SKILLSOFT PUBLIC LIMITED CO
Form 10-K/A
May 23, 2008

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

**Form 10-K/A**
**Amendment No. 1**
**ANNUAL REPORT PURSUANT TO SECTIONS 13 OR 15(d)**
**OF THE SECURITIES EXCHANGE ACT OF 1934**

(Mark One)

þ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended January 31, 2008**

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

***For the transition period from to***

**Commission file: 0-25674**
**SkillSoft Public Limited Company**
*(Exact name of registrant as specified in its charter)*

| | |
|---|---|
| **Republic of Ireland** | **None** |
| *(State or other jurisdiction of incorporation or organization)* | *(I.R.S. Employer Identification No.)* |
| **107 Northeastern Boulevard Nashua, New Hampshire** | **03062** |
| *(Address of principal executive offices)* | *(Zip Code)* |

**Registrant s telephone number, including area code:**
**(603) 324-3000**
**Securities registered pursuant to section 12(b) of the Act:**

| Title of Each Class | Name of Each Exchange on Which Registered |
|---|---|
| Ordinary Shares, 0.11 | NASDAQ Global Market |

**Securities registered pursuant to Section 12(g) of the Act: None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes þ No o

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No þ

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. þ

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

| Large accelerated filer þ | Accelerated filer o | Non-accelerated filer o | Smaller reporting company o |
|---|---|---|---|
| | | (Do not check if a smaller reporting company) | |

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Act). Yes o No þ

The approximate aggregate market value of voting shares held by non-affiliates of the registrant as of July 31, 2007 was $925,902,731.

On April 30, 2008, the registrant had outstanding 112,836,816 ordinary shares (issued or issuable in exchange for the registrant s outstanding American Depositary Shares ( ADSs )).

**DOCUMENTS INCORPORATED BY REFERENCE**

None.

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## EXPLANATORY NOTE

This Annual Report on Form 10-K/A is being filed as Amendment No. 1 to the Annual Report on Form 10-K of SkillSoft Public Limited Company (the Registrant or the Company ) filed with the Securities and Exchange Commission (the SEC ) on March 31, 2008, for the purpose of amending the following: Items 10, 11, 12, 13, 14 and 15.

**SKILLSOFT PUBLIC LIMITED COMPANY**
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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

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## PART III

### Item 10. Directors, Executive Officers and Corporate Governance

### Directors

The following is a list of our directors and certain information, as of April 30, 2008, about their background.

*Charles E. Moran,* age 53, was appointed Chairman of the Board of Directors in November 2006 and has served as a director and has held the position of President and Chief Executive Officer since our merger with SkillSoft Corporation in September 2002. Mr. Moran is a founder of SkillSoft Corporation and served as its Chairman of the Board, President and Chief Executive Officer from January 1998 until September 2002.

*P. Howard Edelstein*, age 53, has served as a director since our merger with SkillSoft Corporation in September 2002. Mr. Edelstein has been the Chief Executive Officer of NYFIX, Inc. a provider of innovative solutions that optimize trading efficiency, since September 2006. Prior to joining NYFIX, Inc., Mr. Edelstein served as an Entrepreneur in Residence with Warburg Pincus LLC from January 2006 to September 2006. Mr. Edelstein served as President and Chief Executive Officer of Radianz, an Internet Protocol-based networking company for the global financial services industry, from July 2003 to January 2006. Mr. Edelstein served as an Entrepreneur in Residence with Warburg Pincus LLC from January 2002 to July 2003. Mr. Edelstein is also a director of Alacra, a privately held financial information company, and NYFIX, Inc.

*Stewart K.P. Gross*, age 48, has served as a director since our merger with SkillSoft Corporation in September 2002. Since April 2005, Mr. Gross has served as Managing Director of Lightyear Capital, LLC, a private equity firm concentrating on investments in the financial services industry. Mr. Gross served as a director of SkillSoft Corporation from January 1998 to September 2002. Mr. Gross was a Managing Director of Warburg Pincus LLC from July 1987 to December 2004. Mr. Gross is a director of BEA Systems, Inc., Flagstone Reinsurance Holdings Limited and several privately held companies and not-for-profit organizations.

*James S. Krzywicki*, age 56, has served as a director since October 1998. Mr. Krzywicki was the President and Chief Executive officer of Treeno Software (formerly Docutron Systems), a provider of web-based document management software solutions that work in small business environments and connect with enterprise objectives, from April 2004 to December 2007. Mr. Krzywicki was Vice President, Channel Services for Parametric Technology Corporation, a provider of software solutions for manufacturers for product development and improvement, from April 2003 to April 2004.

*William F. Meagher, Jr.*, age 69, has served as a director since March 2004. Mr. Meagher was the Managing Partner of the Boston Office of Arthur Andersen LLP ( Andersen ) from 1982 until 1995, and spent a total of 38 years with Andersen. Mr. Meagher was a member of the American Institute of Certified Public Accountants and the Massachusetts Society of Certified Public Accountants. Mr. Meagher is a trustee of Living Care Villages of Massachusetts, Inc. d/b/a North Hill, the Dana Farber Cancer Institute and the Greater Boston YMCA. Mr. Meagher also is a director of Dover Saddlery, a direct marketer and a leading specialty retailer of equestrian products, Mac-Gray, a leader in the commercial laundry industry, and several not-for-profit organizations.

*Ferdinand von Prondzynski*, age 53, has served as a director since November 2001. Dr. von Prondzynski has been the President of Dublin City University, one of Ireland s leading higher education institutions, since July 2000. From January 1991 to July 2000, Dr. von Prondzynski served as Professor of Law and Dean of the Faculty of Social Services, the University of Hull, UK. Dr. von Prondzynski is a director of Knockdrin Estates Ltd.

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### Executive Officers

The following is a list of our executive officers and certain information, as of April 30, 2008, about their background. Mr. Moran s background is included in the Directors section above.

| Name | Age | Position |
|---|---|---|
| Charles E. Moran | 53 | President and Chief Executive Officer |
| Thomas J. McDonald | 58 | Chief Financial Officer, Executive Vice President and Assistant Secretary |
| Jerald A. Nine, Jr. | 50 | Chief Operating Officer |
| Mark A. Townsend | 55 | Executive Vice President, Technology |
| Colm M. Darcy | 44 | Executive Vice President, Content Development |
| Anthony P. Amato | 43 | Vice President, Finance and Chief Accounting Officer |

*Thomas J. McDonald*, age 58, has served as our Chief Financial Officer and Executive Vice President and Assistant Secretary since our merger with SkillSoft Corporation in September 2002. Mr. McDonald is a founder of SkillSoft Corporation and served as its Chief Financial Officer, Vice President, Operations, Treasurer and Secretary from February 1998 until our merger with SkillSoft Corporation in September 2002.

*Jerald A. Nine, Jr.*, age 50, has served as our Chief Operating Officer since February 2004. Mr. Nine served as Executive Vice President, Global Sales & Marketing and General Manager, Content Solutions Division from our merger with SkillSoft Corporation in September 2002 to February 2004. Mr. Nine is a founder of SkillSoft Corporation and served as its Executive Vice President, Sales and Marketing and General Manager, Books Division from December 2001 to February 2004 and as its Vice President, Worldwide Sales and Marketing from April 1998 to December 2001.

*Mark A. Townsend,* age 55, has served as our Executive Vice President, Technology since our merger with SkillSoft Corporation in September 2002. Mr. Townsend is a founder of SkillSoft Corporation and served as its Vice President, Product Development from January 1998 until our merger with SkillSoft Corporation in September 2002.

*Colm M. Darcy,* age 44, has served as our Executive Vice President, Content Development since our merger with SkillSoft Corporation in September 2002. From April 2002 to September 2002, Mr. Darcy served as our Executive Vice President, Research and Development and from January 2002 to April 2002, Mr. Darcy served as Vice President of Solutions Management. Mr. Darcy also held various positions with SkillSoft from 1995 to January 2002, most recently as Vice President, Strategic Alliances. Prior to joining SkillSoft, Mr. Darcy held positions in Finance, Human Resources, Training and Information Technology in the Republic of Ireland s Department of Health and Child Welfare.

*Anthony P. Amato*, age 43, has served as our Vice President, Finance and Chief Accounting Officer since August 2006. From May 2005 until August 2006, Mr. Amato served as Vice President of Finance Operations and Treasury for SkillSoft. From May 2003 to May 2005, Mr. Amato served as Director of International Finances/Corporate Treasurer for SkillSoft. Prior to joining SkillSoft, Mr. Amato served as the Director of Finance of CMGI, Inc., a provider of technology and e-commerce solutions, from May 2002 to December 2002. Mr. Amato also served as the Vice President of Finance of NaviSite, a provider of IT hosting, outsourcing and professional services, from October 2001 to May 2002.

There are no family relationships among any of our executive officers or directors.

### Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, or the Exchange Act, requires our directors, executive officers and holders of more than 10% of a registered class of our equity securities to file with the Securities and Exchange Commission, or SEC, initial reports of ownership of our equity securities on a Form 3 and reports of changes in such ownership on a Form 4 or Form 5. Officers, directors and 10% shareholders are required by SEC regulations to furnish SkillSoft with copies of all Section 16(a) forms they file.

Based solely on a review of copies of such filings by our directors and executive officers and 10% shareholders or written representations from certain of those persons, we believe that all filings required to be made by those persons during the fiscal year ended January 31, 2008 were timely made.

**Recommendation of Director Nominees by Shareholders**

There have been no material changes in the last year to the procedures by which security holders may recommend director nominees to our Board of Directors.

**Code of Business Conduct and Ethics**

We have adopted a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We have posted a current copy of the code on our website, *www.SkillSoft.com*. In addition, we intend to post on our website all disclosures that are required by law or NASDAQ stock market listing standards concerning any amendments to, or waivers from, any provision of the code.

**Audit Committee**

The members of our Audit Committee are Messrs. Gross and Meagher (Chair) and Dr. von Prondzynski. The Board of Directors has determined that Mr. Meagher is an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-K. The Board of Directors has determined that all of the members of the Audit Committee are independent as defined under applicable NASDAQ rules and Rule 10A-3 under the Exchange Act.

**Item 11. Executive Compensation**

**Compensation Discussion and Analysis**

The compensation committee of our board of directors operates under the authority established in the Compensation Committee Charter. The committee s primary responsibility is to oversee our executive compensation program. In this role, the compensation committee reviews and approves all compensation decisions relating to our executive officers. In addition, the committee has responsibilities related to our incentive-compensation plans and equity-based plans.

