by the Security Agent's gross negligence or wilful misconduct;

#### 10.2.4 maintain all buildings, plant, machinery, fixtures and fittings forming part of the Charged Property in a good and substantial repair and condition and, as appropriate, in good working order;

#### 10.2.5

- a) exercise its rights and comply with its obligations under any headlease;
- b) use its reasonable endeavours to ensure that each landlord complies with its obligations under each headlease; or
- c) if required to do so by the Security Agent apply for relief against forfeiture of any headlease,

in a proper and timely manner;

#### 10.2.6 not:

- a) agree to any amendment, supplement, waiver, surrender or release of any headlease;

- b) exercise any right to break, determine or extend any headlease, or
  - c) do or permit to be done anything as a result of which any lease may be liable to forfeiture or otherwise be terminated;
- 10.2.7 not make or allow to be made any application for planning permission in respect of any Real Property or carry out any demolition, construction, structural alterations or additions, development or any similar operations in respect of any part of its Real Property except maintenance of the building, plant, machinery, fixtures and fittings or the carrying out of non-structural improvements or alterations which affect only the interior of any building on any Real Property;
- 10.2.8 comply in all respects with all planning laws, permissions, agreements and conditions to which its Real Property may be subject;
- 10.2.9 grant the Security Agent on request all reasonable facilities within its power to allow the Security Agent (or its lawyers) to carry out (at the relevant Obligor's expense) investigations of title to the Real Property and to make all enquiries in relation to any part of the Real Property which a prudent mortgagee might carry out;
- 10.2.10 immediately upon demand by the Security Agent, provide the Security Agent with such information and documents as may be required to enable the Security Agent's lawyers to prepare a report as to the title of the relevant Obligor to the Real Property concerning those items which may properly be sought to be covered by a prudent mortgagee in a lawyer's report of this nature;
- 10.2.11 notify the Security Agent immediately upon the acquisition of any real property;
- 10.2.12 in respect of any real property which is acquired after the date of this Deed, title to which is registered at the Land Registry or which is required to be so registered:
  - a) immediately on request by the Security Agent and at the cost of the Obligors, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that property in any form (consistent with this Deed) which the Security Agent may require;
  - b) give written notice of the security to the Land Registry and procure that notice of the security is clearly noted in the Register of Title for such real property;
  - c) procure that no person is registered as proprietor of any such property under the Land Registration Acts 1925 to 2002 without the prior written consent of the Security Agent;

### 10.3 Plant and Machinery

- 10.3.1 maintain at its own expense all Plant and Machinery for the time being owned by it in good working order and condition (ordinary wear and tear excepted);
- 10.3.2 immediately on request by the Security Agent, affix to any item of Plant and Machinery a durable notice of this Deed in such form as the Security Agent may require;
- 10.3.3 not make any material alterations or additions to any Plant and Machinery which are reasonably likely to depreciate, jeopardise or prejudice their value or marketability;

10.3.4 not except with the prior written consent of the Security Agent remove any Plant and Machinery from the Charged Property except for the purpose of maintenance pursuant to the terms of this Deed;

#### 10.4 Insurance

10.4.1 ensure that at all times insurances are maintained in full force and effect, which:

- a) insure it in respect of its interests in any Charged Property and the plant and machinery on each Real Property (including fixtures and improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs) and to:
  - i provide cover against loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage;
  - ii provide cover for site clearance, shoring or propping up, professional fees and value added tax together with adequate allowance for inflation;
  - iii provide cover against acts of terrorism, including any third party liability arising from such acts;
  - iv provide cover for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under any lease documents) including provision for any increases in rent during the period of insurance; and
- b) include property owners' public liability and third party liability insurance;
- c) insure such other risks as a prudent company in the same business as the Obligor would insure; and
- d) in each case are in an amount, and in form, and with an insurance company or underwriters, acceptable at all times to the Security Agent;

10.4.2 procure that the Security Agent is named as co-insured under each of the Insurance Policies (other than public liability and third party liability insurances) but without liability on the part of the Security Agent for any premium in relation to those Insurance Policies;

10.4.3 procure that the Insurance Policies comply with the following requirements:

- a) each of the Insurance Policies must contain:
  - i a non-invalidating and non-vitiating clause under which the Insurance will not be vitiated or avoided as against any insured party as a result of any circumstances beyond the control of that insured party or any misrepresentation, non-disclosure, or breach of any policy term or



condition, on the part of any insured party or any agent of any insured party;

ii a waiver of the rights of subrogation of the insurer as against the Obligors, the Security Agent and the tenants of each Real Property; and

iii a loss payee clause in such terms as the Security Agent may reasonably require in respect of insurance claim payments otherwise payable to any Obligor;

b) the insurers must give at least 30 days' notice to the Security Agent if any insurer proposes to repudiate, rescind or cancel any insurance, to treat it as avoided in whole or in part, to treat it as expired due to non-payment of premium or otherwise decline any valid claim under it by or on behalf of any insured party and must give the opportunity to rectify any such non-payment of premium within the notice period; and

c) each Obligor must be free to assign all amounts payable to it under each of its Insurance Policies and all its rights in connection with those amounts in favour of the Security Agent;

10.4.4 use all reasonable endeavours to ensure that the Security Agent receives copies of the Insurance Policies, receipts for the payment of premiums for insurance and any information in connection with the insurances and claims under them which the Security Agent may reasonably require;

10.4.5 promptly notify the Security Agent of:

a) the proposed terms of any future renewal of any of the Insurance Policies;

b) any amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurance Policies made or, to its knowledge, threatened or pending;

c) any claim, and any actual or threatened refusal of any claim, under any of the Insurance Policies; and

d) any event or circumstance which has led or may lead to a breach by it of any term of this clause;

10.4.6 comply with the terms of the Insurance Policies;

10.4.7 not do or permit anything to be done which may make any of the Insurance Policies void or voidable;

10.4.8 comply with all reasonable risk improvement requirements of its insurers;

10.4.9 ensure that:

a) each premium for the Insurance Policies is paid promptly and in any event prior to the commencement of the period of insurance for which that premium is payable; and

