



Registration of a Charge

Company name: **BELL EDUCATIONAL SERVICES LTD**

Company number: **07169627**

Received for Electronic Filing: **09/11/2020**



X9HFPB9K

Details of Charge

Date of creation: **27/10/2020**

Charge code: **0716 9627 0005**

Persons entitled: **THE BELL EDUCATIONAL TRUST LTD**

Brief description: **BY WAY OF FIRST FIXED CHARGE ALL THE CHARGOR'S ESTATES OR INTERESTS IN ANY FREEHOLD OR LEASEHOLD PROPERTY**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by:

JUDITH HASTE



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7169627

Charge code: 0716 9627 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th October 2020 and created by BELL EDUCATIONAL SERVICES LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th November 2020 .

Given at Companies House, Cardiff on 10th November 2020

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 27 October 2020

BELL EDUCATIONAL SERVICES LTD (1)

THE BELL EDUCATIONAL TRUST LIMITED (2)

SECURITY AGREEMENT

FARRER&Co

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THIS DEED is dated 27 October

2020

BETWEEN

- (1) **BELL EDUCATIONAL SERVICES LTD** a company registered in England and Wales with company number 07169627 and having its registered office at 1 Red Cross Lane, Cambridge, Cambridgeshire CB2 0QU (the **Chargor**); and
- (2) **THE BELL EDUCATIONAL TRUST LIMITED** a charitable company registered in England and Wales with company number 01048465 and registered charity number 311585 and having its registered office at 1 Red Cross Lane, Cambridge, Cambridgeshire CB2 0QU (the **Lender**).

WHEREAS

- (A) The Lender has agreed to make various credit facilities available to the Chargor.
- (B) The Chargor has agreed to provide security to the Lender to secure the payment and discharge of the Secured Liabilities on the terms set out in this Deed.
- (C) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. Interpretation

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925.

Default means a default as defined in the Facility Agreement or an equivalent event under any other Finance Document.

Environmental Approval means any authorisation required by any Environmental Law.

Environmental Claim means any claim by any person in connection with:

- (a) a breach, or alleged breach, of an Environmental Law;
- (b) any accident, fire, explosion or other event of any type involving an emission or substance which is capable of causing harm to any living organism or the environment; or
- (c) any other environmental contamination.

Environmental Law means any law or regulation concerning:

- (a) the protection of health and safety;
- (b) the environment; or

- (c) any emission or substance which is capable of causing harm to any living organism or the environment.

Event of Default means an event of default as defined in the Facility Agreement or an equivalent event under any other Finance Document.

Facility Agreement means the up to £1,600,000 revolving credit facility agreement of even date herewith between the Chargor and the Lender and any other document evidencing liabilities of the Chargor owed to the Lender and/or any Affiliate of the Lender.

Finance Document means any document which from time to time evidences, sets out the terms of or secures the Secured Liabilities.

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

Insured Property Assets means all the buildings and erections in or on the Mortgaged Property and all the Chargor's other assets of an insurable nature in or on such buildings or erections.

Investments means:

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

Mortgaged Property means all the real property (if any) specified in the Schedule 1 (*Security Assets*) under the heading **Mortgaged Property**.

Party means a party to this Deed.

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

Secured Liabilities means all present and future obligations and liabilities of any nature (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) owing or incurred by the Chargor to the Lender (except for any obligation or liability which, if it were so included, would result in this Deed contravening Section 678 or 679 of the Companies Act 2006).

Security means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any agreement or arrangement having a similar effect.

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

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

Shares means all the shares issued in Bell Switzerland SA.

1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in this Deed to:

- (a) **Lender** or **Chargor** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) **assets** includes present and future properties, revenues and rights of every description;
- (c) **including** means **including without limitation**;
- (d) **indemnify** and **indemnifying** means any person against any circumstance includes indemnifying and keeping him harmless from all claims, demands, actions and proceedings from time to time made against him and all loss or damage and all payments, costs, expenses, fines and charges made or incurred by that person as a consequence of or which would not have arisen but for that circumstance;
- (e) **liabilities** includes any obligation whether incurred as principal or as surety, whether or not in respect of indebtedness, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;
- (f) **notice** includes any notice, demand, consent or other communication;
- (g) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (h) **writing** or **written** includes e-mail;
- (i) a provision of law is a reference to that provision as amended or re-enacted;
- (j) Section, Clause and Schedule headings are for ease of reference only;
- (k) words in the singular include the plural and vice versa and words in one gender include any other gender; and
- (l) the term **this Security** means any security created by this Deed.