***Objectives and Philosophy of Our Executive Compensation Program***

The primary objectives of the compensation committee with respect to executive compensation are to:

- ensure that a significant part of executive compensation is tied to the achievement of corporate and individual performance objectives, which both promotes and rewards the achievement of those objectives;

- align long-term executive incentives with the creation of shareholder value; and

- attract, retain and motivate the best possible executive talent.

To achieve those objectives, the compensation committee evaluates and implements our executive compensation program with the goal of setting compensation at levels the committee believes are competitive with those of other companies in our industry and similar industries that compete with us for executive talent. In addition, our executive compensation program ties a substantial portion of each executive s overall compensation to our financial performance, as measured by metrics such as revenue, profitability and bookings, as well as key strategic goals such as customer satisfaction. We also provide a portion of our executive compensation in the form of share options that vest over time, which we believe helps to retain our executives and aligns their interests with those of our shareholders by allowing them to participate in the longer term success of our company as reflected in share price appreciation.

In making compensation decisions, the compensation committee regularly receives input from an independent compensation consulting firm engaged by the committee, Compensia. In addition to the data and advice provided by Compensia, the committee also considers input from the chief executive officer with respect to the performance and contributions of other members of the executive management team. Compensia provides the committee with data on executive compensation paid by a peer group of publicly traded companies in the software, education and training industries. This peer group, which is periodically reviewed and updated by the committee with the assistance of Compensia, consists of companies the committee believes are generally comparable to our company in terms of size, (based on revenue, profitability and/or number of employees) or industry and/or against which the committee believes we compete for executive talent. The benchmarking study s peer group in the fiscal year ended January 31, 2008 (fiscal 2008) was comprised of 23 companies, including companies such as: Aspen Technology, Blackboard, Webex Communications, Akamai Technologies, Tibco Software, The Advisory Board, Learning Tree International, Kenexa and The Corporate Executive Board. Compensia also provides the compensation committee with information on market trends and developments in executive compensation and ideas for structuring executive compensation arrangements. In addition to the benchmarking data related to the peer group, the committee considers data with respect to the amount of compensation paid to each executive officer by compensation element for the prior four-year period. This enables the committee to evaluate historical pay rate changes, the amount of incentive compensation earned as a percentage of base pay, equity grant history and potential share ownership.

The compensation committee has established the following guidelines to assist it in making executive compensation decisions. These guidelines are expressed, for a particular element of compensation, as the target percentile of the range of that compensation element paid to similarly situated executives of the companies in our benchmarking peer group. In general, the committee targets our executive compensation program elements as follows:

- base salaries are targeted at the 25$^{th}$ percentile;
- total cash compensation (base salary and target bonus) is targeted at the 50$^{th}$ percentile; and
- equity compensation is targeted at the 75$^{th}$ percentile.

Based on this target positioning, overall compensation generally is targeted between the 50$^{th}$ and 75$^{th}$ percentiles. Variations to these targets may occur due to factors such as the experience levels of particular individuals, their performance, their importance within the organization, and market factors. The committee believes that this approach provides market competitive pay to our executives in the short-term when performance merits it and above median compensation when long-term performance merits it.

***Components of our Executive Compensation Program***

The primary elements of our executive compensation program are:

- base salary;
- cash incentive bonuses;
- share option awards;
- employee benefits; and
- severance benefits.

*Base Salary*

Base salary is used to compensate executives for the normal performance of their duties, in light of their experience, skills, knowledge and responsibilities. In establishing base salaries for our executive officers, the compensation committee considers data from our benchmarking peer group, as well as a variety of other factors, including any contractual commitments to that individual, the seniority of the individual, the level of the individual s responsibility, our ability to replace the individual, and the base salary of the individual at his prior employment, if applicable. Each of our executive officers, other than Mr. Amato, has an employment agreement dating from either

1998 or 2002 that provides for a minimum annual base salary (see Employment Agreements and Potential Termination Payments below). With the exception of Mr. Darcy (whose base salary for fiscal 2008 was equal to the minimum base salary provided for in his employment agreement), the current base salaries of those executives are in excess of their minimum base salaries as provided for in their employment agreements, and those employment agreements are not a significant factor in the compensation committee s base salary decisions.

Base salaries are reviewed at least annually by the compensation committee. For fiscal 2008, the committee reviewed a variety of industry information compiled by Compensia. The Compensia data suggested that base salary adjustments would be appropriate to more closely align our executives base salaries with the 25th percentile of the peer group data. Based on its review of peer group data compiled by Compensia and other factors described above, the committee determined that base salary adjustments in fiscal 2008 were appropriate to move the base salary levels of certain executive officers to the 25th percentile of the peer group data. The table set forth below shows the annual base salaries of our five executive officers listed in the Summary Compensation Table included later in this Annual Report on Form 10-K/A (referred to as the named executive officers), including (where applicable) the base salary increases approved by the compensation committee, which were approved contingent upon and effective upon the closing of our acquisition of Thomson NETg on May 14, 2007.

| Name | Prior Base Salary | Revised Base Salary |
|---|---|---|
| Charles E. Moran | $250,000 | $372,000 |
| Jerald A. Nine, Jr. | $225,000 | $282,000 |
| Thomas J. McDonald | $200,000 | $252,000 |
| Colm M. Darcy | $200,000 | $200,000 |
| Mark A. Townsend | $200,000 | $200,000 |

The compensation committee recently met to consider executive base salaries for the fiscal year ending January 31, 2009 (fiscal 2009). Based in part on recommendations provided to the committee by executive management, and given that certain base salary changes were implemented following the closing of our acquisition of Thomson NETg in May 2007, the committee determined that base salary adjustments would not be made for fiscal 2009.

*Cash Incentive Bonuses*

The compensation committee establishes an executive incentive compensation program on an annual basis. This program typically provides for quarterly and annual cash bonuses. The quarterly incentive cash bonuses are intended to compensate executives for achievement of quarterly company financial objectives. The annual cash incentive bonuses are generally intended to compensate executives for the achievement of corporate strategic and financial objectives. Each executive officer is assigned a target bonus under the incentive compensation program, expressed as a percentage of the executive s base salary, with more senior executives typically having a higher percentage. The target bonus is split between quarterly and annual bonus opportunities. The financial targets generally conform to the financial metrics contained in the internal operating plan adopted by the board of directors. The compensation committee approves the objectives on which bonus payments are based, the allocation of the target bonus between the quarterly and annual components and among the various performance objectives, and the formula for determining potential bonus amounts based on achievement of those objectives.

The executive incentive compensation program for fiscal 2008 covered the five named executive officers. Each named executive officer was assigned a target bonus, expressed as a percentage of his annual base salary. The amount of the target bonuses were set by the compensation committee based on the benchmarking data provided by Compensia and the committee s philosophy of setting total cash compensation (base salary and target bonus) at approximately the 50th percentile of the benchmarking peer group. For fiscal 2008, the target bonuses of three of our executive officers were increased in May 2007 by virtue of the base salary increases that took effect then. In addition, the target bonus of Mr. Moran was increased in May 2007 from 110% to 135% of his annual base salary. These target bonus increases were pro rated based on the portion of the year that the increased base salaries and, in

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the case of Mr. Moran, the increased target bonus percentage, were in effect. The table below shows the target bonuses for the named executive officers, both as a percentage of annual base salary and in dollars.

| Name | As Percentage of Annual Base Salary | Pro Rated Amount |
|---|---|---|
| Charles E. Moran | 110%/135% | $ 435,933 |
| Jerald A. Nine, Jr. | 85% | $ 225,569 |
| Thomas J. McDonald | 75% | $ 177,625 |
| Colm M. Darcy | 75% | $ 150,000 |
| Mark A. Townsend | 75% | $ 150,000 |

For each named executive officer, 50% of his target bonus was allocated to quarterly bonus opportunities and 50% was allocated to annual bonus opportunities. The quarterly bonuses under the program were based on bookings objectives (50% of quarterly target bonus) and adjusted EBITDA objectives (50% of quarterly target bonus); the annual bonuses were based on revenue objectives (40% of annual target bonus), adjusted EBITDA objectives (40% of annual target bonus), and customer satisfaction objectives (20% of annual target bonus). For purposes of the incentive compensation program, adjusted EBITDA was defined as operating income, plus the amount of depreciation and amortization expense, stock-based compensation expense, restructuring charges and restatement-related expense. These performance metrics were selected by the compensation committee because the committee believes these are the key operating metrics that are the basis for driving shareholder value.

The maximum bonus that could be earned was 150% of the target bonus and the minimum was 0%. For most performance metrics, three levels of targets were set, with 50% of the allocated target bonus payable if the first performance level (level 1) was attained, 100% of the allocated target bonus payable if the second performance level (level 2) was attained and 150% of the allocated target bonus payable if the third performance level (level 3) was attained.

The compensation committee set the first quarter targets for each category of performance objectives at the beginning of fiscal 2008. Because of the pending Thomson NETG acquisition, which closed during the second quarter, the compensation committee did not set performance targets for the second, third or fourth quarters or fiscal 2008 as a whole at the beginning of fiscal 2008. Instead, the committee set the performance targets for the last two quarters and for fiscal 2008 in the third quarter of fiscal 2008, following the consummation of the Thomson NETg acquisition and the development of an operating plan for the combined company for the remainder of fiscal 2008. The committee was not able to approve second quarter performance targets for the combined company prior to the end of the second quarter due to the closing of the transaction during the quarter. Accordingly, the committee approved a discretionary payment of the level 2 bonus opportunity for the second quarter and reserved the right to pay the second quarter bonus opportunity at level 3 at the end of the year based on the company s overall performance in fiscal 2008. The objectives included in the fiscal 2008 executive incentive compensation program were set at levels that were designed to be attainable if our business had what we consider to be a successful year, but were by no means certain or even probable of being attained.