- b) all other things necessary are done so as to keep each of the Insurance Policies in force;

#### 10.5 Intellectual Property Rights

- 10.5.1 preserve and maintain the subsistence and validity of the Intellectual Property Rights necessary for its business;
- 10.5.2 use reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property Rights;
- 10.5.3 make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property Rights in full force and effect and record its interest in those Intellectual Property Rights;
- 10.5.4 not use or permit the Intellectual Property Rights to be used in a way or take any step or omit to take any step in respect of any Intellectual Property Rights which may materially and adversely affect the existence or value of the Intellectual Property Rights or imperil its right to use such property;
- 10.5.5 not discontinue the use of the Intellectual Property Rights;

where failure to do so, in the case of paragraphs 10.5.1 and 10.5.2 above, or, in the case of paragraphs 10.5.4 and 10.5.5 above, such use, permission to use, omission or discontinuation, is reasonably likely to have a Material Adverse Effect.

- 10.5.6 maintain a comprehensive, detailed and up-to-date centralised record of all its Intellectual Property Rights (including details of agents engaged in relation to registrations of it) and, when reasonably requested by the Security Agent, immediately provide to the Security Agent a copy of such record and/or a summary of all its Intellectual Property Rights created or acquired since the date of this Deed or the date of last notification;

#### 10.6 Receivables

- 10.6.1 deal with the Receivables in accordance with any directions given in writing from time to time by the Security Agent and, in the absence of such directions, hold the Receivables on trust for the benefit of the Security Agent;
- 10.6.2 after the security created under this Deed becomes enforceable, comply with any notice served by the Security Agent on any Obligor prohibiting that Obligor from withdrawing all or any monies from time to time standing to the credit of its accounts with any bank, financial institution or other person, except with the prior written consent of the Security Agent;
- 10.6.3 if called upon so to do by the Security Agent, execute a legal assignment of the Receivables to the Security Agent in such terms as the Security Agent may require and give notice thereof to the debtors from whom the Receivables are due, owing or incurred;
- 10.6.4 deliver to the Security Agent such information as to the amount and nature of its Receivables as the Security Agent may from time to time reasonably require;

#### 10.7 Investments



- 10.7.1 promptly pay all calls or other payments which may become due in respect of the Investments;
- 10.7.2 promptly send to the Security Agent copies of all notices, circulars, reports, accounts and other documents which are sent to the holders of any Investments;
- 10.7.3 at the request of the Security Agent, procure all consents, waivers and approvals which are necessary, under the articles of association of any Issuer or otherwise, for the transfer of the Investments to the Security Agent or its nominee or to a purchaser upon the enforcement of this Deed and to procure the amendment of the share transfer provisions of each Issuer's articles of association in such manner as the Security Agent may require in order to permit such a transfer;
- 10.7.4 if so requested by the Security Agent:
  - a) instruct any clearance system to transfer any investment held by it for an Obligor or its nominee to an account of the Security Agent or its nominee with that clearance system; and
  - b) take whatever action the Security Agent may request for the dematerialisation or re-materialisation of any Investment held in a clearance system;
- 10.7.5 without prejudice to the above, permit the Security Agent, at the expense of the Obligors, to take whatever action it deems necessary for the dematerialisation or re-materialisation of any Investment;
- 10.7.6 until the security created under this Deed becomes enforceable, be entitled to:
  - a) receive and retain all dividends, distributions and other moneys paid on or derived from the Investments; and
  - b) exercise all voting and other rights and powers attaching to the Investments provided that it must not do so in a manner which is prejudicial to the interests of the Security Agent under this Deed;

## 10.8 Material Contracts

- 10.8.1 not, without the prior written consent of the Security Agent, amend or waive any term of any Material Contract, terminate any Material Contract or release any other party from its obligations under any Material Contract;
- 10.8.2 duly perform its obligations under each Material Contract, notify the Security Agent of any material default by it or any other party under any Material Contract and not take any action which would reduce or impede recoveries in respect of any Material Contract;
- 10.8.3 provide to the Security Agent, as soon as practicable upon receipt, copies of all notices which it may from time to time receive from any other party to any Material Contract;
- 10.8.4 diligently pursue its rights under each Material Contract (to the extent that such exercise would not result in an Enforcement Event);

## 10.9 Centre of Main Interests

not, without the prior written consent of the Security Agent, change its centre of main interest (as that expression is used in Article 3(1) of the EU Regulation) to somewhere other than England and Wales, nor will it have any establishment (as that term is used in Article 2(10) of the EU Regulation) in any other jurisdiction;

## 10.10 Goodwill

10.10.1 not, except with the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed), grant any franchise, licence or other authority to any person to use its company name, trade name or business name or any other business asset which will materially and adversely affect the value of the goodwill of an Obligor;

10.10.2 where the prior written consent of the Security Agent had been given under clause 10.10.1, comply with clause 10.6 in relation to any income or monies receivable in respect of such franchise, licence or authority as if such income or monies were Receivables;

## 10.11 Uncalled capital

10.11.1 not call up, or receive in advance of its due date, any uncalled capital;

10.11.2 promptly apply any paid capital towards the repayment, in full or in part, of the Secured Obligations; and

## 10.12 Accounts

10.12.1 not without the prior written consent of the Security Agent, withdraw any monies standing to the credit of an Account.

# 11 ENFORCEMENT OF SECURITY

## 11.1 Enforcement

The security created under this Deed shall become immediately enforceable if an Enforcement Event is continuing and the Security Agent gives notice to an Obligor that the security created under this Deed is enforceable.

## 11.2 Powers on enforcement

At any time after the security created under this Deed becomes enforceable, the Security Agent may, without notice to the Obligors and whether or not it has appointed a Receiver, exercise:

11.2.1 all or any of the powers, authorities and discretions conferred on mortgagees by the LPA 1925 (as varied or extended by this Deed);

11.2.2 all of the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986; and

11.2.3 all or any of the powers conferred by this Deed.

### 11.3 No Liability as Mortgagee in Possession

Neither the Security Agent nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission for which a mortgagee in possession might otherwise be liable.