1.2.2 Any covenant of the Chargor under this Deed (other than a payment obligation) remains in force during the Security Period.

- 1.2.3 The terms of the Finance Documents and of any side letters between any Parties in relation to any Finance Documents are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.2.4 If the Lender considers that an amount paid to it under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.2.5 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

1.3 Third Party Rights

- 1.3.1 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 enjoy the benefit of any term of this Deed.
- 1.3.2 Notwithstanding any term 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.

1.4 Effect as a Deed

It is intended that this document takes effect as a deed notwithstanding the fact that a Party to it may only execute it under hand.

2. Creation of Security

2.1 General

All the security created under this Deed:

- 2.1.1 is created in favour of the Lender;
- 2.1.2 is created over present and future assets of the Chargor;
- 2.1.3 is security for the payment of all the Secured Liabilities; and
- 2.1.4 is made with full title guarantee (except that the covenant set out in section 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to all charges, encumbrances and rights, even if the Chargor does not know and could not reasonably be expected to know about them).

2.2 Land

- 2.2.1 The Chargor charges:
 - (a) by way of a first legal mortgage, the Mortgaged Property; and
 - (b) to the extent that they are not the subject of a mortgage under Clause 2.2.1(a)) by way of first fixed charge all the Chargor's estates or interests in any freehold or leasehold property.

2.2.2 A reference in this Clause 2.2 to a mortgage or charge of any freehold or leasehold property includes:

- (a) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
- (b) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 Investments

2.3.1 The Chargor charges by way of a first fixed charge its interest in any Investments owned by it or held by any nominee on its behalf.

2.3.2 A reference in this Clause 2.3 to a charge of any stock, share, debenture, bond or other security includes:

- (a) any dividend or interest paid or payable in relation to it; and
- (b) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

2.4 Plant and Machinery

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

2.5 Insurances

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any insurance policy.

2.6 Miscellaneous

The Chargor charges by way of first fixed charge:

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

2.7 Floating Charge

2.7.1 The Chargor charges by way of a first floating charge all its assets (including for the avoidance of doubt and without limitation, cash balances) not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause.

- 2.7.2 Except as provided below, the Lender may by notice to the Chargor convert the floating charge created by the Chargor under this Clause 2.7 into a fixed charge as regards any of the Chargor's assets specified in that notice, if:
- (a) an Event of Default is outstanding; or
 - (b) the Lender considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- 2.7.3 The floating charge created by this Clause 2.7 may not be converted into a fixed charge solely by reason of:
- (a) the obtaining of a moratorium; or
 - (b) anything done with a view to obtaining a moratorium,
- under section 1A of the Insolvency Act 1986.
- 2.7.4 The floating charge created by this Clause 2.7 will automatically convert into a fixed charge over all of a Chargor's assets if an administrator is appointed or the Lender receives notice of an intention to appoint an administrator.
- 2.7.5 The floating charge created by this Clause 2.7 is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. Representations and Warranties – General

The Chargor makes the representations and warranties set out in this Clause 3 to the Lender.

3.1 Nature of Security

The Chargor represents and warrants to the Lender that this Deed creates the Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or administration or otherwise.

3.2 Legal Validity

The obligations expressed to be assumed by the Chargor in this Deed are legal, valid, binding and enforceable obligations.

3.3 Immunity

The Chargor is not entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in its jurisdiction of incorporation in relation to this Deed. The Chargor is a limited liability company, duly incorporated and validly existing under the laws of the jurisdiction of its incorporation.

3.4 Times for Making Representations and Warranties

- 3.4.1 The representations and warranties set out in this Deed (including in this Clause) are made on the date of this Deed.

3.4.2 Unless a representation and warranty is expressed to be given at a specific date, each representation and warranty under this Deed is deemed to be repeated by the Chargor on each date during the Security Period.

3.4.3 When a representation and warranty is repeated, it is applied to the circumstances existing at the time of repetition.

4. Restrictions on Dealings

The Chargor may not:

4.1.1 create or permit to subsist any Security on any Security Asset; or

4.1.2 sell, transfer, licence, lease or otherwise dispose of any Security Asset, except as expressly allowed under any Finance Document.

5. Land

5.1 Environmental Matters

The Chargor must:

5.1.1 obtain all Environmental Approvals required by it;

5.1.2 comply in all material respects with any Environmental Approval or Environmental Law applicable to it;

5.1.3 ensure that the Lender does not incur any liability by reason of any breach by the Chargor of any Environmental Law or Environmental Approval; and

5.1.4 promptly upon becoming aware notify the Lender of:

- (a) any Environmental Claim current or, to its knowledge pending or threatened; or
- (b) any circumstances reasonably likely to result in an Environmental Claim.

