



**Registration of a Charge**

Company name: **ARCHANT COMMUNITY MEDIA LIMITED**

Company number: **00019300**



X7G4EFNF

Received for Electronic Filing: **08/10/2018**

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**Details of Charge**

Date of creation: **04/10/2018**

Charge code: **0001 9300 0012**

Persons entitled: **HSBC UK BANK PLC**

Brief description: **N/A**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

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

Certified by:

**SHOOSMITHS LLP**



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

Company number: 19300

Charge code: 0001 9300 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th October 2018 and created by ARCHANT COMMUNITY MEDIA LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th October 2018 .

Given at Companies House, Cardiff on 10th October 2018

The above information was communicated by electronic means and authenticated  
by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

DATED 4 October 2018

**ARCHANT LIMITED** (1)  
(as the Parent)

**THE COMPANIES LISTED IN SCHEDULE 1** (2)  
(as the Original Subsidiaries)

and

**HSBC UK BANK PLC** (3)  
(as Lender)

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**DEBENTURE**

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*[This Debenture is subject to the terms of an intercreditor agreement of even date  
between, inter alios, Archant Limited and others and the Lender]*

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DATE OF DEBENTURE

4 October

2018

## PARTIES

- (1) **ARCHANT LIMITED** (company number 04126997) whose registered office is at Prospect House, Rouen Road, Norwich, Norfolk NR1 1RE (the "**Parent**");
- (2) **THE COMPANIES** whose respective names, registered numbers and registered offices are set out in Schedule 1 (*The Original Subsidiaries*); and
- (3) **HSBC UK BANK PLC** (the "**Lender**");

## THIS DEED WITNESSES THAT:

## 1 INTERPRETATION

## 1.1 Definitions

In this deed, unless the context otherwise requires:

**"Account Bank"** means a bank or financial institution with which any Company maintains a Mandatory Prepayment Account or any other bank account.

**"Administrator"** means any person appointed under schedule B1 of the Insolvency Act 1986 (incorporated by schedule 16 to the Enterprise Act 2002) to manage a Company's affairs, business and property.

**"Assigned Agreements"** means the Insurances.

**"Charged Assets"** means, in relation to a Company, all assets of that Company described in Clauses 3.1 (*Fixed Charges*), 3.2 (*Floating Charges*) and 3.3 (*Security Assignment*).

**"Collateral Instruments"** means notes, bills of exchange, certificates of deposit and other negotiable and non-negotiable instruments, guarantees and any other documents or instruments which contain or evidence an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for, any liabilities of any person and includes any document or instrument creating or evidencing an Encumbrance.

**"Company"** means the Parent each of the Original Subsidiaries and each other Subsidiary (if any) of the Parent which (whether pursuant to the terms of the Facility Agreement or otherwise) becomes a party to this deed pursuant to a Security Accession Deed.

**"Debts"** means book and other debts, revenues and claims, whether actual or contingent, whether arising under contracts or in any other manner whatsoever and all things in action which may give rise to any debt, revenue or claim, together with the full benefit of any Encumbrances, Collateral Instruments and any other rights relating thereto (whether as creditor or beneficiary) including, without limitation, reservations of proprietary rights, rights of tracing and unpaid vendor's liens and associated rights.

**"Default Rate"** means the rate specified in clause 10.3 of the Facility Agreement.

**"disposal"** includes any sale, lease, sub-lease, assignment or transfer, the grant of an option or similar right, the grant of any easement, right or privilege, the grant of a licence or permission to assign or sublet, the creation of a trust or other equitable interest or any other proprietary right in favour of a third party, a sharing or parting with possession or occupation whether by way of licence or otherwise and the granting of access to any other person over any Intellectual Property, and any agreement or attempt to do any of the foregoing and **"dispose"** and **"disposition"** shall be construed accordingly.

**"Encumbrance"** means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, standard security, assignment by way of security, trust arrangement for the purpose of providing security or other security interest of any kind securing or preferring any obligation of any person or any other arrangement having the effect of conferring rights of retention or set-off or other disposal rights over an asset (including, without limitation, title transfer and/or retention arrangements having a similar effect) and includes any agreement to create any of the foregoing.

**"Enforcement Date"** means the date on which an Event of Default occurs or, if earlier, the date on which:

- (a) the Lender receives from any person a notice of intention to appoint an Administrator;
- (b) a Company requests the Lender to appoint an Administrator or a Receiver;
- (c) an application is made for the appointment of an Administrator;
- (d) a petition is presented for an administration order in respect of a Company; or
- (e) an Administrator is appointed in relation to a Company.

**"Equipment"** means machinery, equipment, furniture, furnishings, fittings and fixtures and other tangible personal property (other than Inventory) including, without limitation, data processing hardware and software, motor vehicles, aircraft, dies, tools, jigs and office equipment, together with all present and future additions thereto, replacements or upgrades thereof, components and auxiliary parts and supplies used or to be used in connection therewith and all substitutes for any of the foregoing, and all manuals, drawings, instructions, warranties and rights with respect thereto wherever any of the foregoing is located.

**"Facility Agreement"** means the facility agreement of even date made between, inter alios, (1) the Parent, (2) the Original Borrowers (as defined therein), (3) the Original Guarantors (as defined therein) and (4) the Lender pursuant to which the Lender agrees to make available to the Borrowers (as defined therein) a £10,000,000 revolving credit facility for the purposes set out therein as that agreement may from time to time be amended, varied, novated, supplemented or replaced including, without limitation, by the increase or extension of maturity of the facility or by any change in the identity of the Lender.

**"Fixed Charge Assets"** means the assets of each Company described in Clause 3.1 (*Fixed Charges*).



**"Fixtures"** means, in relation to a Property, all fixtures and fittings (including trade fixtures and fittings), fixed plant and machinery and other items attached to that property, whether or not constituting a fixture at law.

**"Incapacity"** means, in relation to a person, the insolvency, liquidation, dissolution, winding-up, administration, receivership, amalgamation, reconstruction or other incapacity of that person whatsoever (and, in the case of a partnership, includes the termination or change in the composition of the partnership).

**"Insurances"** means, in relation to a Company, all present and future contracts or policies of insurance (including life assurance policies) and all proceeds of them taken out by that Company or in which that Company from time to time has an interest.

**"Intellectual Property"** means all patents (including applications for and rights to apply for patents), trade marks and service marks (whether registered or not) and applications for the same, trade names, registered designs, design rights, semi-conductor topography rights, database rights, copyrights, computer programs, know-how and trade secrets and all other intellectual or intangible property or rights and all licences, agreements and ancillary and connected rights relating to intellectual and intangible property including any renewals, revivals or extensions thereof and wherever in the world subsisting.