## 12 POWERS OF THE SECURITY AGENT

### 12.1 Extension of Powers

The power of sale conferred on the Security Agent and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Deed.

### 12.2 Restrictions

Sections 93 and 103 of the LPA 1925 shall not apply to this Deed.

### 12.3 Power of Leasing

At any time after the security created by this Deed becomes enforceable, the Security Agent may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by sections 99 and 100 of the LPA 1925.

### 12.4 Discretion

Any liberty or power which may be exercised or any determination which may be made hereunder by the Security Agent or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

### 12.5 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Security Agent or the Receiver itself or any subsequent delegation or revocation thereof.

### 12.6 Investigations

Following the occurrence of an Enforcement Event which is continuing the Security Agent may initiate an investigation of, and/or instruct any report (accounting, legal, valuation or other) on the business and affairs of any Obligor which it considers necessary to ascertain the financial position of any Obligor. All fees and expenses incurred by the Security Agent in connection with such investigations shall be payable by the Obligors and each Obligor consents to the provision by the Security Agent of all information in relation to that Obligor which the Security Agent provides to any person in relation to the preparation of any such report.

### 12.7 Power to Remedy

If at any time an Obligor does not comply with any of its obligations under this Deed, the Security Agent may (but shall not be obliged to) rectify such default and each Obligor irrevocably authorises the Security Agent, its employees and agents, at the relevant Obligor's expense, to do all such things as are necessary or desirable to rectify such default.

### **13 APPOINTMENT OF RECEIVER**

#### **13.1 Appointment and Removal**

At any time after the security created under this Deed becomes enforceable, or if requested to do so by the Obligors, the Security Agent may (by deed or otherwise and acting through its authorised officer):

13.1.1 appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Property;

13.1.2 remove (so far as it is lawfully able) any Receiver so appointed; and

13.1.3 appoint another person as an additional or replacement Receiver.

#### **13.2 Restrictions on appointment**

13.2.1 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 LPA 1925) does not apply to this Deed.

13.2.2 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 to the Insolvency Act 1986.

13.2.3 The Security Agent may not appoint an administrative receiver (as defined in section 29(2)) of the Insolvency Act 1986) over the Charged Property 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.

#### **13.3 Capacity of Receivers**

Each Receiver shall be:

13.3.1 an agent of the Obligors. The Obligors shall be solely responsible for the Receiver's Contracts, engagements, acts, omissions, defaults, losses and liabilities and for the payment of the Receiver's remuneration; and

13.3.2 entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified in section 109(6) of the LPA 1925).

### **14 POWERS OF RECEIVER**

#### **14.1 General Powers**

Every Receiver shall have all the powers:

- 14.1.1 conferred by the LPA 1925 on mortgagors and on mortgagees in possession and receivers appointed under that Act;
- 14.1.2 set out in Schedule 1 to the Insolvency Act 1986 and, in the case of an administrator, Schedule B1 to the Insolvency Act 1986; and
- 14.1.3 conferred from time to time on receivers by statute.

#### 14.2 Additional Powers

In addition to the powers referred to in clause 14.1 (*General Powers*) a Receiver shall have the power, at the cost of the Obligors and either in his own name or in the name of the Obligors or (with the written approval of the Security Agent) in the name of the Security Agent:

- 14.2.1 to take possession of, collect and get in all or any part of the Charged Property;
- 14.2.2 to carry on, manage or concur in carrying on and managing all or any part of the business of the Obligors in any manner he thinks fit;
- 14.2.3 to borrow or raise money and secure the payment of any money in priority to the charges created by this Deed for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;
- 14.2.4 to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all of any part of the Charged Property in any manner and on such terms as he thinks fit. The consideration for any such transaction may consist of cash or of shares or securities or other obligations (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments;
- 14.2.5 to sever any fixtures (including trade and tenants fixtures) from the property of which they form part, without the consent of the Obligors;
- 14.2.6 to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Property, including, without limitation, all voting and other rights attaching to the Investments;
- 14.2.7 to make and effect all repairs, renewals, improvements, and insurances, commence and/or complete any building operation and/or apply for and maintain any planning permission, building regulation approval or other authorisation in each case as he thinks fit;
- 14.2.8 to redeem any prior security in respect of all or any of the Charged Property and to settle and pass the accounts of the holder of such prior security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Obligors. All moneys paid to the holder of such security in accordance with such accounts shall form part of the Secured Obligations;
- 14.2.9 to promote the formation of subsidiaries of an Obligor for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of that Obligor and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;

- 14.2.10 to take such proceedings and to settle, adjust, refer to arbitration, compromise and/or arrange any claim, account or demand which the Security Agent or the Receiver may think fit;
- 14.2.11 to appoint managers, officers, agents, accountants and workmen at such salaries and for such periods as the Receiver may determine and to discharge any person appointed by the Obligors;
- 14.2.12 to exercise in relation to all or any part of the Charged Property all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property;
- 14.2.13 lend money or advance credit to any customer of the Obligors;
- 14.2.14 give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Charged Property;
- 14.2.15 let any Charged Property 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 Charged Property on any terms which he thinks fit; and/or
- 14.2.16 to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Property.

## **15 APPLICATION OF MONEYS**

- 15.1 All moneys received or recovered by the Security Agent or any Receiver pursuant to this Deed shall be applied in the following order:
  - 15.1.1 first, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Security Agent or any Receiver and the payment of the remuneration of any Receiver;
  - 15.1.2 second, in or towards satisfaction of the Secured Obligations; and
  - 15.1.3 third, any surplus shall be paid to the relevant Obligor or any other person entitled thereto.

This clause is subject to the payment of any claims having priority over the security created under this Deed. This clause does not prejudice the right of the Security Agent to recover any shortfall from the Obligors.

- 15.2 Only money actually paid by the Receiver to the Security Agent shall be capable of being applied in or towards the satisfaction of the Secured Obligations and the Obligors shall have no rights in respect of the application by the Security Agent of any sums received, recovered or realised by the Security Agent under this Deed.