5.2 Repair

The Chargor must keep:

5.2.1 any buildings or erections in or on the Mortgaged Property in good and substantial repair and condition and adequately and properly painted and decorated; and

5.2.2 its Fixtures and all plant, machinery, implements and other effects owned by it and which are in or on the Mortgaged Property or elsewhere in a good state of repair and in good working order and condition.

5.3 Insurance

5.3.1 The Chargor must insure its Insured Property Assets against:

- (a) loss or damage by fire;

- (b) other risks normally insured against by persons carrying on the same class of business as that carried on by it; and
- (c) any other risks which the Lender may reasonably require.

5.3.2 Any insurance must be in a sum or sums not less than the replacement value of the Insured Property Assets. For this purpose, **replacement value** means the total cost of entirely rebuilding, reinstating or replacing those Insured Property Assets in the event of their being completely destroyed, together with architects' and surveyors' fees.

5.3.3 Any insurance required under this Clause must be with an insurance company or underwriters acceptable to the Lender.

5.3.4 All moneys received or receivable under any insurance in respect of the Insured Property Assets must be applied:

- (a) in replacing, restoring or reinstating the Insured Property Assets destroyed or damaged or in any other manner which the Lender may agree; or
- (b) after a Default has occurred, if the Lender so directs and the terms of the relevant insurances allow, in or towards satisfaction of the Secured Liabilities.

5.3.5 The Chargor must procure that a note of the Lender's interest is endorsed upon all policies of insurance maintained by the Chargor or any person on its behalf in respect of the Insured Property Assets.

5.3.6 The Chargor may not do or permit anything to be done which may make void or voidable any policy of insurance in connection with any Insured Property Asset.

5.3.7 The Chargor must promptly pay all premiums and do all other things necessary to keep each policy of insurance in respect of its Insured Property Assets in force.

5.3.8 The Chargor must, immediately on demand by the Lender, produce to the Lender the policy, certificate or cover note relating to any insurance policy and the receipt for the payment of any premium for any insurance policy as the Lender may request.

5.4 Compliance with Leases

5.4.1 The Chargor must:

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

5.4.2 If the consent of the landlord in whom the reversion of a lease is vested is required for the Chargor to execute a legal mortgage over it, the Chargor

will not be required to perform that obligation unless and until it has obtained the landlord's consent. The Chargor must use its reasonable endeavours to obtain the landlord's consent.

5.5 Compliance with Applicable Laws and Regulations

The Chargor must perform all its obligations under any law or regulation in any way related to or affecting its Mortgaged Property.

5.6 Leases

The Chargor may not grant or agree to grant (whether in exercise or independently of any statutory power) any lease or tenancy of the Mortgaged Property or any part of it or accept a surrender of any lease or tenancy or confer upon any person any contractual licence or right to occupy the Mortgaged Property save with the prior written consent of the Lender, such consent not to be unreasonably withheld or delayed.

5.7 H M Land Registry

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

5.7.1 a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the security agreement dated [●] in favour of The Bell Educational Trust Limited (Company No. 01048465) referred to in the charges register or, if appropriate, signed on such proprietor's behalf by an authorised signatory of The Bell Educational Trust Limited (Company No. 01048465) (Form P)"; and

5.7.2 a notice that the Lender is under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

5.8 Deposit of Title Deeds

The Chargor must deposit with the Lender all deeds and documents of title relating to its Mortgaged Property and all local land charges, land charges and Land Registry search certificates and similar documents received by it or on its behalf.

5.9 Access

The Chargor must permit the Lender and any person nominated by it at all reasonable times to enter any part of its Mortgaged Property and view the state of it.

5.10 Power to Remedy

5.10.1 If the Chargor fails to perform any term affecting its Mortgaged Property, the Chargor must allow the Lender or its agents and contractors:

(a) to enter any part of its Mortgaged Property;

- (b) to comply with or object to any notice served on the Chargor in respect of its Mortgaged Property; and
- (c) to take any action as the Lender may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.

5.10.2 The Chargor must immediately on request by the Lender pay the costs and expenses of the Lender or its agents and contractors incurred in connection with any action taken by it under this Clause 5.10.

6. Investments

6.1 Investments

The Chargor represents to the Lender that:

- 6.1.1 its Shares and, to the extent applicable, its other Investments, are fully paid;
- 6.1.2 its Shares represent the whole of the issued shares capital of Bell Switzerland SA; and
- 6.1.3 it is the sole legal and beneficial owner of its Investments.