The bonuses actually paid under the fiscal 2008 executive incentive compensation program were 150% of the executive s target bonus, as we attained level 3 performance with respect to all of the performance metrics in the program for the first, third and fourth quarters and fiscal 2008 as a whole, and based on the overall performance of the company in fiscal 2008, the committee approved a level 3 payment for the second quarter as well. The following tables illustrate our performance as compared to the quarterly and annual adjusted EBITDA targets and the annual revenue target.

| Performance Metric | Level 3 Target | Actual Result |
|---|---|---|
| Q1 Adjusted EBITDA | $12.0 million or higher | $13.4 million |
| Q2 Adjusted EBITDA | n/a | $22.3 million |
| Q3 Adjusted EBITDA | $18.3 million or higher | $21.3 million |
| Q4 Adjusted EBITDA | $17.0 million or higher | $22.7 million |
| FY08 Adjusted EBITDA | $71.0 million or higher | $79.7 million |
| FY08 Revenue | $278.0 million or higher | $281.2 million |

We do not publicly disclose our bookings and we consider our bookings targets to be confidential information. For customer satisfaction, level 3 performance was a customer satisfaction level of 95% or higher as measured by a customer survey, which we exceeded.

*Share Options*

Our share option program is the primary vehicle for offering long-term incentives to our executives. We believe that option grants provide our executives with a strong link to our long-term performance, create an ownership culture and help to align the interests of our executives and our shareholders. In addition, the vesting feature of our option grants is intended to promote executive retention by providing an incentive to our executives to remain in our employ during the vesting period. We have considered from time to time the use of restricted shares and other equity award mechanisms. However, based on Irish corporate law complexities associated with restricted shares and other factors, the compensation committee has decided to use traditional share option awards for the equity component of our executive compensation program.

It has been the practice of the compensation committee to grant options to our executive officers every four years (after the completion of vesting of the previous grants) rather than on an annual basis, although the committee continually evaluates the optimal approach for equity compensation and this practice could change in the future. Our practice has been to grant an option award to new executives upon hire, although we have not hired a new executive officer into the organization for several years. All grants of options to our executives are approved by the compensation committee.

In December 2006, the compensation committee approved significant option grants to our executives, which were discussed in the Compensation Discussion and Analysis included in our 2007 Proxy Statement. No share options or other equity awards were granted to our named executive officers in fiscal 2008.

Our board of directors has adopted policies for option grants by the Company. One of the primary purposes of these policies is to establish procedures for option grants that minimize the opportunity or the perception of the opportunity for us to time the grant of options in a manner that takes advantage of any material nonpublic information. Among the matters covered by these policies are the following:

- All option grants will have an exercise price equal to the last reported sale price of our ADSs on NASDAQ on the date of grant.

- Our chief executive officer can continue to make option grants to non-executive officers, subject to limitations imposed by the compensation committee.

- Option grants to executive officers will be made only during a meeting of the compensation committee or the board of directors, and may not be approved by written consent.

- Option grants to newly hired employees whether made by the chief executive officer, the compensation committee or the board of directors will be made on the first trading day of the month following their date of hire.

- Options will not be granted by the compensation committee or the board of directors during the quarter-end blackout periods under our insider trading policy; provided that options may be approved during a meeting within a blackout period with the grant to be effective as of and priced based on the trading price two days after the end of the blackout period.

We do not have any share ownership guidelines for our executives.

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*Employee Benefits and Other Compensation*

We maintain broad-based benefits that are provided to all employees, including health and dental insurance, life and disability insurance and a 401(k) plan. Executives are eligible to participate in all of our employee benefit plans, in each case on the same basis as other employees. Under our 401(k) plan, we match 100% of the employees 401(k) contribution up to 3% of eligible compensation, subject to various limitations (including a limit of $2,400 per employee annually).

In addition, our chief financial officer, Tom McDonald, does not reside in New England. Consequently, we make available to him housing and a car when he is in New Hampshire. We also reimburse Mr. McDonald for the expenses associated with his travel to and from New Hampshire. For additional information regarding these benefits, please refer to the Summary Compensation Table below and the narrative description that follows.

*Severance Benefits*

We have entered into employment agreements with each of our named executive officers. The employment agreements provide that the executive is entitled to specified severance benefits in the event his employment is terminated by the Company without cause or by the executive for good reason (each as defined in the employment agreement). In addition, all of our executive employment agreements provide that the executive may elect to extend the vesting and exercisability of their share options for a period of six months or one year (depending on the executive) following employment termination, in some cases in exchange for a non-competition covenant or the performance of consulting services. We have provided more detailed information about these arrangements, along with estimates of their value, under the section Employment Agreements and Potential Termination Payments below.

We do not consider specific amounts payable under these arrangements when establishing annual compensation. We do believe, however, that providing these severance benefits helps us compete for and retain executive talent.

***Tax Considerations***

Section 162(m) of the Internal Revenue Code of 1986, as amended, generally disallows a tax deduction for compensation in excess of $1.0 million paid to our chief executive officer and our four other most highly paid executive officers. Qualifying performance-based compensation is not subject to the deduction limitation if specified requirements are met. We structure our share option awards to comply with exemptions in Section 162(m) so that the compensation remains tax deductible to us. We periodically review the potential consequences of Section 162(m) on the other components of our executive compensation program. We will structure arrangements to comply with the Section 162(m) exceptions where we believe it to be feasible. However, the compensation committee may, in its judgment, authorize compensation payments that do not comply with the exemptions in Section 162(m) when it believes that such payments are appropriate to attract and retain executive talent.

**Executive Compensation**

The following table sets forth the total compensation for the fiscal years ended January 31, 2007 (fiscal 2007) and January 31, 2008 (fiscal 2008) for our principal executive officer, our principal financial officer and our other three most highly compensated executive officers who were serving as executive officers on January 31, 2008. We refer to these officers as our named executive officers.

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## SUMMARY COMPENSATION TABLE

| Name and Principal Position | Fiscal Year | Salary ($) | Bonus ($) | Stock Awards ($) | Option Awards ($)(1) | Non-Equity Incentive Plan Compensation ($)(2) | All Other Compensation ($)(3) | Total ($) |
|---|---|---|---|---|---|---|---|---|
| Charles E. Moran, | 2008 | $335,146 | | | $1,607,804 | $653,901 | $10,334 | $2,607,185 |
| President and CEO | 2007 | $250,000 | | | $1,025,428 | $412,500 | $ 8,216 | $1,696,144 |
| Thomas J. McDonald, | 2008 | $236,292 | | | $ 643,121 | $266,438 | $53,581 | $1,199,432 |
| Chief Financial Officer and Executive Vice President | 2007 | $200,000 | | | $ 543,165 | $225,000 | $48,462 | $1,016,627 |
| Jerald A. Nine, Jr., | 2008 | $264,781 | | | $ 964,683 | $338,354 | $ 8,603 | $1,576,421 |
| Chief Operating Officer | 2007 | $225,000 | | | $ 648,502 | $284,875 | $ 7,735 | $1,168,112 |
| Mark A. Townsend, | 2008 | $200,000 | | | $ 321,559 | $225,000 | $ 7,026 | $ 753,585 |
| Executive Vice President, Technology | 2007 | $200,000 | | | $ 493,237 | $225,000 | $ 7,254 | $ 925,491 |
| Colm M. Darcy, | 2008 | $200,000 | | | $ 321,559 | $225,000 | $ 5,495 | $ 752,054 |
| Executive Vice President, Content Development | 2007 | $200,000 | | | $ 183,076 | $225,000 | $ 6,485 | $ 614,561 |

(1) The amounts in this column reflect the dollar amount computed for financial statement reporting purposes for fiscal 2007 and 2008, in accordance with

SFAS 123R, of stock options granted under our equity plans and include amounts from stock options granted in and prior to the fiscal year in question. There can be no assurance that the SFAS 123R amounts will ever be realized. The assumptions we used to calculate these amounts are included in Note 2 to our audited financial statements for fiscal 2008, included in our Annual Report on Form 10-K for fiscal 2008. Generally, these options vest as to 25% of the shares subject to the option on the first anniversary of the date of grant and 1/48th of the shares subject to the option at the end of each one month period thereafter over the remaining 36 months. Each option has a term of ten or seven years, and generally expires shortly following the termination of the executive s employment. In addition, as described below under Employment Agreements and Potential Termination Payments , the executive may elect to extend the vesting and exercisability of these options following employment termination under certain circumstances.

(2) The amounts in this column reflect cash bonus awards earned by our named executive officers for performance under our executive incentive compensation programs. See Compensation Discussion and Analysis Components of our Executive Compensation Program Cash Incentive Bonuses above for a description of the fiscal 2008 program.

(3) All Other Compensation is

comprised of the following:

| Name | Fiscal Year | Personal Benefits (a) | Life Insurance Premiums (b) | Defined Contribution Plans (c) | Vacation (d) |
|---|---|---|---|---|---|
| Charles E. Moran | 2008 | | $ 780 | $ 2,400 | $ 7,154 |
| | 2007 | | 1,008 | 2,400 | 4,808 |
| Thomas J. McDonald | 2008 | 45,555 | 780 | 2,400 | 4,846 |
| | 2007 | 41,208 | 1,008 | 2,400 | 3,846 |
| Jerald A. Nine, Jr. | 2008 | | 780 | 2,400 | 5,423 |
| | 2007 | | 1,008 | 2,400 | 4,327 |
| Mark A. Townsend | 2008 | | 780 | 2,400 | 3,846 |
| | 2007 | | 1,008 | 2,400 | 3,846 |
| Colm M. Darcy | 2008 | | 780 | 2,400 | 2,315 |
| | 2007 | | 1,008 | 2,400 | 3,077 |

(a) The personal benefits for Thomas J. McDonald include $8,160 and $9,000 for use of an apartment leased by SkillSoft for fiscal 2007 and 2008, respectively, $5,350 and $4,920 for use of a company-leased vehicle for fiscal 2007 and 2008, respectively, $17,276 and $19,586 for personal travel for fiscal 2007 and 2008, respectively and $10,422 and $12,049 for reimbursement of tax obligations related to such personal benefits for fiscal 2007 and 2008, respectively.

(b) Represents premiums paid for life insurance for which the named executive officer is the named beneficiary.

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(c) Reflects amounts paid pursuant to SkillSoft s 401-K matching program, with limits of $100 per pay period up to a maximum of $2,400 per year.

(d) Includes amounts paid in fiscal 2007 and 2008 as accrued and unused vacation time per SkillSoft s policy.

The following table sets forth information concerning each grant of an award made to a named executive officer during fiscal 2008 under a non-equity incentive plan. We did not make any equity awards to our named executive officers during fiscal 2008.