**"Inventory"** means inventory, goods and merchandise, wherever located, raw materials, work-in-progress, finished goods, returned goods and materials and supplies of any kind, nature or description used in connection with a Company's business or used in connection with the manufacture, packing, shipping, advertising, selling or finishing of such goods, merchandise and such other specified property, and all documents of title or other documents representing them.

**"Material Intellectual Property"** means, in relation to a Company, all Intellectual Property (if any) specified in Schedule 5 (*Intellectual Property*) (or, as the case may be, schedule 4 of the relevant Security Accession Deed) together with any Intellectual Property owned by such Company which is (taking into account the nature and size of that Company's business) either of material value or of potential material value or is material or potentially material to the operation of that Company's business.

**"Original Subsidiaries"** means the companies whose respective names, registered numbers and registered offices are set out in Schedule 1 (*the Original Subsidiaries*).

**"Property"** means freehold and leasehold property wherever situate (other than any heritable property in Scotland), and includes all liens, charges, options, agreements, rights and interests in or over such property or the proceeds of sale of such property and all buildings and Fixtures thereon and all rights, easements and privileges appurtenant to, or benefiting, the same and **"Properties"** means all or any of the same, as the context requires.

**"Receivables Account"** means an account with the Lender to which the proceeds of realisation of Debts are to be paid pursuant to Clause 5.1(a) (*Debts*).

**"Receiver"** means, in relation to any Company, any receiver and/or manager not being an administrative receiver (within the meaning of section 29(2) Insolvency Act 1986) appointed by the Lender pursuant to Clause 9.1 (*Appointment*).

**"Receivership Assets"** has the meaning given to it in Clause 9.1 (*Appointment*).

**"Relevant Substance"** means any natural or artificial substance (in solid or liquid form or in the form of a gas or vapour) whether alone or in combination with any substance likely to cause harm to man or any other living organism supported by the Environment or damaging the Environment or public health or welfare including, but not limited to, any controlled, special, hazardous, toxic or dangerous waste.

**"Secured Obligations"** means, in relation to a Company, all moneys, obligations and liabilities covenanted to be paid or discharged by such Company under or pursuant to Clause 2.1 (*Covenant to pay*).

**"Securities"** means the Subsidiary Shares and any other stocks, shares, bonds and securities of any kind whatsoever (including warrants and options to acquire or subscribe any of the same) whether marketable or otherwise and all interests (including but not limited to loan capital) in any person, including all allotments, rights, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to the same and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest, or otherwise in respect thereof.

**"Security Accession Deed"** means a deed executed by a Subsidiary of the Parent substantially in the form set out in Schedule 7 (*Form of Security Accession Deed*) with those amendments which the Lender may approve or reasonably require.

**"Subsidiary Shares"** means, in relation to a Company, all the shares listed against its name in Schedule 4 (*Subsidiary Shares*) (or, as the case may be, schedule 3 (*Subsidiary Shares*) of the relevant Security Accession Deed).

**"Trade Marks"** shall mean those registered trade marks and applications set out at Schedule 5 (*Intellectual Property*).

## 1.2 Construction of certain terms

- (a) The expressions **"Lender"**, **"Company"**, **"Parent"**, **"Original Subsidiaries"** include, where the context admits, their respective successors, and, in the case of the Lender, its respective transferees and assignees, whether immediate or derivative.
- (b) Unless a contrary indication appears, a reference in this deed to:
  - (i) references to Clauses and Schedules are to be construed as references to the clauses of, and the schedules to, this deed and references to this deed include its schedules;
  - (ii) references to (or to any specified provision of) this deed or any other document shall be construed as references to this deed, that provision or that document as in force for the time being and as amended, supplemented, replaced or novated in accordance with the terms thereof or, as the case may be, with the agreement of the relevant parties and (where such consent is, by the terms of this deed or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior written consent of the Lender;
  - (iii) words importing the plural shall include the singular and vice versa; and

(iv) references to any enactment shall be deemed to include references to such enactment as re-enacted, amended or extended.

(b) Section, Clause and Schedule headings are for ease of reference only.

(c) The fact that no or incomplete details of any Charged Assets are inserted in the Schedules to this deed or in any schedule to any Security Accession Deed by which a Company becomes a party to this deed, shall not affect the validity or enforceability of the Encumbrances created by this deed.

### **1.3 Effect as a deed**

This deed is intended to take effect as a deed notwithstanding that the Lender may have executed it under hand only.

### **1.4 Facility Agreement definitions and construction**

Unless the context otherwise requires or unless otherwise defined in this deed, words and expressions defined in the Facility Agreement shall have the same meaning when used in this deed and the rules of construction set out in clause 1.2 of the Facility Agreement shall also apply to the construction of this deed.

## **2 SECURED OBLIGATIONS**

### **2.1 Covenant to pay**

Each Company hereby covenants that it will pay on demand to the Lender all moneys and discharge all obligations and liabilities now or hereafter due, owing or incurred by it to the Lender whether express or implied, present, future or contingent, joint or several, incurred as principal or surety determined in whatever currency or incurred on any account whatsoever under or pursuant to the Finance Documents when the same become due for payment or discharge and interest (as well after as before judgment) to date of payment at such rates and upon terms as may from time to time be payable and all commission, fees, expenses and other charges and all legal and other costs when the same become due for payment or discharge.

### **2.2 Statements of account conclusive**

Any statement of account of a Company, signed as correct by an officer of the Lender, showing the amount of the Secured Obligations of that Company, shall, in the absence of manifest error, be binding and conclusive on and against all the Companies.

## **3 CHARGES**

### **3.1 Fixed Charges**

Each Company, with full title guarantee, hereby charges to the Lender as a continuing security for the payment and discharge of the Secured Obligations:

(a) by way of first legal mortgage, the Properties (if any) specified against its name in Schedule 2 (*Properties*) (or, as the case may be, schedule 1 (*Properties*) of the relevant Security Accession Deed);