6.2 Deposit

The Chargor must:

- 6.2.1 immediately deposit with the Lender, or as the Lender may direct, all certificates and other documents of title or evidence of ownership in relation to any of its Investments; and
- 6.2.2 promptly execute and deliver to the Lender all share transfers and other documents which may be requested by the Lender in order to enable the Lender or its nominees to be registered as the owner of its Investments.

6.3 Changes to Rights

The Chargor may not take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further shares in Bell Switzerland SA being issued.

6.4 Calls

- 6.4.1 The Chargor must pay all calls or other payments due and payable in respect of any of its Investments.
- 6.4.2 If the Chargor fails to do so, the Lender may pay the calls or other payments on behalf of the Chargor. The Chargor must immediately on request reimburse the Lender for any payment made by the Lender under this Clause 6.4.

7. When Security Becomes Enforceable

7.1 Event of Default

This Security will become immediately enforceable:

7.1.1 on the occurrence of Event of Default; or

7.1.2 if the Chargor so requests.

7.2 After this Security has become enforceable, the Lender may in its absolute discretion enforce all or any part of this Security in any manner it sees fit.

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

8. Enforcement of Security

8.1 General

8.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

8.1.2 Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

8.1.3 The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with any provision of Sections 99 or 100 of the Act.

8.2 No Liability as Mortgagee in Possession

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

8.3 Privileges

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

8.4 Protection of Third Parties

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

8.4.1 whether the Secured Liabilities have become payable;

8.4.2 whether any power which the Lender or a Receiver is purporting to exercise has become exercisable or is being properly exercised;

- 8.4.3 whether any money remains due under the Finance Documents; or
- 8.4.4 how any money paid to the Lender or to that Receiver is to be applied.

8.5 Redemption of Prior Mortgages

- 8.5.1 At any time after this Security has become enforceable, the Lender may:
 - (a) redeem any prior Security against any Security Asset; and/or
 - (b) procure the transfer of that Security to itself; and/or
 - (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- 8.5.2 The Chargor must pay to the Lender, immediately on demand, the costs and expenses incurred by the Lender in connection with any such redemption and/or transfer, including the payment of any principal or interest.

8.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Lender (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

9. Receiver

9.1 Appointment of Receiver

- 9.1.1 Except as provided below, the Lender may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
 - (a) this Security has become enforceable; or
 - (b) the Chargor so requests the Lender in writing at any time.
- 9.1.2 Any appointment under Clause 9.1.1 may be by deed, under seal or in writing under its hand.
- 9.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- 9.1.4 The Lender is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- 9.1.5 The Lender may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Lender is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

9.2 Removal

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

9.3 Remuneration

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

9.4 Agent of the Chargor

9.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.

9.4.2 The Lender will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

9.5 Relationship with the Lender

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

10. Powers of Receiver

10.1 A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law; this includes:

- (a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986

10.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

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

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

10.5 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.

- 10.6 A Receiver may discharge any person appointed by the Chargor.
- 10.7 A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.
- 10.8 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- 10.9 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.
- 10.10 A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).
- 10.11 A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset.
- 10.12 A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.
- 10.13 A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.
- 10.14 A Receiver may delegate his powers in accordance with this Deed.
- 10.15 A Receiver may lend money or advance credit to any customer of the Chargor.
- 10.16 A Receiver may:
- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
 - (b) commence and/or complete any building operation; and
 - (c) apply for and maintain any planning permission, building regulation approval or any other authorisation.
- in each case as he thinks fit.
- 10.17 A Receiver may:
- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;

- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

11. Application of Proceeds

11.1 Any moneys received by the Lender or any Receiver after this Security has become enforceable must be applied in the following order:

- (a) **first**, in or towards the payment of any unpaid costs and expenses of the Lender and any Receiver under this Deed or which are incidental to the Receiver's appointment, together with interest at the applicable rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- (b) **second**, in or towards payment of or provision for all costs and expenses incurred by the Lender or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed;
- (c) **third**, in or towards the discharge of liabilities having priority to the Secured Liabilities;
- (d) **fourth**, in or towards payment of or provision for the Secured Liabilities; and
- (e) **fifth**, in payment of the surplus (if any) to the Chargor or other person entitled to it.

11.2 This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of the Lender to recover any shortfall from the Chargor.

12. Expenses and Indemnity

The Chargor must:

- 12.1.1 immediately on demand pay all costs and expenses (including legal fees) incurred in connection with this Deed by the Lender, Receiver, attorney, manager, agent or other person appointed by the Lender under this Deed including any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise; and
- 12.1.2 keep each of them indemnified against any failure or delay in paying those costs or expenses.