**GRANTS OF PLAN-BASED AWARDS**

| | Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1) | | |
|---|---|---|---|
| **Name** | **Threshold ($)(2)** | **Target ($)(3)** | **Maximum ($)(4)** |
| Charles E. Moran | 149,713 | 435,933 | 653,901 |
| Thomas J. McDonald | 61,421 | 177,625 | 266,438 |
| Jerald A. Nine, Jr. | 78,006 | 225,969 | 338,954 |
| Mark A. Townsend | 52,125 | 150,000 | 225,000 |
| Colm M. Darcy | 52,125 | 150,000 | 225,000 |

(1) Reflects the threshold, target and maximum cash award amounts under our fiscal 2008 executive incentive compensation program. The amounts actually paid to the named

executive officers under our fiscal 2008 executive incentive compensation program are shown above in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.

(2) Reflects the total minimum amount that could have been earned if the minimum targets for all of the quarterly and annual metrics had been achieved.

(3) Reflects the total amount that could have been earned if the targeted quarterly and annual metrics had been achieved.

(4) Reflects the total maximum amount that could have been earned if the targets for all of the quarterly and annual metrics had been achieved.

**Information Relating to Equity Awards and Holdings**

The following table sets forth information concerning share options that have not been exercised and equity incentive plan awards for each of the named executive officers as of January 31, 2008. The named executive officers do not hold any restricted shares.

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**OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END**

| | Option Awards (10) | | | | |
|---|---|---|---|---|---|
| Name | Number of Securities Underlying Unexercised Options (#) Exercisable | Number of Securities Underlying Unexercised Options (#) Unexercisable | Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) | Option Exercise Price ($) | Option Expiration Date (10) |
| Charles E. Moran | 710,219(1) | | | $ 6.36 | 9/27/2011 |
| | 994,438(2) | | | $ 4.06 | 8/16/2012 |
| | 541,666(3) | 1,458,334(3) | | $ 6.41 | 12/5/2013 |
| Thomas J. McDonald | 236,739(1) | | | $ 6.36 | 9/27/2011 |
| | 946,959(2) | | | $ 4.06 | 8/16/2012 |
| | 216,666(3) | 583,334(3) | | $ 6.41 | 12/5/2013 |
| Jerald A. Nine, Jr. | 232,859(1) | | | $ 6.36 | 9/27/2011 |
| | 783,063(2) | | | $ 4.06 | 8/16/2012 |
| | 325,000(3) | 875,000(3) | | $ 6.41 | 12/5/2013 |
| Mark A. Townsend | 78,913(1) | | | $ 6.36 | 9/27/2011 |
| | 891,977(2) | | | $ 4.06 | 8/16/2012 |
| | 108,333(3) | 291,667(3) | | $ 6.41 | 12/5/2013 |
| Colm M. Darcy | 8,855(4) | | | $ 9.94 | 12/9/2008 |
| | 32,645(5) | | | $16.44 | 7/2/2009 |
| | 50,000(6) | | | $19.06 | 4/5/2011 |
| | 54,167(7) | | | $ 5.55 | 5/8/2012 |
| | 186,700(8) | | | $ 3.30 | 7/12/2012 |
| | 29,167(9) | | | $ 4.25 | 9/6/2012 |
| | 108,333(3) | 291,667(3) | | $ 6.41 | 12/5/2013 |

(1) These options were granted on September 27, 2001. The options vested as to 1/48th of the shares subject to the option at the end of each

successive one month period following the grant date over 48 months.

(2) These options were granted on August 16, 2002. The options vested as to 25% of the shares subject to the option on August 16, 2003 and 1/48th of the shares subject to the option at the end of each one month period following the first anniversary of the grant date over the remaining 36 months. In addition, the shares subject to this option were allocated as incentive stock options to the extent permissible under the Internal Revenue Code.

(3) These options were granted on December 5, 2006. The options vest as to 25% of the shares subject to the option on December 5, 2007 and 1/48th of the shares subject to the option at the end

of each one month period following the first anniversary of the grant date over the remaining 36 months.

(4) These options were granted on December 9, 1998. The options vested as to 25% of the shares subject to the option on December 9, 1999, 25% of the shares subject to the option on December 9, 2000, and 1/48th of the shares subject to the option at the end of each one month period following the second anniversary of the grant date over the remaining 24 months.

(5) These options were granted on July 2, 1999. The options vested as to 25% of the shares subject to the option on July 2, 2000, 25% of the shares subject to the option on July 2, 2001, and 1/48th of the

shares subject to the option at the end of each one month period following the second anniversary of the grant date over the remaining 24 months.

(6) These options were granted on April 5, 2001. The options vested as to 25% of the shares subject to the option on January 15, 2002, 25% of the shares subject to the option on January 15, 2003, and 1/48th of the shares

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subject to the option at the end of each one month period following the second anniversary of the grant date over the remaining 24 months.

(7) These options were granted on May 8, 2002. The options vested as to 25% of the shares subject to the option on December 31, 2002 and 1/48th of the shares subject to the option at the end of each one month period following the first anniversary of the grant date over the remaining 36 months. In addition, the shares subject to this option were allocated as incentive stock options to the extent permissible under the Internal Revenue Code.

(8) These options were granted on July 12, 2002. The options

vested as to 25% of the shares subject to the option on July 7, 2003 and 1/48th of the shares subject to the option at the end of each one month period following the first anniversary of the grant date over the remaining 36 months.

(9) These options were granted on September 6, 2002. The options vested as to 25% of the shares subject to the option on September 6, 2003 and 1/48th of the shares subject to the option at the end of each one month period following the first anniversary of the grant date over the remaining 36 months.

(10) Each option has a term of seven or ten years, and generally expires shortly following the termination of the executive s employment. In addition, as described below under

Employment Agreements and Potential Termination Payments , the executive may elect to extend the vesting and exercisability of these options following employment termination under certain circumstances.

None of our named executive officers exercised options in fiscal 2008, and none of our named executive officers hold any restricted stock awards.

**Employment Agreements and Potential Termination Payments**

We have entered into employment agreements with our named executive officers that provide for termination payments under certain circumstances.

*Charles E. Moran s Employment Agreement*. In connection with our merger with SkillSoft Corporation, we entered into an employment agreement, effective on September 6, 2002, the date of completion of the merger, with Charles E. Moran, to employ Mr. Moran as our President and Chief Executive Officer. Mr. Moran s employment agreement provides that he will be paid a base salary of $225,000 per year to be reviewed for increases at least annually by our Board of Directors. Mr. Moran s current base salary is $372,000. In addition, Mr. Moran will be entitled to receive an annual performance bonus based on performance metrics established by the Board of Directors. Mr. Moran s employment is at-will, but if Mr. Moran s employment is terminated without cause or if he resigns with good reason, each as defined in his employment agreement, he will be entitled to receive a payment equal to the sum of his base salary and target bonus for a period of one year after the date of termination. In addition, if Mr. Moran is terminated without cause or if he resigns with good reason, he may elect to continue vesting of the options granted to him for a period of one year after the date of termination, if he agrees to be bound by the non-solicitation and non-compete provisions contained in his employment agreement. If Mr. Moran s termination is voluntary (other than for good reason) or we terminate him for cause, the covenant not to solicit employees and the covenant not to compete will extend for a period of one year after the termination of his employment.

*Thomas J. McDonald s Employment Agreement*. Thomas J. McDonald is a party to an employment agreement dated February 2, 1998 with our predecessor corporation, SkillSoft Corporation. Under the terms of the employment agreement, Mr. McDonald is entitled to receive a base salary of $135,000, which may be increased in accordance with our regular salary review practices. Mr. McDonald s current base salary is $252,000. Mr. McDonald is also entitled to participate in any bonus plans that SkillSoft may establish for its senior executives. Either we or Mr. McDonald may terminate the employment agreement at will for any reason upon three months prior notice in the case of termination by us, or upon two months prior notice in the case of termination by Mr. McDonald. If Mr. McDonald s employment is terminated for any reason or if he resigns with good reason, as defined in his employment agreement, he will be entitled to continuation of salary and benefits for a period of six months after the date of termination. In addition, in the event of such a termination, Mr. McDonald s stock options will continue to vest and be exercisable if he performs consulting services for us of up to ten hours per week during the six months following termination.

*Jerald A. Nine Jr. s Employment Agreement*. In connection with our merger with SkillSoft Corporation, we entered into an employment agreement, effective on September 6, 2002, the date of completion of the merger, with Jerald A. Nine, to employ Mr. Nine as our Executive Vice-President, Content Solutions and General Manager Books Division. Mr. Nine s employment agreement provides for a cash compensation plan that reflects the level established by our Board of Directors for the then current fiscal year. Mr. Nine s employment agreement provides that he will be paid a base salary of $200,000 per year to be reviewed for increases at least annually by the Board of Directors. Mr. Nine s current base salary is $282,000. In addition, Mr. Nine will be entitled to receive an annual performance bonus based on performance metrics established by the Board of Directors. Mr. Nine s employment is at-will, but if Mr. Nine s employment is terminated without cause or if he resigns with good reason, as defined in his employment agreement, he will be entitled to receive a payment equal to the sum of his base salary plus the then maximum performance bonus for a period of one year. In addition, if Mr. Nine is terminated without cause or if he resigns with good reason, he may elect to continue vesting of the options granted to him for a period of one year. If Mr. Nine s termination is voluntary (other than for good reason) or we terminate him for cause, the covenant not to solicit employees and the covenant not to compete will extend for a period of one year after the termination of his employment.

*Mark A. Townsend s Employment Agreement*. Mark A. Townsend is a party to an employment agreement dated January 12, 1998 with our predecessor corporation, SkillSoft Corporation. Under the terms of the employment agreement, Mr. Townsend is entitled to receive a base salary of $145,000, which may be increased in accordance with our regular salary review practices. Mr. Townsend s current base salary is $200,000. Mr. Townsend is also entitled to participate in any bonus plans that SkillSoft may establish for its senior executives. Either we or Mr. Townsend may terminate the employment agreement at will for any reason upon three months prior notice in the case of termination by us, or upon two months prior notice in the case of termination by Mr. Townsend. If Mr. Townsend s employment is terminated for any reason or if he resigns with good reason, as defined in his employment agreement, he will be entitled to continuation of salary and benefits for a period of six months after the date of termination. In addition, in the event of such a termination, Mr. Townsend s stock options will continue to vest and be exercisable if he performs consulting services for us of up to ten hours per week during the six months following termination.