### **15.3 Avoidance of Payments**

If the Security Agent reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Obligors under this Deed and the security created under this Deed shall continue and such amount shall not be considered to have been irrevocably paid.



## **16 PROTECTION OF PURCHASERS**

### **16.1 Receipts**

The receipt of the Security Agent or its delegate or any Receiver shall be conclusive discharge to a purchaser in any sale or disposal of any of the Charged Property.

### **16.2 Protection of Purchasers**

No purchaser or other person dealing with the Security Agent or its delegate or any Receiver shall be bound to enquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any notice to the contrary, or be concerned to see whether any such delegation by the Security Agent shall have lapsed for any reason or have been revoked.

## **17 POWER OF ATTORNEY**

### **17.1 Appointment**

Each Obligor irrevocably appoints the Security Agent, each person to whom the Security Agent shall from time to time have delegated the exercise of the power of attorney conferred by this clause and any Receiver jointly and severally to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be required or desirable for:

17.1.1 carrying out any obligation imposed on that Obligor by this Deed (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property); and

17.1.2 enabling the Security Agent and any Receiver to exercise any of the powers conferred on them by or pursuant to this Deed or by law.

### **17.2 Ratification**

Each Obligor ratifies and confirms to agree to ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

## **18 PRESERVATION OF SECURITY**

### **18.1 Continuing Security**

The security and guarantee created under this Deed will be a continuing security and guarantee for the ultimate balance of the Secured Obligations notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations.

### **18.2 Waiver of defences**

The obligations of the Obligors under this Deed will not be affected by any act, omission or thing which, but for this provision would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it or the Security Agent). This includes:

18.2.1 any time or waiver granted to, or composition with, any person;

- 18.2.2 any release or any person under the terms of any composition or arrangement;
- 18.2.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or security over assets of, any person;
- 18.2.4 any non-presentation, non-observance of any formality or other requirements in respect of any instrument or any failure to realise the full value of any security;
- 18.2.5 any incapacity, lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- 18.2.6 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any document or security;
- 18.2.7 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any document or security or the failure by any person to enter into or be bound by any document or security; or
- 18.2.8 any insolvency or similar proceedings.

### 18.3 Obligor Intent

Without prejudice to the generality of Clause 18.2 (*Waiver of Defences*), each Obligor expressly confirms that it intends that the guarantee and security created under this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any document creating a Secured Obligation and/or any facility or amount made available under such document.

### 18.4 Immediate recourse

Each Obligor waives any rights it may have of first requiring the Security Agent (or any trustee or agent on its behalf) to proceed against or enforce any other right or security or claim payment from any person or file any proof or claim in any insolvency, administration, winding-up or liquidation proceedings relative to any other person before claiming from the Obligors under this Deed.

### 18.5 Financial collateral

18.5.1 For the purposes of this clause, the expressions "financial collateral arrangement", "financial collateral" and "financial instrument" have the meaning given to them by the Financial Collateral Arrangements (No.2) Regulations 2003 (Amendment) Regulations 2009.

18.5.2 This Deed constitutes a financial collateral arrangement. Any part of the Charged Property that constitutes financial collateral may be appropriated by the Security Agent at any time after an Enforcement Event occurs and is continuing.

18.5.3 If the Security Agent exercises its power of appropriation:



- a) any Charged Property that consists of a financial instrument shall be valued as the cash payment which the Security Agent would have received on a disposal of that Charged Property for immediate payment; and
- b) any Charged Property that consists of a balance on an account shall be valued as the amount standing to the credit of that account, together with any accrued interest not credited to the account at the time of the appropriation.

18.5.4 The exercise of any right of appropriation shall not prejudice or affect any other right or remedy available in respect of the remainder of the Charged Property or any Secured Obligations that remain unpaid.

#### 18.6 Appropriations

Until all amounts which may be or become payable by the Obligors to the Security Agent have been irrevocably paid in full, the Security Agent (or any trustee or agent on its behalf) may without affecting the liability of the Obligors under this Deed:

- 18.6.1 refrain from applying or enforcing any other monies, security or rights held or received by the Security Agent (or any trustee or agent on its behalf) against those accounts; or apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise); and
- 18.6.2 hold in an interest-bearing suspense account any moneys received from the Obligors or on account of the Obligors' liability under this Deed.

#### 18.7 Additional security

- 18.7.1 This Deed is in addition to and is not in any way prejudiced by any other security now or subsequently held by the Security Agent.
- 18.7.2 No prior security held by the Security Agent (in its capacity as such or otherwise) over any Charged Property will merge into the security created under this Deed.

#### 18.8 Non-competition

Unless:

18.8.1 all amounts which may be or become payable by the Obligors to the Security Agent have been irrevocably paid in full; or

18.8.2 the Security Agent otherwise directs,

no Obligor will, after a claim has been made or by virtue of any payment or performance by it under this Deed:

- a) be subrogated to any rights, security or moneys held, received or receivable by the Security Agent (or any trustee or agent on its behalf);
- b) be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of that Obligor's liability under this clause;

- c) claim, rank, prove or vote as a creditor of any Obligor or its estate in competition with the Security Agent (or any trustee or agent on its behalf); or
- d) receive, claim or have the benefit of any payment, distribution or security from or on account of any Obligor, or exercise any right of set-off as against any Obligor.

The Obligors must hold in trust for and must immediately pay or transfer to the Security Agent for the Security Agent any payment or distribution or benefit of security received by it contrary to this clause or in accordance with any directions given by the Security Agent under this clause.

## **19 SET-OFF AND CURRENCY**

### **19.1 Consolidation of accounts and set off**

In addition to any general lien or similar rights to which it may be entitled by operation of law, the Security Agent may at any time and without notice to the Obligors combine or consolidate all or any of the Obligors' then existing accounts with any liabilities to the Security Agent and set off or transfer any sum or sums standing to the credit of any one of more of such accounts in or towards satisfaction of the Secured Obligations.