- (b) by way of first legal mortgage, all Properties (other than any property specified in schedule 2 (*Properties*) (or, as the case may be, schedule 1 (*Properties*) of the relevant Security Accession Deed)) now owned by such Company or in which such Company has an interest;
- (c) by way of first fixed charge (to the extent not the subject of a legal mortgage by virtue of Clauses 3.1(a) or 3.1(b) all present and future Properties now or from time to time hereafter owned by such Company or in which such Company may have an interest;
- (d) by way of first fixed charge, the Equipment (if any) specified in Schedule 3 (*Equipment*) (or, as the case may be, schedule 2 (*Equipment*) of the relevant Security Accession Deed) and the benefit of all contracts and warranties relating to the same;
- (e) by way of first fixed charge, all Equipment (other than any property specified in Schedule 3 (*Equipment*) (or, as the case may be, schedule 2 (*Equipment*) of the relevant Security Accession Deed) now or from time to time hereafter owned by such Company or in which such Company has an interest and the benefit of all contracts and warranties relating to the same;
- (f) by way of first fixed charge, all Securities now or from time to time hereafter owned by such Company or in which such Company has an interest;
- (g) by way of first fixed charge any and all amounts from time to time standing to the credit of such Company in any Mandatory Prepayment Account;
- (h) by way of first fixed charge, the goodwill and uncalled capital of such Company; and
- (i) if not effectively assigned by Clause 3.3 (*Security Assignment*), by way of first fixed charge all its rights and interests in (and claims under) the Assigned Agreements,

In addition to the above, each Company hereby charges to the Lender as a continuing security for the payment and discharge of the Secured Obligations:

- (j) by way of first fixed charge, the Intellectual Property (if any) specified in Schedule 5 (*Intellectual Property*) (or, as the case may be, schedule 4 of the relevant Security Accession Deed); and
- (k) by way of first fixed charge, all Intellectual Property (other than any Intellectual Property specified in Schedule 5 (*Intellectual Property*) (or, as the case may be, schedule 4 of the relevant Security Accession Deed)), now or from time to time hereafter owned by such Company or in which such Company may have an interest.

### 3.2 Floating Charges

Each Company, with full title guarantee, hereby charges to the Lender by way of first floating charge as a continuing security for the payment and discharge of the Secured Obligations its undertaking and all its property, assets and rights whatsoever and wheresoever both present and future, including, without limitation, its Inventory other than

any property or assets from time to time effectively charged by way of legal mortgage or fixed charge or assignment pursuant to Clause 3.1 (*Fixed Charges*) or otherwise pursuant to this deed but including (without limitation and whether or not so effectively charged) any of its property and assets situated in Scotland.

### 3.3 Security Assignment

- (a) As further security for the payment and discharge of the Secured Obligations, each Company assigns absolutely with full title guarantee to the Lender all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Secured Obligations the Lender will at the request and cost of that Company re-assign the Assigned Agreements to that Company (or as it shall direct).
- (b) Until the occurrence of an Event of Default which is continuing unremedied and unwaived, but subject to Clause 5.1(c) (*Assigned Agreements*), the relevant Company may continue to deal with the counterparties to the relevant Assigned Agreements and enjoy all rights and benefits arising under or in connection with such Assigned Agreements.

### 3.4 Qualifying Floating Charge

The provisions of paragraph 14 of Schedule B1 Insolvency Act 1986 apply to the floating charges in Clause 3.2 (*Floating Charges*), which shall be enforceable at any time on or after the Enforcement Date.

### 3.5 Restrictions on dealing with Charged Assets

Each Company hereby covenants that, save as permitted under the Facility Agreement, it will not:

- (a) dispose of all or any of its Properties;
- (b) dispose of all or any of the Equipment specified in Schedule 3 (*Equipment*) except for disposals for which the Lender's consent has been requested and expressly granted;
- (c) dispose of all or any of the other Fixed Charge Assets without the prior written consent of the Lender;
- (d) dispose of its Inventory or any other Charged Asset the disposal of which is not otherwise restricted by the express terms of this deed otherwise than for full value in the ordinary course of business;
- (e) without limiting the generality of the foregoing provisions of this Clause 3.5 dispose of, or create or attempt to create or permit to subsist or arise any Encumbrance on or over, the Debts or any part thereof or release, set off or compound or deal with the same otherwise than in accordance with Clause 5.1(a) (*Debts*); or
- (f) create or attempt to create or permit to subsist in favour of any person other than the Lender any Encumbrance on or affecting the Charged Assets or any part thereof.

**3.6 Automatic conversion of floating charge**

So far as permitted by law and notwithstanding anything expressed or implied in this deed:

- (a) if a Company creates or attempts to create any Encumbrance not being a Permitted Security over all or any of the Charged Assets without the prior written consent of the Lender or if any person levies or attempts to levy any distress, execution, sequestration or other process against any of the Charged Assets having an aggregate value of at least £250,000 and which is not discharged within 14 days, the floating charge created by Clause 3.2 (*Floating Charges*) over the Properties or asset concerned shall thereupon automatically without notice be converted into a fixed charge; and
- (b) each floating charge created by Clause 3.2 (*Floating Charges*) shall automatically be converted into a fixed charge on the Enforcement Date.

**3.7 Conversion of floating charge by notice**

Notwithstanding anything expressed or implied in this deed but without prejudice to Clause 3.6 (*Automatic conversion of floating charge*), the Lender shall be entitled at any time after an Event of Default which is continuing unremedied and unwaived by giving notice in writing to that effect to a Company to convert the floating charge created by that Company over all or any part of the Charged Assets into a fixed charge as regards the assets specified in such notice.

**3.8 Land Registry**

- (a) Each Company hereby consents to the Lender's application to the Chief Land Registrar in form RX1 for the registration of the following restriction against each of the registered titles specified in schedule 2 (*Properties*) (and against any title to any unregistered Property specified in schedule 1 (*Properties*) which is or ought to be the subject of a first registration of title at the Land Registry at the date of this deed):

"RESTRICTION:

No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of HSBC UK Bank Plc as Lender referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its attorney, director or secretary".

- (b) In respect of any Property charged pursuant to Clauses 3.1(a) to 3.1(c) title to which is registered at the Land Registry, each Company hereby represents and warrants that the security created by this deed does not contravene any of the provisions of the memorandum and articles of association of such Company.

**3.9 The Facility Agreement and Overdraft Facility Letter**

The obligation on the part of any Finance Party to make further advances to a Company under the Facility Agreement and/or the Overdraft Facility Letter shall be deemed to be incorporated in this deed for the purposes of section 94(1)(c) Law of Property Act 1925

and the Lender may apply in form CH2 to the Chief Land Registrar to enter a note of such obligation on the register of each of the titles referred to in Clause 3.8 (*Land Registry*).

### **3.10 The Securities**

- (a) At any time on or after the Enforcement Date, each Company will if so requested by the Lender transfer all or any Securities from time to time owned by it to such nominees or agents as the Lender may select.
- (b) Prior to the Enforcement Date each Company shall be entitled to:
  - (i) receive and retain all dividends, distributions, interest and other moneys paid on and received by it in respect of any Securities; and
  - (ii) exercise and control the exercise of all voting and other rights and powers attached to any Securities.