*Colm M. Darcy s Employment Agreement*. In connection with our merger with SkillSoft Corporation, we entered into an employment agreement, effective on September 6, 2002, the date of completion of the merger, with Mr. Darcy, to employ him as our Executive Vice President, Content Development. Mr. Darcy s employment agreement provides that he will be paid a base salary of $200,000 per year to be reviewed for increases at least annually by the Board of Directors and that his participation in SkillSoft s benefit plans shall be at the SkillSoft s expense. Mr. Darcy s current base salary is $200,000. Pursuant to the employment agreement, on September 6, 2002, we granted Mr. Darcy an option to purchase an aggregate of 50,000 shares at an exercise price of $4.25 per share. The option grant vested as to 25% of the shares on September 6, 2003 and vests thereafter in 48 equal monthly installments on each monthly anniversary of the date of the grant. Mr. Darcy will also be reimbursed for certain supplemental travel expenses for him and his wife. In addition, Mr. Darcy will be entitled to receive relocation expense reimbursement in the event Mr. Darcy either relocates to Ireland at our request or returns there within three months after his employment is terminated without cause or if he resigns with good reason, each as defined in his employment agreement. Mr. Darcy s employment is at-will, but if his employment is terminated without cause or if he resigns with good reason, he will be entitled to receive a payment equal to the sum of $75,000 plus his base salary for a period of six months after the date of termination. In addition, if Mr. Darcy is terminated without cause or if he resigns with good reason, he may elect to continue vesting of the options granted to him for a period of six months after the date of termination, if he agrees to be bound by the nonsolicitation and noncompete provisions contained in his employment agreement. The employment agreement also includes a covenant not to solicit employees and a covenant not to compete for a period extending until the later of six months after the termination of his employment and September 6, 2006, if Mr. Darcy s termination is voluntary (other than for good reason) or we terminate him for cause.

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The table below shows the benefits potentially payable to each of our named executive officers if he were to be terminated without cause or resign for good reason, or in the case of Messrs. McDonald and Townsend, if he is terminated for any reason or resigns for good cause. These amounts are calculated on the assumption that the employment termination took place on January 31, 2008.

| | Severance Payments | | Extended Vesting of | | |
|---|---|---|---|---|---|
| Name | Base Salary $ | Target Bonus $ | Options (1) $ | Benefits $ | Total $ |
| Charles E. Moran | 372,000 | 502,200 | 1,598,550 | | 2,472,750 |
| Thomas J. McDonald | 126,000 | | 319,710 | 3,198 | 448,908 |
| Jerald A. Nine, Jr. | 282,000 | 239,700 | 959,130 | | 1,408,830 |
| Mark A. Townsend | 100,000 | | 159,855 | 9,507 | 269,362 |
| Colm M. Darcy | 175,000 | | 159,855 | | 334,855 |

(1) These options would continue to vest for a specified period of time following the termination event. We calculated a Black-Scholes value for the options for the extended period of time following the termination event and have presented this incremental value in the above table.

**Compensation of Directors**

Prior to November 1, 2007, each director who was not an employee of SkillSoft (each, an Outside Director ) received cash compensation as follows:

- each Outside Director received an annual retainer of $30,000;
- the chairman of each of the Audit Committee and the Compensation Committee received an additional annual retainer of $7,500; and
- each Outside Director who was a member of any standing committee (a Committee ) of the Board of Directors received a payment of $2,000 per Board or Committee meeting attended up to a maximum of six

meetings per year (including by conference telephone) beyond regularly scheduled meetings (i.e. a maximum additional payment of $12,000), provided that only one meeting payment would be made in the event such additional meetings of the Board of Directors and one or more Committee were held on the same day.

On September 27, 2007, our shareholders approved the following cash compensation effective November 1, 2007:

each Outside Director receives an annual retainer of $30,000;

the chairman of the Audit Committee receives an additional annual retainer of $20,000;

the chairman of each of the Compensation Committee and the Nominating and Corporate Governance Committee receives an additional annual retainer of $7,500; and

each Outside Director who is a member of any Committee of the Board of Directors receives an additional payment of $2,000 per Board or Committee meeting attended up to a maximum of ten meetings per year (including by conference telephone) beyond regularly scheduled meetings (i.e. a maximum additional payment of $20,000), provided that only one meeting payment would be made in the event such additional meetings of the Board of Directors and one or more Committee were held on the same day.

Any director who is in office only for a portion of a fiscal year shall only be entitled to be paid a pro-rated portion of such remuneration reflecting such portion of the year during which he held office.

We also reimburse directors for expenses incurred in attending meetings of the Board of Directors and Committees and for certain company-approved continuing education expenses.

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We currently have five Outside Directors, each of whom is eligible for cash remuneration as described above: P. Howard Edelstein, Stewart K.P. Gross, James S. Krzywicki, William F. Meagher, Jr. and Dr. Ferdinand von Prondzynski. Mr. Meagher is the chair of the Audit Committee and Mr. Gross is the chair of the Compensation Committee and the Nominating and Corporate Governance Committee. As such, Messrs. Meagher and Gross received the additional retainer amounts described above (pro rated for the balance of fiscal 2008 as a result of the November 1, 2007 effective date).

In addition to the annual retainer and the payments described above, we grant Outside Directors compensation in the form of share options for their services as members of the Board of Directors. On September 27, 2007, our shareholders also approved changes to the number of share options granted to Outside Directors, effective November 1, 2007. Prior November 1, 2007, on initial election to the Board of Directors, each new Outside Director received an option to purchase 25,000 ordinary shares under our 2001 Outside Director Option Plan (the Director Plan ). Each Outside Director who has been a director for at least six months received an option to purchase 10,000 ordinary shares on January 1st of each year.

Beginning on November 1, 2007, on initial election to the Board of Directors, each new Outside Director receives an option to purchase 50,000 ordinary shares (the Initial Grant ) under our Director Plan. Each Outside Director who has been a director for at least six months receives an option to purchase 20,000 ordinary shares on January 1st of each year (the Annual Grant ).

All options granted under the Director Plan have a term of ten years and an exercise price equal to the fair market value of the ordinary shares on the date of grant. The Initial Grant becomes exercisable as to one-third of the shares subject to the option on each of the first three anniversaries of the date of grant, provided the Outside Director remains a director on such dates. The Annual Grant becomes fully exercisable on the first anniversary of the date of grant, provided the Outside Director remains a director on such date. Upon exercise of an option, the Outside Director may elect to receive his ordinary shares in the form of ADSs. After termination as an Outside Director, an optionee may exercise an option during the period set forth in his option agreement. If termination is due to death or disability, the option will remain exercisable for 12 months. In all other cases, the option will remain exercisable for a period of three months. However, an option may never be exercised later than the expiration of its ten-year term. An Outside Director may not transfer options granted under the Director Plan other than by will or the laws of descent and distribution. Only the Outside Director may exercise the option during his lifetime. In the event of a merger of SkillSoft with or into another corporation or a sale of substantially all of SkillSoft s assets, the successor corporation may assume, or substitute a new option in place of, each option. If such assumption or substitution occurs, the options will continue to be exercisable according to the same terms as before the merger or sale of assets. Following such assumption or substitution, if an Outside Director is terminated other than by voluntary resignation, the option will become fully exercisable and generally will remain exercisable for a period of three months. If the outstanding options are not assumed or substituted for, the Board of Directors will notify each Outside Director that he has the right to exercise the option as to all shares subject to the option for a period of 30 days following the date of the notice. The option will terminate upon the expiration of the 30-day period. Unless terminated sooner, the Director Plan will automatically terminate in 2011. The Board of Directors has the authority to amend, alter, suspend, or discontinue the Director Plan, but no such action may adversely affect any grant previously made under the Director Plan.

On January 1, 2008, Messrs. Meagher, Edelstein, Gross and Krzywicki and Dr. von Prondzynski each were granted an option to purchase 20,000 ordinary shares at an exercise price of $9.56 per share. Each such option was in accordance with the terms of the Director Plan described above.

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The following table sets forth information concerning the compensation of our Outside Directors for fiscal 2008.

**OUTSIDE DIRECTOR COMPENSATION**

| Name | Fees Earned or Paid in Cash ($) | Stock Awards ($) | Option Awards ($) (1) | Non-Equity Incentive Plan Compensation ($) | Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) | All Other Compensation ($) | Total ($) |
|---|---|---|---|---|---|---|---|
| P. Howard Edelstein | $40,000 | | $59,395 | | | $500,000 | $599,395 |
| Stewart K.P. Gross | $55,375 | | $59,395 | | | | $114,770 |
| James S. Krzywicki | $46,000 | | $59,395 | | | | $105,395 |
| Ferdinand von Prondzynski | $46,000 | | $59,395 | | | | $105,395 |
| William F. Meagher, Jr. | $56,625 | | $97,242 | | | | $153,867 |

(1) The amounts in this column reflect the dollar amount computed for financial statement reporting purposes for fiscal 2008, in accordance with SFAS 123R, of stock options granted under our equity plans and include amounts from stock options granted in and prior to fiscal 2008. There can be no assurance that the SFAS 123R amounts will ever be realized. The assumptions we used to calculate

these amounts are included in Note 2 to our audited financial statements for fiscal 2008, included in our Annual Report on Form 10-K for fiscal 2008 filed on March 31, 2008.

As of January 31, 2008, each Outside Director holds options for the following aggregate number of shares:

| **Name** | **Number of Shares Underlying Outstanding Share Options** |
|---|---|
| P. Howard Edelstein | 85,000 |
| Stewart K.P. Gross | 85,000 |
| James S. Krzywicki | 205,000 |
| Ferdinand von Prondzynski | 85,000 |
| William F. Meagher, Jr. | 75,000 |

The number of shares underlying share options granted to our Outside Directors in fiscal 2008 and the grant date fair value of such share options are as follows:

| Name | Grant Date | Number of Shares Underlying Share Option Grants in Fiscal 2008 | Grant Date Fair Value of Share Option Grants in Fiscal 2008 |
|---|---|---|---|
| P. Howard Edelstein | 1/1/2008 | 20,000 | $ 93,052 |
| Stewart K.P. Gross | 1/1/2008 | 20,000 | $ 93,052 |
| James S. Krzywicki | 1/1/2008 | 20,000 | $ 93,052 |
| Ferdinand von Prondzynski | 1/1/2008 | 20,000 | $ 93,052 |
| William F. Meagher, Jr. | 1/1/2008 | 20,000 | $ 93,052 |

**Compensation Committee Interlocks and Insider Participation**

During the fiscal year ended January 31, 2008, the members of the Compensation Committee of our Board of Directors were Messrs. Gross (Chair) and Krzywicki. No executive officer of SkillSoft has served as a director or member of the compensation committee of any other entity whose executive officers served as a director or member of the Compensation Committee of SkillSoft. During fiscal 2008, no member of the Compensation Committee had any relationship with us requiring disclosure under Item 404 of Regulation S-K of the Exchange Act.