### **19.2 Currency**

For the purpose of or pending the discharge of the Secured Obligations, the Security Agent may, in its sole discretion, convert any moneys received, recovered or realised in any currency under this Deed (including the proceeds of any previous conversion under this clause) from their existing currency into any other currency at such rate or rates of exchange and at such time as the Security Agent thinks fit.

## **20 NEW ACCOUNTS**

- 20.1 If the Security Agent at any time receives or is deemed to have received notice of any subsequent security affecting all or any part of the Charged Property it may open a new account or accounts with an Obligor.
- 20.2 If the Security Agent does not open a new account or accounts it shall nevertheless be treated as if it had done so as at the time when it received or was deemed to have received such notice.
- 20.3 As from such time all payments made to the Security Agent shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount of the Secured Obligations.

## **21 EXPENSES AND INDEMNITY**

### **21.1 Expenses**

The Obligors shall, from time to time on demand of the Security Agent, pay or reimburse the Security Agent on a full indemnity basis for all costs and expenses (including legal fees) together with any VAT or similar taxes thereon incurred by it in connection with the preparation, execution, perfection, amendment, enforcement, discharge and/or assignment of this Deed. Such costs and expenses shall form part of the Secured Obligations and shall

carry interest from the date of such demand until so paid or reimbursed at the rate determined by the Security Agent.

## 21.2 Indemnity

The Obligors shall, notwithstanding any release or discharge of all or any part of the security created under this Deed, indemnify the Security Agent, its agents, attorneys and any Receiver against any action, proceeding, claim, loss, liability and cost which it may sustain:

21.2.1 in the exercise (or purported exercise) of any of the rights, powers or discretions vested in them by this Deed (or by law); and/or

21.2.2 in connection with or otherwise relating to this Deed or the Charged Property.

## 22 CHANGES TO PARTIES

### 22.1 Assignment and disclosure of information

The Security Agent may assign and transfer all or any of its rights and obligations under this Deed. The Security Agent shall be entitled to disclose such information concerning the Obligors and this Deed as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

### 22.2 Additional Obligors

22.2.1 An Obligor may request that any of its Subsidiaries become an Additional Obligor. That Subsidiary shall become an Additional Obligor if:

- a) an Obligor delivers to the Security Agent a duly completed and executed Accession Deed; and
- b) the Security Agent has received all of the documents and other evidence listed in Part B of Schedule 6 (*Additional Obligors*) in relation to that Additional Obligor, each in form and substance satisfactory to the Security Agent.

22.2.2 The Security Agent shall notify the Obligors promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and evidence listed in Part B of Schedule 6 (*Additional Obligors*).

22.2.3 With effect from the date of notification by the Security Agent under Clause 22.2.2 above, the Additional Obligor shall assume the same obligations and become entitled to the same rights as if it had been a party to this Deed as an Additional Obligor.

### 22.3 Resignation of an Obligor

22.3.1 An Obligor may request that it ceases to be an Obligor by delivery to the Security Agent a Resignation Letter.

22.3.2 The Security Agent may in its absolute discretion accept or reject a Resignation Letter and notify the Obligors of its acceptance if no Enforcement Event is continuing or would result from the acceptance of the Resignation Letter (and the Obligor has confirmed that this is the case).

22.3.3 If an Obligor is released from its obligations under this Deed pursuant to this Clause 22.3 (*Resignation of an Obligor*), the other Obligors will continue to be bound by this Deed which will remain a continuing security.

22.4 Release of Obligors' right of contribution

If any Obligor (a "**Retiring Obligor**") ceases to be an Obligor in accordance with clause 22.3 above then on the date on which the Security Agent notifies the Obligors of its acceptance of a Resignation Letter:

- a) that Retiring Obligor is released by each other Obligor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Obligor arising by reason of the performance by any other Obligor of the Secured Obligations; and
- b) each other Obligor waives any rights it may have by reason of the performance of the Secured Obligations to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Agent or of any other security taken pursuant to, or in connection with, in relation to the Secured Obligations where such rights or security are granted by or in relation to the assets of the Retiring Obligor.

**23 MISCELLANEOUS**

23.1 No Deductions

All payments to be made to the Security Agent under this Deed shall be made in freely available funds and shall be made clear of and without deduction for or on account of tax. If an Obligor is required by law to make a tax deduction, the sum payable by the Obligors shall be increased to the extent necessary to ensure that, after the making of such deduction, the recipient of such sum receives and retains a net sum equal to the sum which it would have received and retained had no such deduction been made or required to be made.

23.2 Perpetuity Period

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of 125 years from the date of this Deed.

23.3 No Liability

23.3.1 None of the Security Agent, its delegate(s) nominee(s) or any Receiver shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

23.3.2 The Security Agent will not be required in any manner to perform or fulfil any obligation of the Obligors, make any payment, make any enquiry as to the nature or sufficiency of any payment received by it or present or file any claim or take any action to collect or enforce the payment of any amount.

23.3.3 The Security Agent shall not be liable either to the Obligors or to any other person by reason of the appointment of a Receiver or for any other reason.

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

#### 23.4 Partial Invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired. If any part of the security intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

#### 23.5 Certificates

Any certificate of the Security Agent specifying any amount due from the Obligors is, in the absence of manifest error, conclusive evidence of such amount.

#### 23.6 Release

At the end of the Security Period, the Security Agent must, at the request and cost of the Obligors, take whatever action is reasonably necessary to release the Charged Property from the security created under this Deed and re-assign any Charged Property assigned under this Deed.

### 24 NOTICES

24.1 Any communication to be made under or in connection with this Deed must be made in writing and, unless otherwise stated, may be made by fax or letter.

24.2 Each Obligor by its execution of this Deed or an Accession Deed irrevocably appoints Learning Curve (NE) Group Ltd to act on its behalf as its agent and irrevocably authorises:

24.2.1 Learning Curve (NE) Group Ltd to execute on its behalf any Accession Deed; and

24.2.2 the Security Agent to give any notice, demand or other communication to that Obligor pursuant to this Deed to Learning Curve (NE) Group Ltd,

and in each case the Obligor shall be bound as though the Obligor had itself executed the Accession Deed or received the relevant notice, demand or other communication.