## **4 SET-OFF**

Each Company agrees that the Lender may set off any matured obligation due from a Company under the Finance Documents (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to that Company, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

## **5 UNDERTAKINGS**

### **5.1 Companies' Undertakings**

Each Company hereby undertakes with the Lender that during the continuance of this security such Company will:

- (a) **Debts**
  - (i) Collect in the ordinary course of its business in a proper and efficient manner and pay into a Receivables Account (or following the Enforcement Date such other account as the Lender may from time to time specify) all moneys which it may receive in respect of the Debts forthwith on receipt.
  - (ii) Not
    - (A) sell, factor or discount the whole or a material part of the Debts; or
    - (B) release, exchange, compound, set off, vary, discharge, postpone or release any of the Debts or waive its right of action in connection therewith or do or omit to do anything which may delay or prejudice the full recovery thereof, other than on a normal commercial basis in the ordinary course of business.

- (iii) Following the Enforcement Date, not withdraw all or any monies from time to time standing to the credit of any Receivables Account, unless with the prior consent of the Lender.

**(b) Mandatory Prepayment Accounts**

Not withdraw all or any monies from time to time standing to the credit of any Mandatory Prepayment Account, unless expressly permitted to do so under the Facility Agreement or with the prior consent of the Lender.

**(c) Assigned Agreements**

- (i) Perform all its obligations under the Assigned Agreements in accordance with the terms thereof.
- (ii) Not make or agree to make any amendments to the Assigned Agreements, waive any of its rights under the Assigned Agreements or exercise any right to terminate any of the Assigned Agreements, except as permitted under the Facility Agreement or with the prior consent of the Lender.

**(d) Deposit of deeds**

Immediately following the Enforcement Date deposit with the Lender (to be held at the risk of such Company):

- (i) all deeds and documents of title relating to its Properties and the Insurances relating thereto;
- (ii) all certificates and documents of title relating to the Securities owned by it and such deeds of transfer in blank (including, without limitation, stock transfer forms relating to the Subsidiary Shares duly stamped and executed in blank and left undated) and other documents as the Lender may from time to time require for perfecting the title of the Lender to such Securities (duly executed by or signed on behalf of the registered holder) or for vesting or enabling it to vest the same in itself or its nominees or in any purchaser; and
- (iii) all such other documents relating to its Charged Assets as the Lender may from time to time reasonably require.

**(e) Compliance with covenants etc**

Observe and perform all material covenants, requirements and material obligations from time to time imposed on, applicable to or otherwise affecting its Charged Assets and/or the use, ownership, occupation, possession, operation, repair, maintenance or other enjoyment or exploitation of its Charged Assets whether imposed by statute, law or regulation, contract, lease, licence, grant or otherwise, carry out all registrations or renewals and generally do all other acts and things (including the taking of legal proceedings) necessary to maintain, defend or preserve its right, title and interest to and in its Charged Assets without infringement by any third party and not without the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed) enter into any



onerous or restrictive obligations affecting any of the same or agree any rent review relating to any interest in any of its Properties, except that nothing in this Clause 5.1(e) or elsewhere in this deed shall prevent a Company from entering into obligations or agreements which are permitted under the Facility Agreement.

**(f) Alteration or development of Properties**

Without the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed), not make any material structural or other alteration to or to the user of any of the Properties or do or permit or omit to be done any act, matter or thing as a consequence of which any provision of any statute, bye-law, order or regulation or any condition of any consent, licence, permission or approval (whether of a public or private nature) from time to time in force imposed on, applicable to or otherwise affecting any of the Properties is or may be infringed.

**(g) Maintenance of buildings and Equipment**

Keep all its buildings and Equipment in good and substantial repair and in good working order (save for fair wear and tear) and condition and on reasonable notice and at reasonable times permit the Lender and its agents or representatives to enter and view their state and condition.

**(h) Insurance**

- (i) Comply in all respects with its insurance obligations under the Facility Agreement and on demand provide the Lender with copies of the relevant policies and evidence of such compliance
- (ii) procure that the Lender's interest as first loss payee is noted on the Insurances within 14 days of the execution of this deed.

**(i) Property outgoings**

Punctually pay, or cause to be paid, and indemnify the Lender and any Receiver or Administrator (on a several basis) against, all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever (whether imposed by agreement, statute or otherwise) now or at any time during the continuance of this security payable in respect of its Properties or any part thereof or by the owner or occupier thereof.

**(j) Possession of Properties**

Without prejudice to the generality of Clause 3.5(a) (*Restrictions on dealing with Charged Assets*) not without the prior written consent of the Lender part with possession of the whole or any part of its Properties or permit any person:

- (i) to be registered (jointly with such Company or otherwise) as proprietor under the Land Registration Acts of any of its Properties nor create or permit to arise any unregistered interests which override first registration or registered dispositions affecting the same within the definition in those Acts or within any corresponding legislation in any other part of the United Kingdom; or

- (ii) to become entitled to any right, easement, covenant, interest or other title encumbrance which might adversely affect the use, value or marketability of any of its Properties,

unless it is permitted under the Facility Agreement.

**(k) Variation of leasehold interests**

Not, unless permitted under the Facility Agreement or with the prior written consent of the Lender vary, surrender, cancel or dispose of, or permit to be forfeit, any leasehold interest in any of its Properties in a manner which would make the liabilities under such leasehold interest any more onerous.

**(l) Acquisition of property**

Immediately inform the Lender before contracting to purchase any estate or interest in freehold, leasehold or heritable property and supply the Lender with such details of the purchase as the Lender may from time to time request unless such acquisition is permitted under the Facility Agreement.

**(m) Relevant Substances**

Notify the Lender forthwith upon becoming aware of any Relevant Substance present at, on or under or brought on to any of its Properties which might give rise to any Environmental Claim, or which might lead to or cause a change in value of any of its Properties or any of its Charged Assets.

**(n) Intellectual Property**

Without prejudice to the generality of Clause 5.1(e) (*Compliance with Covenants etc*):

- (i) other than any formal registration, take all necessary and commercially reasonable action to safeguard, prosecute and maintain its rights, present and future, in or relating to all its Material Intellectual Property;
- (ii) use all reasonable efforts not to allow any of its Material Intellectual Property to be abandoned or cancelled, to lapse or to be liable to any claim of abandonment for non-use or otherwise, except where such Material Intellectual Property is discontinued in connection with the discontinuation of titles in the ordinary course of business;
- (iii) notify the Lender forthwith of any infringement or suspected infringement or any challenge to the validity of any of its Material Intellectual Property which may come to its notice, on request supply the Lender with all relevant information in its possession relating thereto and take all steps necessary and commercially reasonable to prevent or bring to an end any such infringement and to defend any challenge to the validity of any such rights; and
- (iv) maintain appropriate records of the Trade Marks and all registrations made in respect thereof together with details of agents engaged in

relation to the Trade Marks and provide a copy of such records to the Lender promptly upon the Lender's written request.