**Compensation Committee Report**

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with SkillSoft s management. Based on this review and discussion, the Compensation Committee recommended to SkillSoft s Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

By the Compensation Committee of the Board of Directors:

Stewart K.P. Gross
James S. Krzywicki

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

The following table sets forth certain information as of April 30, 2008, with respect to the beneficial ownership of our ADSs by:

- each person known to SkillSoft to own beneficially more than 5% of our outstanding securities;
- each director;
- our named executive officers; and
- the current directors and executive officers of SkillSoft as a group.

The number of ADSs beneficially owned by each 5% shareholder, director or executive officer is determined under rules of the SEC. Under such rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power and includes any ADSs representing the ordinary shares which the individual has the right to acquire on or before June 29, 2008 through the exercise of share options, and any reference in the footnotes to this table to shares subject to share options refers only to share options that are so exercisable. For purposes of computing the percentage of outstanding ADSs held by each person or entity, any

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shares which that person or entity has the right to acquire on or before June 29, 2008 are deemed to be outstanding but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person. Unless otherwise indicated, each person or entity has sole investment and voting power (or shares such power with his or her spouse) with respect to the shares set forth in the following table. The inclusion herein of any shares deemed beneficially owned does not constitute an admission of beneficial ownership of those shares.

As of April 30, 2008, we had 112,836,816 ordinary shares outstanding. Our shareholders may elect to hold their respective shares of our outstanding securities in the form of ordinary shares or ADSs. In addition, holders of options to purchase ordinary shares of SkillSoft may, upon exercise of their options, elect to receive such ordinary shares in the form of ADSs. The 5% shareholders, directors and executive officers identified in the following table hold their respective shares of SkillSoft outstanding securities in the form of ADSs.

| | **Amount and Nature of Beneficial Ownership** | |
|---|---|---|
| **Name and Address of Beneficial Owner** | **ADSs** | **Percentage Owned** |
| *5% Shareholders* | | |
| Columbia Wanger Asset Management, L.P. (1) | 22,174,500 | 19.6 |
| Westfield Capital Management Company LLC (2) | 8,312,699 | 7.4 |
| Wells Fargo & Company (3) | 7,078,591 | 6.3 |
| Capital World Investors (4) | 6,500,000 | 5.8 |
| *Directors* | | |
| Charles E. Moran (5) | 3,185,320 | 2.8 |
| James S. Krzywicki (6) | 175,500 | * |
| Ferdinand von Prondzynski (7) | 62,510 | * |
| P. Howard Edelstein (8) | 62,500 | * |
| Stewart K.P. Gross (9) | 62,500 | * |
| William F. Meagher, Jr. (10) | 53,500 | * |
| *Other Named Executive Officers* | | |
| Jerald A. Nine, Jr. (11) | 1,743,642 | 1.5 |
| Mark A. Townsend (12) | 1,556,491 | 1.4 |
| Thomas J. McDonald (13) | 1,553,018 | 1.4 |
| Colm M. Darcy (14) | 308,289 | * |
| All current directors and executive officers as a group (11 persons)(15) | 8,885,770 | 7.4 |

* Less than 1%

(1) On January 29, 2008, Columbia Wanger Asset Management, L.P. ( WAM ) filed Amendment No. 7 to Schedule 13G with the SEC reporting beneficial ownership with respect to 22,174,500 ADSs, consisting of

20,774,500 ADSs for which WAM has sole voting power, 1,400,000 for which WAM has shared voting power and 22,174,500 ADSs for which WAM has sole dispositive power. This information is reported in reliance on such filing. WAM is an investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E) under the Exchange Act. The shares reported include the shares held by Columbia Acorn Trust ( Acorn ), a Massachusetts business trust that is a discretionary client of WAM. Acorn holds 17.1% of our shares. WAM and Acorn file jointly pursuant to a Joint Filing Agreement dated January 29, 2008 among WAM and Acorn. The address of WAM is 227 West Monroe Street, Suite 3000, Chicago, Illinois 60606.

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(2) On January 10, 2008, Westfield Capital Management, Co., LLC ( Westfield Capital ) filed Amendment No. 4 to Schedule 13G with the SEC reporting beneficial ownership with respect to 8,312,699 ADSs, consisting of 5,682,758 ADSs for which Westfield Capital has sole voting power and 8,312,699 ADSs for which Westfield Capital has sole dispositive power. This information is reported in reliance on such filing. None of these shares are owned of record by Westfield Capital, and are owned of record by certain mutual funds, institutional accounts and/or separate accounts managed by Westfield Capital as an investment advisor. Westfield Capital is an investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E) of the Exchange Act. Westfield Capital disclaims any beneficial interest in such shares. The address of Westfield Capital is 1 Financial Center, Boston, Massachusetts 02111.

(3) On February 6, 2008, Wells Fargo & Company ( Wells Fargo ) filed a

Schedule 13G with the SEC reporting beneficial ownership with respect to 7,078,591 ADSs, consisting of 5,082,271 ADSs for which Wells Fargo has sole voting power and 7,078,591 ADSs for which Wells Fargo has sole dispositive power. This information is reported in reliance on such filing. Wells Fargo is a holding company in accordance with Rule 13d-1(b)(1)(ii) under the Exchange Act. The shares reported include the shares held by Wells Capital Management Incorporated ( Wells Capital ), a subsidiary of Wells Fargo. Wells Capital holds 5.1% of our shares. The address of Wells Fargo is 420 Montgomery Street, San Francisco, California 94163.

(4) On February 11, 2008, Capital World Investors ( Capital World ), a division of Capital Research and Management Company, filed a Schedule 13G with the SEC reporting beneficial ownership with respect to 6,500,000 ADSs. This information is reported in reliance on such filing. Capital World is deemed to be the beneficial owner of 6,500,000 shares as a result of Capital

Research Management Company acting as investment adviser to various investment companies. The address of Capital World is 333 South Hope Street, Los Angeles, California 90071.

(5) Represents 2,145,657 ADSs issuable upon exercise of share options held by Mr. Moran, 11 ADSs held by Mr. Moran s wife, 2,367 ADSs held in a family trust of which Mr. Moran is a trustee, and 1,037,285 ADSs beneficially owned by Mr. Moran s wife, as trustee of various trusts for the benefit of Mr. Moran s children.

(6) Includes 172,500 ADSs issuable upon exercise of share options held by Mr. Krzywicki.

(7) Includes 62,500 ADSs issuable upon exercise of share options held by Dr. von Prondzynski.

(8) Represents 62,500 ADSs issuable upon exercise of share options held by Mr. Edelstein.

(9) Represents 62,500 ADSs issuable upon exercise of share options held by Mr. Gross.

(10) Includes 52,500 ADSs issuable upon exercise

of share options held by Mr. Meagher.

(11) Includes 1,405,922 ADSs issuable upon exercise of share options held by Mr. Nine and 287,399 ADSs held by Mr. Nine s wife as trustee of the Kimberly M. Nine Revocable Trust. Mr. Nine disclaims beneficial ownership of the shares held in trust.

(12) Includes 1,048,940 ADSs issuable upon exercise of share options held by Mr. Townsend and 58,785 ADSs beneficially owned by Mr. Townsend s wife as trustee of the MCM Trust. Mr. Townsend disclaims beneficial ownership of the shares held in trust.

(13) Includes 1,483,698 ADSs issuable upon exercise of share options held by Mr. McDonald, 1,953 ADSs beneficially owned by Mr. McDonald s wife, as trustee for the benefit of Mr. McDonald s family and 1,953 owned by Mr. McDonald s daughter. Mr. McDonald disclaims beneficial ownership of the shares held in trust and by his daughter.

(14) Represents 308,289 ADSs issuable upon exercise of share options held by Mr. Darcy.

(15) Includes 6,927,506 ADSs issuable upon exercise of share options by all current directors and officers as a group.

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**Equity Compensation Plan Information**

The following table provides information about the ordinary shares authorized for issuance under our equity compensation plans as of January 31, 2008.

| Plan Category(1) | (a) Number of Shares to be Issued upon Exercise of Outstanding Options, Warrants and Rights | (b) Weighted-average Exercise Price of Outstanding Options, Warrants and Rights | (c) Number of Shares Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) |
|---|---|---|---|
| Equity compensation plans approved by security holders | 6,641,445(2) | $ 6.68(2) | 4,044,695(3) |
| Equity compensation plans not approved by security holders | 3,181,851(4) | 11.32 | |
| Total | 9,823,296 | $ 8.18 | 4,044,695 |

(1) This table excludes an aggregate of 6,807,467 ordinary shares issuable upon exercise of options that we assumed in connection with our merger with SkillSoft Corporation. The weighted average exercise price of the excluded options is $5.43 per share. We assumed the SkillSoft Corporation 1998 Stock Incentive Plan, 1999 Non-Employee Director Stock

Option Plan, 2001 Stock Incentive Plan and Books24x7.com, Inc. 1994 Stock Option Plan only insofar as they related to options outstanding under the plans at the time of the merger, and we may not grant any future options under any of those plans.

(2) Excludes ordinary shares issuable under our 2004 Employee Stock Purchase Plan in connection with the current offering period; such ordinary shares are included in column (c).

(3) Consists of 2,114,513 ordinary shares reserved for issuance under the 2002 Share Option Plan (the 2002 Plan ), 1,631,432 ordinary shares reserved for issuance under the 2004 Employee Share Purchase Plan and 298,750 ordinary shares reserved for

issuance under the 2001 Outside Director Plan.

(4) Consists of 3,181,763 ordinary shares subject to outstanding options under our 1996 Supplemental Stock Plan (the 1996 Plan ) and 88 ordinary shares subject to outstanding options under the Knowledge Well Group Limited 1998 Share Option Plan (the Knowledge Well Group 1998 Plan ).

A description of the material terms of the 1996 Plan, the ForeFront 1996 Director Plan, the ForeFront 1996 Plan, the Knowledge Well 1998 Plan and the Knowledge Well Group 1998 Plan is included in Note 9 to our consolidated financial statements filed as part of this Annual Report on Form 10-K for fiscal 2008 and is incorporated herein by reference.