24.3 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) for any communication or document to be made or delivered under or in connection with this Deed is:

24.3.1 in the case of the Obligors;

- a) Address: Units 51-53 Innovation House, South Church Enterprise Park, Bishop Auckland, Durham, DL14 6XB
- b) Fax: 01388 773 661
- c) Attention: Julie Gilhespie

24.3.2 in the case of the Security Agent:

- a) Address: Orion House, 5 Upper St. Martin's Lane, London WC2H 9EA
- b) Fax: 0207 024 2201
- c) Attention: Richard Mayers

or in each case any substituted address or fax number or department or officer as one party may notify to the other party by not less than five Business Day's notice.

24.4 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

24.4.1 If by way of fax, when received in legible form; or

24.4.2 If by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address.

24.5 Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent.

24.6 Any notice given under or in connection with this Deed must be in English.

## **25 COUNTERPARTS**

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

## **26 GOVERNING LAW**

This Deed and any non-contractual obligation arising in connection with it are governed by English law.

## **27 JURISDICTION**

27.1 English Courts

The courts of England have exclusive jurisdiction to settle any disputes (a "**Dispute**") arising out of, or connected with this Deed (including a Dispute regarding the existence, validity or termination of this Deed) or any non-contractual obligation arising out of or in connection with it.

27.2 Convenient Forum

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.

27.3 Exclusive Jurisdiction

This clause 27 is for the benefit of the Security Agent only. As a result the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with



jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been signed on behalf of the Security Agent and EXECUTED AS A DEED by the Obligors and is delivered by them on the date specified at the beginning of this Deed.

**SCHEDULE 1  
THE OBLIGORS**

<b>Name</b>	<b>Registered Office</b>	<b>Registration Number</b>
Genius Holdco Limited	Units 51-53 Innovation House, South Church Enterprise Park, Bishop Auckland, Durham, DL14 6XB	09487537
Genius Bidco Limited	Units 51-53 Innovation House, South Church Enterprise Park, Bishop Auckland, Durham, DL14 6XB	09489643
Learning Curve (NE) Group Limited	Units 51-53 Innovation House, South Church Enterprise Park, Bishop Auckland, Durham, DL14 6XB	08616453
Learning Curve Group Limited formerly known as Learning Curve (JAA) Limited	Units 51-53 Innovation House, South Church Enterprise Park, Bishop Auckland, Durham, DL14 6XB	05233487
Learning at Work Limited	Units 51-53 Innovation House, South Church Enterprise Park, Bishop Auckland, Durham, DL14 6XB	06388790
Learning Curve Skill Centres Ltd	Units 51-53 Innovation House, South Church Enterprise Park, Bishop Auckland, Durham, DL14 6XB	07734996



**SCHEDULE 2  
ASSETS**

**Part A**

**Accounts**

none

**Part B**

**Real Property - Registered Land**

<i>[name of Obligor]</i>	<b>[•]</b>
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**Part C**

**Real Property - Unregistered Land**

<i>[name of Obligor]</i>	<b>[•]</b>
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**Part D**

**Intellectual Property Rights**

<i>[name of Obligor]</i>	<b>[•]</b>
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**Part E**

**Shares**

<i>[name of Obligor]</i>	<b>[•]</b>
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**SCHEDULE 3**  
**FORM OF NOTICE OF ASSIGNMENT TO CONTRACT COUNTERPARTY**

To: *[Counterparty to Material Contract]*

Date: [●]

Dear Sirs

We give notice that pursuant to a composite guarantee and debenture dated [●] 2018 we have assigned to MML UK Partners LLP as security agent (the "**Security Agent**") all our right, title and interest in and to *[details of Material Contract]* (the "**Contract**") including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:

- 1 all payments by you to us under or arising from the Contract should be made to us unless and until the Security Agent notifies you to the contrary stating that the security has become enforceable;
- 2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract and all rights to compel performance of the Contract are exercisable by the Security Agent although we shall remain liable to perform all the obligations assumed by us under the Contract;
- 4 you are authorised and instructed, without requiring further approval from us, to disclose to the Security Agent such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent at Orion House, 5 Upper St. Martin's Lane, London WC2H 9EA marked for the attention of Richard Mayers
- 5 as well as to us;
- 6 we may not initiate or agree to any amendment to, waive any obligation under or agree to any termination of the Contract without the prior written consent of the Security Agent.

These instructions may not be revoked or amended without the prior written consent of the Security Agent.

For the avoidance of doubt, the Security Agent, its agents, any receiver or any person will not be under any obligation or liability to you under or in respect of the Contract.

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

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at the address set out in paragraph 4 of this notice.

Yours faithfully

Authorized Signatory for and on behalf of [*Obligor*]

## FORM OF ACKNOWLEDGEMENT FROM CONTRACT COUNTERPARTY

To: MML UK Partners LLP (the "**Security Agent**")

Date: [•]

Dear Sirs

[OBLIGOR]

We acknowledge receipt of a notice dated [•] (the "**Notice**") relating to the [details of *Material Contract*] (the "**Contract**").

We:

- 1 agree to the terms set out in the Notice and to act in accordance with its terms;
- 2 confirm that we have not received any prior notice that [Obligor] has assigned its rights under the Contract or created any other interest (whether by way of security or otherwise) in favour of a third party; and
- 3 agree to liaise with and notify the Security Agent if we exercise any right to terminate the Contract or take any action to amend or supplement the Contract.

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

Yours faithfully

For and on behalf of

[Counterparty to *Material Contract*]

**SCHEDULE 6  
ADDITIONAL OBLIGORS**

**PART A - FORM OF ACCESSION DEED**

**THIS ACCESSION DEED** is made on the                      day of                      20[•]

Between:

- (1) [•], a company incorporated in England and Wales (company number [•]) whose registered office is at [•] (the "**Acceding Obligor**"); and
- (2) **MML UK PARTNERS LLP**, a limited liability partnership incorporated in England and Wales (company number OC393766) whose registered office is at Orion House, 5 Upper St. Martin's Lane, London WC2H 9EA acting as security trustee for the Secured Parties on the terms set out in the Loan Note Intercreditor Deed, in such capacity (the "**Security Agent**");
- (3) **LEARNING CURVE (NE) GROUP LTD**, a company registered in England and Wales (company number 08616453) whose registered office is at Units 51-53 Innovation House, South Church Enterprise Park, Bishop Auckland, Durham, DL14 6XB as agent for the Obligors (the "**Original Obligor**");

and is supplemental to a guarantee and debenture dated [•] 2018 between, amongst others, the Security Agent and the Original Obligor (the "**Guarantee and Debenture**").