**(o) Copies of notices**

Notify the Lender forthwith if it receives any notice in connection with any of its Properties including, without limitation, any notice under section 146 Law of Property Act 1925.

**(p) Jeopardy**

Not do or cause or permit to be done anything which may in any way materially depreciate the value of any of its Charged Assets.

**(q) Notice to Account Bank**

Each Company will

- (i) as soon as practicably possible after a Mandatory Prepayment Account is established, give notice to the Account Bank with which its Mandatory Prepayment Account is maintained; and
- (ii) immediately following the Enforcement Date, give notice to the Account Bank with which its other accounts, including any Receivables Account, are maintained; and
- (iii) forthwith on any change in the identity of such Account Bank after the giving of such notice, give notice to the new Account Bank,

of this deed, in the form of Part 1 of Schedule 6 (*Form of Notice of Charge to Account Bank*) and use its reasonable endeavours to procure that such Account Bank or new Account Bank (as the case may be) acknowledges such notice to the Lender in the form of Part 2 of Schedule 6 (*Form of Acknowledgement of Notice of Charge from the Account Bank*).

**5.2 Power to remedy**

If any Company defaults at any time in complying with any of its obligations contained in this deed, the Lender shall, without prejudice to any other rights arising as a consequence of such default, be entitled (but not bound) to make good such default and such Company hereby irrevocably authorises the Lender and its employees and agents by way of security to do all such things (including, without limitation, entering such Company's property) necessary or desirable in connection therewith. Any moneys so expended by the Lender shall be repayable by such Company to the Lender on demand together with interest at the Default Rate from the date of payment by the Lender until such repayment, both before and after judgment. No exercise by the Lender of its powers under this Clause 5.2 shall make it liable to account as a mortgagee in possession.

**6 FURTHER ASSURANCE**

**6.1 Further assurance**

Each Company shall if and when at any time required by the Lender execute such further Encumbrances and assurances in favour or for the benefit of the Lender and do all such acts and things as the Lender shall from time to time reasonably require over or in relation to all or any of the Charged Assets to secure the Secured Obligations or to perfect or protect the Lender's security over the Charged Assets or any part thereof or to facilitate the realisation of the same provided that no Company shall be obliged to create any new or further fixed charge over any asset purported to be subject to a fixed charge (whether that charge takes effect as a fixed or a floating charge so long as it is validly charged) under this deed except at any time when a Default is continuing.

## **6.2 Certain documentary requirements**

Such further Encumbrances and assurances shall be prepared by or on behalf of the Lender at the expense of the Parent and shall contain:

- (a) an immediate power of sale without notice;
- (b) a Clause excluding section 93 Law of Property Act 1925 and the restrictions contained in section 103 Law of Property Act 1925; and
- (c) such other Clauses for the benefit of the Lender as the Lender may reasonably require.

## **6.3 Implied Covenants**

The provisions of Clauses 6.1 (*Further assurance*) and 6.2 (*Certain documentary requirements*) shall be in addition to and not in substitution for the covenants for further assurance deemed to be included in this deed by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

# **7 ENFORCEMENT**

## **7.1 Enforcement**

At any time on or after the Enforcement Date the Lender shall be entitled to make demand for payment of the Secured Obligations and, if such demand is not met in full, to enforce the security (in whole or in part) created by this deed.

## **7.2 Powers of the Lender on enforcement**

The power of sale or other disposal and other powers conferred on the Lender or Receiver by this deed shall be a variation and extension of the statutory powers of sale and other powers conferred on mortgagees under section 101 Law of Property Act 1925 and such powers shall arise on the date of this deed such that at any time on or after the Enforcement Date the Lender may, without further notice, without the restrictions contained in section 103 Law of Property Act 1925 and whether or not an Administrator or a Receiver shall have been appointed, exercise all the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this deed and all the powers and discretions conferred by this deed on a Receiver either expressly or by reference.

## **7.3 Enforcement in relation to Securities**

Without limiting the generality of Clause 7.2 (*Powers of the Lender on enforcement*) the Lender and its nominees at the discretion of the Lender may at any time on or after the Enforcement Date exercise, without further notice to or any authority from any Company, in respect of the Securities any voting rights and all powers given to trustees by the Trustee Act 2000 in respect of securities or property subject to a trust and any powers or rights which may be exercisable by the person in whose name any of the Securities is registered or by the bearer thereof for the time being.

#### **7.4 Subsequent Encumbrances**

If any Finance Party receives notice of any subsequent Encumbrance not being Permitted Security affecting all or any of the Charged Assets, the Lender may open a new account for the Company concerned. If it does not do so then, unless the Lender gives express written notice to the contrary to the Company concerned, it shall nevertheless be treated as if it had opened a new account at the time when it received such notice and as from that time all payments made by or on behalf of the Company concerned to the Lender shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount due from that Company to the Lender at the time when it received such notice.

#### **7.5 Statutory power of leasing**

The Lender shall have the power to lease and make agreements for leases at a premium or otherwise, to accept surrenders of leases and to grant options on such terms as the Lender shall consider expedient and without the need to observe any of the provisions of sections 99 and 100 Law of Property Act 1925.

#### **7.6 Fixtures**

At any time on or after the Enforcement Date or if requested by a Company the Lender may sever, and sell separately, any Fixtures from any of any Company's Properties to which they are attached.

### **8 APPOINTMENT OF ADMINISTRATOR**

At any time on or after the Enforcement Date the Lender may appoint an Administrator of any Company for the purposes and upon the terms contained in schedule B1 Insolvency Act 1986.

### **9 APPOINTMENT AND POWERS OF RECEIVER**

#### **9.1 Appointment**

At any time on or after the Enforcement Date the Lender may, save as mentioned in this Clause 9.1, by instrument in writing executed as a deed or under the hand of any director or other duly authorised officer appoint any person to be a Receiver of such part of the Charged Assets of a Company, not being the whole or substantially the whole of that Company's property within the meaning of section 29 Insolvency Act 1986 as the Lender may specify (the "**Receivership Assets**"). Any such appointment may be made subject to such qualifications, limitations and/or exceptions (either generally or in relation to specific assets or classes of asset) as may be specified in the instrument effecting the appointment. Where more than one Receiver is appointed, each joint Receiver shall have power to act severally, independently of any other joint Receivers, except to the

extent that the Lender may specify to the contrary in the appointment. The Lender may remove any Receiver so appointed and appoint another in his place. The Lender shall not, however, be entitled to appoint a Receiver solely as a result of the obtaining of a moratorium or of anything done with a view to obtaining a moratorium, under the Insolvency Act 2000 without the leave of the court.