**Item 13. Certain Relationships and Related Transactions, and Director Independence**

**Policies and Procedures Regarding Review, Approval or Ratification of Related Person Transactions**

Our Board of Directors has adopted written policies and procedures for the review of any transaction, arrangement or relationship in which SkillSoft is a participant, the amount involved exceeds $50,000, and one of our executive officers, directors, director nominees or 5% stockholders (or their immediate family members), each of whom we refer to as a related person, has a direct or indirect material interest.

If a related person proposes to enter into such a transaction, arrangement or relationship, which we refer to as a related person transaction, the related person must report the proposed related person transaction to our Vice President, Administration. The policy calls for the proposed related person transaction to be reviewed and, if deemed appropriate, approved by the Board of Directors Audit Committee. Whenever practicable, the reporting, review and approval will occur prior to entry into the transaction. If advance review and approval is not practicable, the committee will review, and, in its discretion, may ratify the related person transaction. The policy also permits the chairman of the committee to review and, if deemed appropriate, approve proposed related person transactions that arise between committee meetings, subject to ratification by the committee at its next meeting. Any related person transactions that are ongoing in nature will be reviewed annually.

The committee will review and consider such information regarding the related person transaction as it deems appropriate under the circumstances. The committee may approve or ratify the transaction only if the committee determines that, under all of the circumstances, the transaction is in, or is not inconsistent with, SkillSoft s best interests. The committee may impose any conditions on the related person transaction that it deems appropriate.

In addition to the transactions that are excluded by the instructions to the SEC s related person transaction disclosure rule, the Board has determined that the following transactions do not create a material direct or indirect interest on behalf of related persons and, therefore, are not related person transactions for purposes of this policy:

- interests arising solely from the related person s position as an executive officer of another entity (whether or not the person is also a director of such entity), that is a participant in the transaction, where (a) the related person owns in the aggregate less than a 5% equity interest in such entity, (b) the related person and his or her immediate family members are not involved in the negotiation of the terms of the transaction and do not receive any special benefits as a result of the transaction, (c) the amount involved in the transaction equals less than 1% of the annual consolidated gross revenues of the other entity that is a party to the transaction, and (d) the amount involved in the transaction equals less than 1% of SkillSoft s annual consolidated gross revenues; and

- a transaction that is specifically contemplated by provisions of our Articles of Association or Memorandum of Association.

The policy provides that transactions involving compensation of executive officers shall be reviewed and approved by the Compensation Committee in the manner specified in its charter.

On May 23, 2007, the Board of Directors and the Audit Committee approved a payment of $500,000 to Howard Edelstein, a member of the Board of Directors, as a result of his key contributions in connection with the NETg acquisition, which was consummated on May 14, 2007. This payment was approved in accordance with our related person transaction policy.

The son-in-law of Charles Moran, our Chairman, President and Chief Executive Officer, is employed in our sales organization and receives annual compensation in excess of $120,000 (consistent with others in similar roles). This individual was hired before becoming Mr. Moran s son-in-law. Mr. Moran does not participate in the supervision of or compensation decisions regarding this individual, and we believe the compensation of this individual is fair and commensurate with what it would be if he had no relationship to Mr. Moran.

**Director Independence**

Under applicable NASDAQ rules, a director will only qualify as an independent director if, in the opinion of our Board of Directors, that person does not have a relationship which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Under the Corporate Governance Guidelines we adopted in connection with the settlement of our securities class action litigation, our Board of Directors must propose director nominees for election such that, should the shareholders elect those nominees, two-thirds of the members of our Board of Directors will be independent directors. Our Corporate Governance Guidelines, which are available on our website at www.SkillSoft.com also include a heightened definition of independence for purposes of that requirement.

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Our Board has determined that none of Messrs. Gross, Krzywicki, Meagher or von Prondzynski has a relationship which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is an independent director as defined under Rule 4200(a)(15) of the NASDAQ Stock Market, Inc. Marketplace Rules and our Corporate Governance Guidelines.

**Item 14. Principal Accountant Fees and Services**

**Auditors Fees**

The following table summarizes the fees of Ernst & Young, our registered public accounting firm, billed to us for each of the last two fiscal years.

| Fee Category | Fiscal Year Ended January 31, 2008 | Fiscal Year Ended January 31, 2007 |
|---|---|---|
| Audit Fees(1) | $ 1,853,000 | $ 1,616,425 |
| Audit-Related Fees(2) | 252,835 | 456,550 |
| Tax Fees(3) | 634,500 | 260,000 |
| Total Fees | $ 2,740,335 | $ 2,332,975 |

(1) Audit fees consist of fees for the audit of our financial statements, the audit of our internal control over financial reporting as set forth in Section 404 of the Sarbanes-Oxley Act, the review of the interim financial statements in our quarterly reports on Form 10-Q, other professional services provided or accrued for in connection with statutory and regulatory

filings or engagements for the fiscal years ended January 31, 2008 and January 31, 2007.

(2) Audit-related fees consist of fees for assurance and related services that are reasonably related to the performance of the audit and the review of our financial statements and which are not reported under Audit Fees. These services relate to accounting consultations and employee benefit plan audits. Due diligence and related work performed in connection with the acquisition of NETg, which closed on May 14, 2007, totaled approximately $440,000 and $271,000 for the years ended January 31, 2007 and 2008, respectively.

(3) Tax fees consist of fees for tax

compliance, tax advice and tax planning services. Tax compliance services, which relate to preparation of original and amended tax returns and claims for refunds, accounted for $167,500 of the total tax fees billed in the fiscal year ended January 31, 2008 and $165,000 of the total tax fees billed in the fiscal year ended January 31, 2007. Tax advice and tax planning services relate to a transfer pricing analysis, tax advice, assistance with tax audits and appeals, tax advice related to mergers and acquisitions, employee benefit plans and requests for rulings or technical advice for taxing authorities.

**Pre-approval Policies and Procedures**

The Audit Committee has adopted policies and procedures relating to the approval of all audit and non-audit services that are to be performed by our registered public accounting firm. These policies and procedures generally provide that we will not engage our independent registered public accounting firm to render audit or non-audit services unless the service is specifically approved in advance by the Audit Committee or the engagement is entered into pursuant to one of the pre-approval procedures described below.

From time to time, the Audit Committee may pre-approve specified types of services that are expected to be provided to us by our registered independent public accounting firm during the next 12 months. Any such pre-approval is detailed as to the particular service or type of services to be provided and is also generally subject to a maximum dollar amount.

The Audit Committee has also delegated to the Chair of the Audit Committee the authority to approve any audit or non-audit services to be provided to us by our registered public accounting firm. Any approval of services by the Chair of the Audit Committee pursuant to this delegated authority is reported on at the next meeting of the Audit Committee.

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## PART IV

### Item 15. Exhibits and Financial Statement Schedules

(a) Documents Filed as a Part of our Annual Report on Form 10-K filed with the SEC on March 31, 2008:

1. Financial Statements. The following documents are filed as Appendix B to our Annual Report on Form 10-K filed with the SEC on March 31, 2008 and are included as part of such report:

Financial Statements:

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets

Consolidated Statements of Operations

Consolidated Statements of Stockholders Equity and Comprehensive Loss

Consolidated Statements of Cash Flows

Notes to the Consolidated Financial Statements

2. Financial Statement Schedules. All Financial Statement Schedules have been omitted since they are either not required, not applicable, or the information is otherwise included in our Annual Report on Form 10-K filed with the SEC on March 31, 2008.

3. Exhibits. The Exhibits listed in the Exhibit Index immediately preceding such Exhibits are filed as part of and incorporated by reference in this Form 10-K/A.

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## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, this registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SKILLSOFT PUBLIC LIMITED COMPANY

By: /s/ Charles E. Moran
Charles E. Moran,
Chairman of the Board, President and Chief Executive Officer

Date: May 23, 2008

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## EXHIBIT INDEX

| Exhibit No. | Title |
|---|---|
| 2.1 | Agreement and Plan of Merger, dated as of June 10, 2002, by and among SmartForce Public Limited Company, SkillSoft Corporation and Slate Acquisition Corp. (Incorporated by reference to Exhibit 2.1 to SkillSoft PLC s Current Report on Form 8-K dated June 14, 2002 (File No. 000-25674)). |
| 2.2 | Stock and Asset Purchase Agreement among T.N.H. France SARL, T.N.H. Holdings GmbH, The Thomson Corporation (Australia) Pty Ltd, Thomson Information and Solutions Limited, Thomson Global Resources, Thomson Learning Inc., SkillSoft Public Limited Company and SkillSoft Corporation, dated October 25, 2006 (Incorporated by reference to Exhibit 2.1 to SkillSoft PLC s Current Report on Form 8-K as filed with the Securities and Exchange Commission on October 26, 2006 (File No. 000-25674)). |
| 2.3 | Side Letter to Purchase Agreement, dated as of May 14, 2007, by and among SkillSoft Public Limited Company, SkillSoft Corporation, Thompson Learning Inc., Thomson Global Resources, T.N.H. France SARL, T.N.H. Holdings GmbH, The Thomson Corporation (Australia) Pty Ltd., and Thomson Information & Solutions Limited (Incorporated by reference to Exhibit 2.2 of SkillSoft PLC s Current Report on Form 8-K as filed with the Securities and Exchange Commission on May 14, 2007 (File No. 000-25674)). |
| 3.1 | Memorandum of Association of SkillSoft PLC as amended on March 24, 1992, March 31, 1995, April 28, 1998, January 26, 2000, July 10, 2001, September 6, 2002 and November 19, 2002 (Incorporated by reference to Exhibit 3.1 to SkillSoft PLC s Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2002 as filed with the Securities and Exchange Commission on January 21, 2003 (File No. 000-25674)). |
| 3.2 | Articles of Association of SkillSoft PLC as amended on July 6, 1995, April 28, 1998, January 26, 2000, July 10, 2001, September 6, 2002 and November 19, 2002 (Incorporated by reference to Exhibit 3.2 to SkillSoft PLC s Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2002 as filed with the Securities and Exchange Commission on January 21, 2003 (File No. 000-25674)). |
| 4.1 | Specimen certificate representing the ordinary shares of SkillSoft PLC (Incorporated by reference to Exhibit 4.1 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2003 as filed with the Securities and Exchange Commission on April 29, 2003 (File No. 000-25674)). |
| 4.2 | Amended and Restated Deposit Agreement (including the form of American Depositary Receipt), dated as of April 13, 1995 as amended and restated as of September 4, 2002, among SkillSoft PLC, The Bank of New York, as Depositary, and each Owner and Beneficial Owner from time to time of American Depositary Receipts issued thereunder (Incorporated by reference to Exhibit 4.1 to SkillSoft PLC s Current Report on Form 8-K dated November 14, 2002 (File No. 000-256740)). |
| 4.3 | Amended and Restated Restricted Deposit Agreement (including the form of American Depositary Receipt), dated as of November 30, 1995 and amended and restated as of September 4, 2002, among SkillSoft PLC, The Bank of New York, as Depositary, and each Owner and Beneficial Owner from time to time of American Depositary Receipts issued thereunder (Incorporated by reference to Exhibit 4.2 to SkillSoft PLC s Current Report on Form 8-K dated November 14, 2002 (File No. 000-25674)). |