13. Delegation

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

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

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

14. Preservation and Further Assurances

- 14.1 The Chargor must take all steps which are reasonably practicable to maintain and preserve its interests in the Security Assets.
- 14.2 The Chargor must, at its own expense, take whatever action the Lender or a Receiver may require for:
- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
 - (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Lender or any Receiver or any of its delegates or sub-delegates in respect of any Security Asset.

15. Power of Attorney

The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

16. Changes to the Parties

- 16.1 The Chargor may not assign or transfer any of its rights or obligations under this Deed.
- 16.2 The Chargor consents to any assignment of the Lender's rights and any transfer of the Lender's obligations under this Deed.
- 16.3 The Chargor shall, immediately upon requested to do so by the Lender and at the cost of the Chargor, enter into such documents as may be necessary or desirable to effect any assignment or transfer referred to in Clause 16.2.

17. Notices

17.1 Address

Any demand, notice or other communication or document to be made or delivered under this Deed shall be made or delivered in writing. Each demand, notice, communication or other document to be made on or delivered to any party to this Deed shall be sent to:

(A) the Chargor at:

Address: Bell Educational Services Ltd, 1 Red Cross Lane, Cambridge,
Cambridgeshire CB2 0QU
Attention: Chief Executive
Email: catrin.diamantino@bellenglish.com and Judith.haste@bellenglish.com

(B) the Lender at:

Address: The Bell Foundation, Red Cross Lane, Cambridge, CB2 0QU

Attention: The Chair of the Board

Email: Vikki.lewis@bell-foundation.org.uk and dawn.leslie@bell-foundation.org.uk

or to any other address or email address as is notified in writing by one party to the other from time to time.

17.2 Delivery

17.2.1 Any demand, notice or other communication or document that the Lender gives to the Chargor under or in connection with this Deed shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and
- (c) if sent by e-mail, when received in readable form,

and, if a particular department or officer is specified as part of its address details provided under Clause 17.1, if addressed to that department or officer.

17.2.2 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified in Clause 17.1 above (or any substitute department or officer as the Lender shall specify for this purpose).

17.2.3 Any communication or document which becomes effective, in accordance with paragraphs 17.2.1 and 17.2.2 above, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

18. Miscellaneous

18.1 Covenant to Pay

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

18.2 Tacking

18.2.1 For the purposes of section 94(1) of the Act and section 49(3) of the Land Registration Act 2002 the Lender confirms that it shall make any further advances to the Chargor on the terms and subject to the conditions of the Finance Documents.

18.2.2 The Lender must perform its obligations under the Finance Documents (including any obligation to make available further advances).

19. Release

19.1 Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, the Lender shall, unless any third party has any subrogation or other rights in respect of the Security created by this Deed at that time, or shall procure that its appointees will, at the request and cost of the Chargor:

- (a) release the Security Assets from this Deed; and
- (b) re-assign to the Chargor those Security Assets that have been assigned to the Lender pursuant to this Deed.

19.2 Section 93 of the Act shall not apply to this Deed.

20. Governing Law

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

20.1 Jurisdiction

20.1.1 The English courts have exclusive jurisdiction to settle any dispute including a dispute relating to non-contractual obligations arising out of or in connection with this Deed.

20.1.2 The English courts are the most appropriate and convenient courts to settle any such dispute in connection with this Deed. The Chargor agrees not to argue to the contrary and waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed.

20.1.3 This Clause 20.1 is for the benefit of the Lender only. To the extent allowed by law the Lender may take:

- (a) proceedings in any other court; and
- (b) concurrent proceedings in any number of jurisdictions.

20.1.4 References in this Clause 20.1 to a dispute include any dispute as to the existence, validity or termination of this Deed.

This document is executed as a deed and is delivered by the Parties or their duly authorised representatives on the date written at the beginning of it.

Schedule 1
Mortgaged Property

DELIBERATELY LEFT BLANK

SIGNATORIES

EXECUTED as a DEED by
BELL EDUCATIONAL SERVICES LTD
acting by

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)
)
DocuSigned by:
Catrin Diamantios
BF59135A1818477...

Director

)
)
)
DocuSigned by:
S. Huggen
2456A94E5567448...

Director

EXECUTED a DEED by
THE BELL EDUCATIONAL TRUST LIMITED
acting by

)
)
)
DocuSigned by:
Russell Prior
9551643F0D1E4A6...

Director

)
)
)
DocuSigned by:
John Gandy
C2F0F954524A4E5...

Director