This Deed witnesses as follows:

- 1 Terms defined in the Guarantee and Debenture have the same meaning when used in this Deed unless given a different meaning in this Deed.
- 2 The Acceding Obligor confirms that it has been supplied with a copy of the Guarantee and Debenture and that it is a Subsidiary of [•].
- 3 The Acceding Obligor agrees to be bound by the terms of the Guarantee and Debenture as an Obligor and shall be party to the Guarantee and Debenture with effect from the date of this Deed as an Obligor as if it were named in the Guarantee and Debenture as an Obligor (but so that the security created on this accession will be created on the date of this Deed).
- 4 Without prejudice to the generality of paragraph 3 above:
  - (a) all security created under this Deed is in favour of the Security Agent and is security for the payment, discharge and performance of the Secured Obligations; and
  - (b) all security created under this Deed is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 5 The Acceding Obligor:
  - a) charges by way of legal mortgage any Real Property owned by it and specified in Part 1 of the schedule to this Deed;
  - b) charges by way of fixed charge, any Real Property now or at any time after the date of this Deed belonging to it (other than property charged under paragraph (a) above);

- c) charges by way of fixed charge, all Plant and Machinery owned by it and its interest in any such Plant and Machinery in its possession, and specified in Part 2 of the schedule to this Deed;
- d) charges by way of fixed charge, all present and future Receivables owned by it, other than those validly and effectively assigned under paragraph o) below;
- e) charges by way of fixed charge, other than those validly and effectively assigned under paragraph o) below,
  - i) all present and future Investments owned by it and specified in Part 3 of the schedule to this Deed;
  - ii) all Investment Derivative Rights owned by it;
  - iii) where any Investment is held in a system for the deposit and settlement of transactions in investments, all rights against the operator of such system or any participant in respect of such Investment;
- f) charges by way of fixed charge, all present and future Intellectual Property Rights owned by it and specified in Part 4 of the schedule to this Deed;
- g) charges by way of fixed charge all of its rights in respect of any amount standing to the credit of any Accounts held by it and the debt represented by those Accounts;
- h) charges by way of fixed charge, its goodwill;
- i) charges by way of fixed charge, its uncalled capital;
- j) charges by way of fixed charge, all rights, interests and claims in the Insurance Policies, and as specified at Part 5 of the schedule to this Deed;
- k) charges by way of fixed charge, all rights, interests and claims in the Material Contracts, other than those validly and effectively assigned under paragraph o) below, and as specified at Part 6 of the schedule to this Deed;
- l) charges by way of fixed charge, the benefits of all licences, consents and authorisations held in connection with its business or the use of any Charged Property, and the right to any compensation in respect of any of them;
- m) charges by way of fixed charge, all rights, interests and claims in any pension fund now or in the future;
- n) charges by way of floating charge, the whole of its undertaking and assets, present and future other than any assets validly and effectively mortgaged, charged or assigned by way of security (whether at law or in equity) by this Deed; and
- o) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights, title, interest and benefit from time to time in and to the Material Contracts.

6 The Additional Obligor consents to a restriction in the following terms being entered into on the Register of Title relating to any of its Real Property registered at the 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 Deed dated [●] in favour of MML UK Partners LLP as security agent referred to in the charges register."*

- 7 The fact that no or incomplete details of any asset are inserted in the schedule to this Deed does not affect the validity of the security created by this Deed.
- 8 If the Acceding Obligor assigns an agreement under this Deed and the assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:
  - a) the Acceding Obligor must notify the Security Agent immediately;
  - b) the assignment or charge will not take effect until that consent is obtained;
  - c) unless the Security Agent otherwise requires, the Acceding Obligor must use all reasonable endeavours to obtain the consent as soon as practicable; and
  - d) the Acceding Obligor must promptly supply the Security Agent with a copy of the consent obtained by it.
- 9 The Acceding Obligor confirms that:
  - (a) it is a limited liability company incorporated under the laws of England and Wales;
  - (b) no Enforcement Event is continuing or would occur as a result of it becoming an Additional Obligor; and
  - (c) each of the representations set out in clause 9 (*Representations*) of the Guarantee and Debenture are true and correct as at the date of this Deed as if made by reference to it, this Deed and the facts and circumstances then existing.
- 10 The Acceding Obligor acknowledges that other persons may be added to, or released from, the Guarantee and Debenture without the Acceding Obligor's consent.
- 11 The Original Obligor for itself and as agent for the other Obligors under the Guarantee and Debenture, agrees to all matters provided for in this Deed.
- 12 The Guarantee and Debenture continues in full force and effect and the Guarantee and Debenture and this Accession Deed shall be read and construed as one document.
- 13 The provisions of Clauses 23.4 (Partial invalidity), 25 (Counterparts) and 27 (Jurisdiction) of the Guarantee and Debenture apply to this Deed as if set out in full in this Deed but as though references to the Guarantee and Debenture were references to this Deed.
- 14 A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- 15 This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

This Deed was executed and delivered as a deed on the date written above.