## **9.2 Receiver as agent**

A Receiver shall be the agent of the Company in respect of which he is appointed and such Company shall be solely responsible for his acts or defaults and for his remuneration.

## **9.3 Powers of Receiver**

A Receiver shall have the power to do or omit to do on behalf of the Company in respect of which he is appointed anything which such Company itself could do or omit to do if the Receiver had not been appointed, notwithstanding the liquidation of such Company. In particular (but without limitation) a Receiver shall have power to:

- (a) take possession of, collect and get in the Receivership Assets and, for that purpose, to take such proceedings as may seem to him expedient;
- (b) sell or otherwise dispose of the Receivership Assets by public auction or private auction or private contract or, in Scotland, to sell, feu, hire out or otherwise dispose of the Receivership Assets by public roup or private bargain;
- (c) raise or borrow money and grant security therefor over the Receivership Assets;
- (d) appoint a solicitor or accountant or other professionally qualified person to assist him in the performance of his functions;
- (e) bring or defend any action or other legal proceedings in the name and on behalf of such Company;
- (f) refer to arbitration any question affecting such Company;
- (g) effect and maintain insurances in respect of the business and Properties of such Company;
- (h) use such Company's seal;
- (i) do all acts and to execute in the name and on behalf of such Company any deed, receipt or other document;
- (j) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of such Company;
- (k) appoint any agent to do any business which he is unable to do himself or which can more conveniently be done by an agent and employ and dismiss employees;
- (l) do all such things (including the carrying out of works) as may be necessary for the realisation of the Receivership Assets;

- (m) make any payment which is necessary or incidental to the performance of his functions;
- (n) carry on the business of such Company;
- (o) establish Subsidiaries of such Company;
- (p) transfer to Subsidiaries of such Company the whole or any part of the business or Receivership Assets;
- (q) grant or accept a surrender of a lease or tenancy of any of the Receivership Assets and to take a lease or tenancy of any properties required or convenient for the business of such Company;
- (r) make any arrangement or compromise on behalf of such Company in respect of the Receivership Assets;
- (s) call up any uncalled capital of such Company; and
- (t) rank and claim in the bankruptcy, insolvency, sequestration or liquidation of any person indebted to such Company and to receive dividends, and to accede to trust deeds for the creditors of any such person.

The Receiver shall also have all powers from time to time conferred on receivers by statute without, in the case of powers conferred by the Law of Property Act 1925, the restrictions contained in section 103 of that Act.

#### **9.4 Remuneration**

The Lender may from time to time determine the remuneration of any Receiver and section 109(6) Law of Property Act 1925 shall be varied accordingly. A Receiver shall be entitled to remuneration appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by the Receiver in accordance with the current practice of his firm.

#### **9.5 Insurance moneys**

Any insurance moneys received by a Receiver shall be applied in accordance with Clause 10.2 (*Insurance proceeds*) and accordingly section 109(8) Law of Property Act 1925 shall not apply.

### **10 APPLICATION OF PROCEEDS; PURCHASERS**

#### **10.1 Application of proceeds**

All moneys received by the Lender or by any Receiver shall, subject to Clause 13.4 (*Suspense accounts*), be applied in accordance with the terms of the Intercreditor Agreement.

#### **10.2 Insurance proceeds**

All insurance moneys (including any received by a Receiver) deriving from any of the Insurances (whether before or after the Enforcement Date) shall:

- (a) before the Enforcement Date, be paid and applied in accordance with the terms of the Facility Agreement; or
- (b) after the Enforcement Date, be paid to the Lender (or if not paid by the insurers directly to the Lender, shall be held on trust for the Lender) and applied in reduction of the Secured Obligations in such manner and order as the Lender may determine except where the Company concerned is required (as landlord or tenant) to apply such insurance moneys in accordance with any lease of any of the Charged Assets in which event they shall be so applied.

### **10.3 Protection of purchasers**

No purchaser or other person shall be bound or concerned to see or enquire whether the right of the Lender or any Administrator or Receiver to exercise any of the powers conferred by this deed has arisen or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.

## **11 INDEMNITIES; EXCLUSION OF LIABILITY; COSTS AND EXPENSES**

### **11.1 Enforcement costs**

The Parent hereby undertakes with the Lender to pay on demand all costs, charges and expenses incurred by or on behalf of the Lender or by any Administrator or Receiver in or about the enforcement or preservation or attempted enforcement or preservation of any of the security created by or pursuant to this deed or any of the Charged Assets on a full indemnity basis, together with interest at the Default Rate from the date on which such costs, charges or expenses are so incurred until the date of payment by the Parent (as well after as before judgment).

### **11.2 No liability as mortgagee in possession**

Neither the Lender nor any Receiver shall be liable to account as mortgagee in possession in respect of all or any of the Charged Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever for which a mortgagee may be liable as such.

### **11.3 Recovery of Debts**

Neither the Lender nor any Receiver shall have any liability or responsibility of any kind to any Company arising out of the exercise or non-exercise of the right to enforce recovery of the Debts or shall be obliged to make any enquiry as to the sufficiency of any sums received in respect of any Debts or to make any claims or take any other action to collect or enforce the same.

### **11.4 Indemnity**

Each Company hereby undertakes to indemnify and keep indemnified the Lender, any Administrator or Receiver and any attorney, agent or other person appointed by the Lender under this deed and the Lender's officers and employees (each an "**Indemnified Party**") in respect of all costs, losses, actions, claims, expenses, demands or liabilities whether in contract, tort or otherwise and whether arising at common law, in equity or by statute which may be incurred by, or made against, any of the Indemnified Parties (or by or against any manager, agent, officer or employee for whose liability, act or omission



any of them may be answerable) at any time relating to or arising directly or indirectly out of or as a consequence of:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this deed except where such act or omission constitutes the gross negligence or wilful default of any Indemnified Party;
- (b) any breach by a Company of any of its obligations under this deed; or
- (c) an Environmental Claim made or asserted against an Indemnified Party which would not have arisen if this deed had not been executed and which was not caused by the gross negligence or wilful default of the relevant Indemnified Party.

#### **11.5 Third Party Contract Rights**

- (a) Each Indemnified Party referred to in Clause 11.4 (*Indemnity*) shall have the benefit and may enforce the terms of this deed in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.
- (b) Subject to Clause 11.5(a), a person who is not a party to this deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed.
- (c) Notwithstanding Clause 11.5(a) or any other provision of this deed, the Lender and the Companies shall be entitled to agree variations to this deed without notifying the other Indemnified Parties or seeking the consent of such Indemnified Parties or any of them to the variation.