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|---|---|
| 4.4 | Restricted Deposit Agreement(B) dated as of June 8, 1998 and amended and restated as of September 4, 2002 among SkillSoft PLC, The Bank of New York, and the owners and beneficial owners of Restricted American Depositary Receipts (Incorporated by reference to Exhibit 4.3 to SkillSoft PLC s Current Report on Form 8-K dated November 14, 2002 (File No. 000-25674)). |
| 10.1** | 1990 Share Option Scheme (Incorporated by reference to Exhibit 10.1 to SkillSoft PLC s Registration Statement on Form F-1 declared effective with the Securities and Exchange Commission on April 13, 1995 (File No. 333-89904)). |
| 10.2** | 1994 Share Option Plan (Incorporated be reference to Exhibit 10.2 to SkillSoft PLC s Registration Statement on Form F-1 declared effective with the Securities and Exchange Commission on April 13, 1995 (File No. 333-89904)). |

| Exhibit No. | Title |
|---|---|
| 10.3** | Form of Indemnification Agreement between CBT Systems USA, Ltd. (formerly, Thornton Holdings, Ltd.) and its directors and officers dated as of April 1995 (Incorporated by reference to Exhibit 10.5 to SkillSoft PLC s Registration Statement on Form F-1 declared effective with the Securities and Exchange Commission on April 13, 1995 (File No. 333-89904)). |
| 10.4** | Form of Indemnification Agreement between SmartForce (USA) and its directors and officers dated as of September 6, 2002 (Incorporated by reference to Exhibit 10.5 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2003 as filed with the Securities and Exchange Commission on April 29, 2003 (File No. 000-25674)). |
| 10.5** | 1996 Supplemental Stock Plan (Incorporated by reference to Exhibit 10.3 to SkillSoft PLC s Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2006 as filed with the Securities and Exchange Commission on December 8, 2006 (File No. 000-25674)). |
| 10.6** | 2002 Share Option Plan, as amended (Incorporated by reference to Exhibit 10.2 to SkillSoft PLC s Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2006 as filed with the Securities and Exchange Commission on December 8, 2006 (File No. 000-25674)). |
| 10.7** | 2001 Outside Director Option Plan, as amended (Incorporated by reference to Exhibit 10.1 to SkillSoft PLC s Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2007 as filed with the Securities and Exchange Commission on December 10, 2007 (File No. 000-25674)). |
| 10.8 ** | Employment Agreement dated June 10, 2002 between SkillSoft PLC and Charles E. Moran (Incorporated by reference to Exhibit 10.31 to SkillSoft PLC s Amendment No. 1 to Registration Statement on Form S-4 as filed with the Securities and Exchange Commission on July 30, 2002 (File No. 333-90872)). |
| 10.9** | Employment Agreement dated as of June 10, 2002 between SkillSoft PLC and Jerald A. Nine, Jr. (Incorporated by reference to Exhibit 10.33 to SkillSoft PLC s Amendment No. 1 to Registration Statement on Form S-4 as filed with the Securities and Exchange Commission on July 30, 2002 (File No. 333-90872)). |
| 10.10 | Registration Rights Agreement dated as of June 10, 2002 between SkillSoft PLC and Warburg Pincus Ventures, L.P. (Incorporated by reference to Exhibit 10.27 to SkillSoft PLC s Amendment No. 1 to Registration Statement on Form S-4 as filed with the Securities and Exchange Commission on July 30, 2002 (File No. 333-90872)). |
| 10.11** | Employment Agreement dated January 12, 1998 between SkillSoft Corporation and Mark A. Townsend (Incorporated by reference to Exhibit 10.15 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2003 as filed with the Securities and Exchange Commission on April 29, 2003 (File No. 000-25674)). |
| 10.12** | Employment Agreement dated January 12, 1998 between SkillSoft Corporation and Thomas J. McDonald (Incorporated by reference to Exhibit 10.16 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2003 as filed with the Securities and Exchange Commission on |

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|---|---|
| | April 29, 2003 (File No. 000-25674)). |
| 10.13** | Employment Agreement dated effective September 6, 2002 between SkillSoft PLC and Colm Darcy (Incorporated by reference to Exhibit 10.17 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2003 as filed with the Securities and Exchange Commission on April 29, 2003 (File No. 000-25674)). |
| 10.14 | Lease dated May 25, 2001, as amended between 1987 Tamposi Limited Partnership and SkillSoft Corporation (Incorporated by reference to Exhibit 10.15 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2006 as filed with the Securities and Exchange Commission on April 13, 2006 (File No. 000-25674)). |
| 10.15** | Indemnification Agreement, dated November 13, 2003, by and between SkillSoft Corporation and P. Howard Edelstein (Incorporated by reference to Exhibit 10.2 to SkillSoft PLC s Quarterly Report on Form 10-Q for the quarter ended October 31, 2003 as filed with the Securities and Exchange Commission on December 15, 2003 (File No. 000-25674)). |

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| Exhibit No. | Title |
|---|---|
| 10.16** | Indemnification Agreement, dated March 4, 2004, by and between SkillSoft Corporation and William Meagher. (Incorporated by reference to Exhibit 10.27 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2004 as filed with the Securities and Exchange Commission on April 15, 2004 (File No. 000-25674)). |
| 10.17** | Lease agreement, dated June 9, 2004, as amended, by and between Hewlett-Packard Company and SkillSoft Corporation (Incorporated by reference to Exhibit 10.19 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2006 as filed with the Securities and Exchange Commission on April 13, 2006 (File No. 000-25674)). |
| 10.18 | Pledge Agreement, dated January 31, 2007, by and between Silicon Valley Bank and SkillSoft Corporation (Incorporated by reference to Exhibit 10.19 to SkillSoft PLC s Annual Report on Form 10-K for the fiscal year ended January 31, 2007 as filed with the Securities and Exchange Commission on April 13, 2007 (File No. 000-25674)). |
| 10.19 | Form of Director Option Agreement for initial grants under the 2001 Director Option Plan (Incorporated by reference to Exhibit 99.2 to SkillSoft PLC s Current Report on Form 8-K as filed with the Securities and Exchange Commission on January 4, 2006 (File No. 000-25674)). |
| 10.20** | Form of Director Option Agreement for subsequent grants under the 2001 Director Option Plan (Incorporated by reference to Exhibit 99.3 to SkillSoft PLC s Current Report on Form 8-K as filed with the Securities and Exchange Commission on January 4, 2006 (File No. 000-25674)). |
| 10.21** | Form of Option Agreement under 2002 Share Option Plan (Incorporated by reference to Exhibit 10.5 to SkillSoft PLC s Quarterly Report on Form 10-Q for the quarter ended July 31, 2004 as filed with the Securities and Exchange Commission on September 9, 2004 (File No. 000-25674)). |
| 10.22** | Summary of Fiscal 2007 Executive Incentive Compensation Program. (Incorporated by reference to Exhibit 99.1 to SkillSoft PLC s Current Report on Form 8-K as filed with the Securities and Exchange Commission on April 28, 2006 (File No. 000-25674)). |
| 10.23 | Release and Settlement Agreement (Incorporated by reference to Exhibit 10.1 to SkillSoft PLC s Quarterly Report on Form 10-Q for the quarter ended July 31, 2005 as filed with the Securities and Exchange Commission on September 9, 2005 (File No. 000-25674)). |
| 10.24 | Credit Agreement, dated May 14, 2007, among SkillSoft PLC, SkillSoft Corporation, Credit Suisse, Credit Suisse Securities (USA) LLC, Keybank National Association, Silicon Valley Bank, and the lenders party thereto (Incorporated by reference to Exhibit 10.1 of SkillSoft PLC s Current Report on Form 8-K as filed with the Securities and Exchange Commission on May 14, 2007 (File No. 000-25674)). |
| 10.25 | Guarantee and Collateral Agreement, dated May 14, 2007, among SkillSoft PLC, SkillSoft Corporation and the subsidiary guarantors party thereto (Incorporated by reference to Exhibit 10.2 of SkillSoft PLC s Current Report on Form 8-K as filed with the Securities and Exchange Commission on May 14, 2007 (File No. 000-25674)). |

| | |
|---|---|
| 10.26 | Summary of Fiscal 2008 Executive Cash Incentive Compensation Program (Incorporated by reference to Exhibit 99.1 to SkillSoft PLC s Current Report on Form 8-K as filed with the Securities and Exchange Commission on May 25, 2007 (File No. 000-25674)). |
| 21.1 | List of Significant Subsidiaries. |
| 23.1 | Consent of Ernst & Young LLP. |
| 31.1 | Certification of SkillSoft PLC s Chief Executive Officer pursuant to Rule 13a-14(a)/Rule 15d-14(a) under the Securities Exchange Act of 1934. |
| 31.2 | Certification of SkillSoft PLC s Chief Financial Officer pursuant to Rule 13a-14(a)/Rule 15d-14(a) under the Securities Exchange Act of 1934. |
| 31.3* | Certification of SkillSoft PLC s Chief Executive Officer pursuant to Rule 13a-14(a)/Rule 15d-14(a) under the Securities Exchange Act of 1934. |

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| Exhibit No. | Title |
|---|---|
| 31.4* | Certification of SkillSoft PLC s Chief Financial Officer pursuant to Rule 13a-14(a)/Rule 15d-14(a) under the Securities Exchange Act of 1934. |
| 32.1 | Certification of SkillSoft PLC s Chief Executive Officer pursuant to Rule 13a-14(b)/Rule 15d-14(b) under the Securities Exchange Act of 1934, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2 | Certification of SkillSoft PLC s Chief Financial Officer pursuant to Rule 13a-14(b)/Rule 15d-14(b) under the Securities Exchange Act of 1934, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |

Filed with our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2008.

* Filed herewith.

** Denotes management or compensatory plan or arrangement required to be filed by registrant pursuant to Item 15(c) of this report on Form 10-K.