## **SCHEDULE TO ACCESSION DEED**

*[List any specific assets secured]*

**Part 1 – Real Property**

**Part 2 – Plant & Machinery**

**Part 3 - Investments**

**Part 4 – Intellectual Property Rights**

**Part 6 – Material Contracts**

## SIGNATORIES (TO DEED OF ACCESSION)

### The Acceding Obligor

SIGNED as a DEED by )

[ ] )

acting by a director in the presence of: ) Director

### Signature of witness

Name

(in BLOCK CAPITALS)

Address

Occupation

### The Original Obligor

SIGNED as a DEED by )

**LEARNING CURVE (NE) GROUP  
LIMITED**

) Attorney  
acting by a director in the presence of:

Signature of witness

Name

(in BLOCK CAPITALS)

Address

Occupation

**The Security Agent**

SIGNED as a DEED by

**MML UK PARTNERS LLP**

acting by its duly appointed attorney in)      **Attorney**  
the presence of:

Signature of witness

Name

(in BLOCK CAPITALS)

Address

Occupation

**PART B – CONDITIONS PRECEDENT REQUIRED TO BE DELIVERED BY AN ADDITIONAL OBLIGOR**

- 1 An Accession Deed, duly executed by the Additional Obligor.
- 2 A copy of the constitutional documents of the Additional Obligor.
- 3 A copy of a resolution of the board of directors of the Additional Obligor:
  - a) approving the terms of, and the transactions contemplated by, the Accession Deed and resolving that it execute, deliver and perform the Accession Deed;
  - b) authorising a specified person or persons to execute the Accession Deed on its behalf;
  - c) authorising a specified person or persons, on its behalf, to sign and/or despatch all other documents and notices to be signed and/or despatched by it under or in connection with the Accession Deed or the Debenture;
  - d) authorising Learning Curve (NE) Group Ltd to act as its agent in connection with the Accession Deed or the Debenture;
- 4 A specimen of the signature of each person authorised by the resolution referred to in paragraph 3 above.
- 5 A copy of a resolution signed by all the holders of the issued shares of the Additional Obligor, approving the terms of, and the transactions contemplated by, the Accession Deed.
- 6 A copy of the resolution of the board of directors of each corporate shareholder of the Additional Guarantor approving the terms of the resolution referred to at paragraph 5 above.
- 7 A certificate of the Additional Obligor (signed by a director) confirming that guaranteeing or securing the Secured Obligations would not cause any guarantee, security or similar limit binding on it to be exceeded.
- 8 A certificate of an authorised signatory of the Additional Obligor certifying that each copy document listed in this Part B of Schedule 6 is correct, complete and in full force and effect and has not been amended or superceded as at a date no earlier than the date of the Accession Deed.
- 9 A copy of any other authorisation or other document, opinion or assurance which the Security Agent considers to be necessary or desirable in connection with the entry into and performance of a the transactions contemplated by the Accession Deed or for the validity and enforceability of the Accession Deed.
- 10 If available, the latest audited financial statements of the Additional Obligor.
- 11 A copy of all notices required to be sent under the Debenture by the Additional Obligor.

**SCHEDULE 7  
FORM OF RESIGNATION LETTER**

To: MML UK Partners LLP as Security Agent

From: [resigning Obligor]

Dated: [●]

Dear Sirs

**Composite Guarantee and Debenture between, amongst others, the Security Agent and the  
Original Obligors  
dated [●] 2018 (the "Agreement")**

- 1 We refer to the Agreement. This is a Resignation Letter. Terms defined in the Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.
- 2 Pursuant to Clause 22.3 (*Resignation of an Obligor*), we request that we are released from our obligations as an Obligor under the Agreement.
- 3 We confirm that no Enforcement Event is continuing or would result from the acceptance of this request.
- 4 This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

[Subsidiary]

By:

Print name:

## SIGNATORIES

### THE OBLIGORS

EXECUTED as a DEED by )

**GENIUS HOLDCO LIMITED** )

acting by a director in the presence of: )

Director

) Print name:

Grain Higgins

Signature of witness

Print name (in BLOCK CAPITALS):

MIKEA RICHARD

Address:

DWF LLP  
110 Queen Street  
Glasgow  
G1 3HD

Occupation:

Solicitor

EXECUTED as a DEED by

GENIUS BIDCO LIMITED

acting by a director in the presence of:

) Director

) Print name:

Gravin Higgins

Signature of witness

Print name (in BLOCK CAPITALS):

MIKEA RICHARD

Address:

DWF LLP  
110 Queen Street  
Glasgow  
G1 3HD

Occupation:

SOLICITOR



EXECUTED as a DEED by

LEARNING CURVE (NE) GROUP LTD

acting by a director in the presence of:

) Director

) Print name:

GAVIN HIGGINS

Signature of witness

Print name (in BLOCK CAPITALS):

MIKELA ROCHFORD

Address:

DWF LLP  
110 Queen Street  
Glasgow  
G1 3HD

Occupation:

SOLICITOR

EXECUTED as a DEED by

LEARNING CURVE GROUP LIMITED

acting by a director in the presence of:

) Director

) Print name:

GAVIN HIGGINS

SIGNATURE OF WITNESS:

PRINT NAME: MIKELA ROCHFORD

ADDRESS: C/O DWF LLP, 110 QUEEN STREET, GLASGOW, G1 3HD

OCCUPATION: SOLICITOR

Signature of witness



Print name (in BLOCK CAPITALS):

Address:

Occupation:

EXECUTED as a DEED by

**LEARNING AT WORK LIMITED**

acting by a director in the presence of:

)



)

)

Director

)

Print name:

*Gavin Higgins*

Signature of witness



Print name (in BLOCK CAPITALS):

*MIKEA ROYD*

Address:

DWF LLP  
110 Queen Street  
Glasgow  
G1.3HD

Occupation:

*SOLICITOR*

EXECUTED as a DEED by

LEARNING CURVE SKILL CENTRES LTD )

acting by a director in the presence of:

) Director

) Print name:

DAVID MCGINNIS

Signature of witness

Print name (in BLOCK CAPITALS):

MIKEA LOCHTON

Address:

DWF LLP  
110 Queen Street  
Glasgow  
G1 3HD

Occupation:

SOLICITOR

THE SECURITY AGENT

EXECUTED as a DEED by

)



MML UK PARTNERS LLP

)

acting by a duly authorised attorney in the  
presence of:

Attorney

)

Print name:

*Richard Mayes*

Signature of witness



Print name (in BLOCK CAPITALS): *AMAL SHINGHANI*

Address:



Occupation:

*Private Equity*