#### **11.6 Value Added Tax**

All fees, costs and expenses payable under or pursuant to this deed shall be paid together with an amount equal to any value added tax payable by the Lender in respect of the same. Any value added tax chargeable in respect of any services supplied by the Lender under this deed shall, on delivery of a value added tax invoice, be paid in addition to any sum agreed to be paid under this deed.

### **12 POWER OF ATTORNEY**

#### **12.1 Appointment**

Each Company by way of security hereby irrevocably appoints each of the Lender and any Receiver severally to be its attorney in its name and on its behalf:

- (a) to do all things which such Company may be required to do under this deed;
- (b) to execute and complete any documents or instruments which the Lender or such Receiver may require in accordance with the provisions of this deed for perfecting the title of the Lender to the Charged Assets or for vesting the same in the Lender, its nominees or any purchaser;
- (c) to sign, execute, seal and deliver and otherwise perfect any security document required in accordance with Clause 6 (*Further assurance*); and

- (d) otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Lender or a Receiver under this deed or which may be deemed expedient by the Lender or a Receiver in connection with any disposition, realisation or getting in by the Lender or such Receiver of the Receivership Assets or in connection with any other exercise of any power under this deed and including, but not limited to a power in favour of any Receiver to dispose for value of any of the assets of the Company over which such Receiver may not have been appointed and which are located at Property over which he has been appointed, without being liable for any losses suffered by such Company, or any part thereof.

## **12.2 Ratification**

Each Company ratifies and confirms (and agrees to do so) whatever any such attorney shall do, or attempt to do, in the proper exercise of all or any of the powers, authorised and discretions pursuant to Clause 12.1 (*Appointment*).

## **13 CONTINUING SECURITY AND OTHER MATTERS**

### **13.1 Continuing security**

This deed and the obligations of each Company under this deed shall extend to the ultimate balance from time to time owing in respect of the Secured Obligations and shall be a continuing security notwithstanding any intermediate payment, partial settlement or other matter whatsoever.

### **13.2 Liability unconditional**

The liability of each Company shall not be affected by reason of:

- (a) the incapacity or any change in the name, style or constitution of any other Company or other person liable;
- (b) the Lender granting any time, indulgence or concession to, or compounding with, discharging, releasing or varying the liability of any other Company or any other person liable; or
- (c) any amendment, variation or waiver (however material or fundamental) of any Finance Document; or
- (d) any act or omission which would not have discharged or affected the liability of such Company had it been a principal debtor instead of a guarantor or anything done or omitted which but for this provision might operate to exonerate such Company.

### **13.3 Collateral Instruments**

The Lender shall not be obliged to make any claim or demand on any Company or any other person liable or to resort to any Collateral Instrument or other means of payment before enforcing this deed and no action taken or omitted in connection with any such Collateral Instrument or other means of payment shall discharge, reduce, prejudice or affect the liability of any Company. The Lender shall not be obliged to account for any

money or other property received or recovered in consequence of any enforcement or realisation of any such Collateral Instrument or other means of payment.

#### **13.4 Suspense accounts**

Any money received pursuant to the realisation of any security created pursuant to this deed (whether before or after any Incapacity of a Company or any other person liable) may be placed to the credit of an interest-bearing suspense account with a view to preserving the rights of the Lender to prove for the whole of its claims against the Companies or any other person liable.

#### **13.5 Settlements Conditional**

Any release, discharge or settlement between any one or more of the Companies and the Lender shall be conditional upon no security, disposition or payment to the Lender by any of the Companies or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to liquidation, administration or insolvency or for any other reason whatsoever and if such condition is not fulfilled the Lender shall be entitled to enforce this deed as if such release, discharge or settlement had not occurred and any such payment had not been made.

#### **13.6 Companies to deliver up certain property**

If, contrary to the Intercreditor Agreement, any Company takes or receives the benefit of any security or receives or recovers any money or other property, such security, money or other property shall be held on trust for the Lender and shall be delivered to the Lender on demand.

### **14 CURRENCIES**

All moneys received or held by the Lender or by a Receiver under this deed at any time on or after the Enforcement Date in a currency other than a currency in which the Secured Obligations are denominated may from time to time be sold for such one or more of the currencies in which the Secured Obligations are denominated as the Lender or Receiver considers necessary or desirable and the Parent shall indemnify the Lender against the full cost (including all commissions, charges and expenses) incurred in relation to such sale. Neither the Lender nor any Receiver shall have any liability to any Company in respect of any loss resulting from any fluctuation in exchange rates after any such sale.

### **15 MISCELLANEOUS**

#### **15.1 Joint and several liabilities**

The covenants, agreements, obligations and liabilities of the Companies contained in this deed or implied on their part are joint and several and shall be construed accordingly.

#### **15.2 Liabilities survive deficiencies and releases**

Each Company agrees to be bound by this deed notwithstanding that any person intended to execute or to be bound by this deed may not do so or may not be effectually bound and notwithstanding that any guarantees or charges contained in this deed may be terminated or released (other than where expressly terminated or released by the

Lender in writing) or may be or become invalid or unenforceable against any other Company whether or not the deficiency is known to the Lender.

### **15.3 Remedies Cumulative**

No failure or delay on the part of the Lender to exercise any power, right or remedy shall operate as a waiver thereof nor shall any single or any partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

### **15.4 Statutory power of leasing**

During the continuance of this security the statutory and any other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be exercisable by any Company in relation to the Charged Assets or any part thereof without the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed).

### **15.5 Successors and assigns**

Any appointment or removal of a Receiver under Clause 9 (*Appointment and Powers of Receiver*) and any consents under this deed may be made or given in writing signed or sealed by any successors or assigns of the Lender and accordingly each Company hereby irrevocably appoints each successor and assign of the Lender to be its attorney in the terms and for the purposes set out in Clause 12 (*Power of Attorney*).

### **15.6 Payments and Taxes**

The provisions of clauses 29 (*Set-Off*) and 14.1, 14.2, 14.3 and 14.4 (*Tax Gross Up and Indemnities*) of the Facility Agreement shall be deemed to be incorporated in this deed as if references in such clauses to an "**Obligor**" were references to each Company and references to "**this agreement**" were references to this deed.

### **15.7 Reorganisation**

This deed shall remain binding on each Company notwithstanding any change in the constitution of the Lender or its absorption in, or amalgamation with, or the acquisition of all or part of its undertaking by, any other person, or any reconstruction or reorganisation of any kind. The security granted by this deed shall remain valid and effective in all respects in favour of the Lender and any assignee, transferee or other successor in title of the Lender in the same manner as if such assignee, transferee or other successor in title had been named in this deed as a party instead of, or in addition to, the Lender.

### **15.8 Unfettered discretion**

Any liability or power which may be exercised or any determination which may be made under this deed by the Lender may be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give reasons therefor.

### **15.9 Law of Property (Miscellaneous Provisions) Act 1989**

For the purposes of the Law of Property (Miscellaneous Provisions) Act 1989 any provisions of the Facility Agreement relating to any disposition of an interest in land shall be deemed to be incorporated in this deed.

## **16 NOTICES**

### **16.1 Communications in writing**

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

### **16.2 Addresses**

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

- (a) in the case of the Parent that identified with its name below;
- (b) in the case of the Original Subsidiaries, that notified in writing to the Lender on or prior to the date on which it becomes a Party; and
- (c) in the case of the Lender, that identified with its name below,

or any substitute address, fax number or department or officer as the Party may notify to the Lender (or the Lender may notify to the other Parties, if a change is made by the Lender) by not less than five Business Days' notice.

### **16.3 Notices through the Lender**

Every notice, request, demand or other communication under this deed to be given by a Company to any other party shall be given to the Lender for onward transmission as appropriate and to be given to a Company shall (except as otherwise provided in this deed) be given by the Lender to the Parent.

### **16.4 Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with this deed will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 16.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's

signature below (or any substitute department or officer as the Lender shall specify for this purpose).

**16.5 English language**

- (a) Any notice given under or in connection with this deed must be in English.
- (b) All other documents provided under or in connection with this deed must be:
  - (i) in English; or
  - (ii) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

**17 CONFLICT WITH FACILITY AGREEMENT**

In the event of any conflict or inconsistency between the provisions of this deed and the provisions of the Facility Agreement, the provisions of the Facility Agreement shall prevail.

**18 COUNTERPART**

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

**19 GOVERNING LAW**

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

**20 ENFORCEMENT**

- 20.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) (a "**Dispute**").
- 20.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 20.3 This Clause 20 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

**IN WITNESS** of which this deed has been executed and delivered by or on behalf of the parties on the date stated at the beginning of this deed.

## SCHEDULE 1

## The Original Subsidiaries

	Name	Registered Number	Registered Office
1.	Archant Holdings Limited	04040110	Prospect House Rouen Road Norwich Norfolk NR1 1RE
2.	Archant Community Media Holdings Limited	04243174	Prospect House Rouen Road Norwich Norfolk NR1 1RE
3.	Archant Community Media Limited	00019300	Prospect House Rouen Road Norwich Norfolk NR1 1RE
4.	Archant BHGC Limited	07783475	Prospect House Rouen Road Norwich Norfolk NR1 1RE

**SCHEDULE 2**

**Properties**

Intentionally blank



**SCHEDULE 3**

**Equipment**

Intentionally blank

**SCHEDULE 4****Subsidiary Shares**

<b>Company</b>	<b>Subsidiary</b>	<b>Number and Class of Shares</b>
Archant Limited	Archant Holdings Limited	55,320,129 ordinary shares of £1 each
Archant Limited	Archant Community Media Limited	740,001 A ordinary shares of £1 each
Archant Holdings Limited	Archant Community Media Holdings Limited	260,000 B ordinary shares of £1 each
Archant Community Media Holdings Limited	Archant Community Media Limited	560,222,930 ordinary shares of £0.20 each

**SCHEDULE 5**

**Intellectual Property**

Intentionally blank

## SCHEDULE 6

## Notice of Charge

## Part 1

## Form of Notice of Charge to Account Bank

To: [Insert name of Account Bank]

[• ]

Dear Sirs,

We hereby give you notice that, by a Debenture dated [• ] (a copy of which is attached), we charged [(by way of a first fixed charge)] to HSBC UK Bank Plc (the "**Lender**") all moneys (including interest) from time to time standing to the credit of each of our present and future accounts with any bank, financial institution or other person, which includes the accounts numbered [• ] held with you (the "**Accounts**") and the debt or debts represented thereby.

We may not withdraw any moneys from the Accounts without first having obtained the written consent of the Lender and accordingly we hereby irrevocably authorise and instruct you:

1. to disclose to the Lender without any reference to, or further authority from, us and without any inquiry by you as to the justification for such disclosure, such information relating to any of the Accounts as the Lender may, at any time and from time to time, request you to disclose to it;
2. to hold to the order of the Lender all sums from time to time standing to the credit of the Accounts in our name with you;
3. to pay or release all or any part of the sums from time to time standing to the credit of the Accounts in accordance with the written instructions of the Lender at any time or times to the extent that you are not prohibited from doing so by reason of Court Order or legal or regulatory requirements and always provided that you are not prevented from doing so by reason of technical or operational difficulties;
4. to comply with the terms of any written notice or instructions in any way relating to or purporting to relate to the charge specified above, the sums standing to the credit of the Accounts from time to time or the debts represented thereby which you receive at any time from the Lender without reference to, or further authority from, us and without any inquiry by you as to the justification for or validity of such notice or instructions.

Please also note that these instructions shall not be revoked or varied without the prior written consent of the Lender.

This letter shall be governed by English law.

Would you please confirm your agreement to the above by sending the enclosed acknowledgement to the Lender with a copy to ourselves.

Yours faithfully

For and on behalf of [*name of Company*]

.....  
(Authorised signatory)

Part 2

Form of Acknowledgement of Notice of Charge from the Account Bank

To: [name of Lender]

cc: [name of Company]

[• ]

Dear Sirs,

We confirm receipt from [• ] (the "**Company**") of a notice dated [• ] of a charge upon the terms of a Debenture dated [• ] of all moneys (including interest) from time to time standing to the credit of each of the Company's present and future accounts with us (the "**Accounts**") and the debt or debts represented thereby.

We confirm that we have not received notice of the interest of any third party in any of the Accounts.

We confirm that we will not claim or exercise any right of set-off or any combination of accounts or counterclaim in relation to the Company and/or the Accounts.

This letter shall be governed by English law.

Yours faithfully

for and on behalf of

[name of Account Bank]

.....  
(Authorised signatory)

## SCHEDULE 7

## Form of Security Accession Deed

THIS SECURITY ACCESSION DEED is made on [• ]

## BETWEEN:

- (1) [• ] Limited (a company incorporated in [England and Wales] with registered number [• ] (the "**New Company**");
- (2) **[Archant] Limited** (a company incorporated in England and Wales with registered number [• ] (the "**Parent**") for itself and as agent for and on behalf of each of the existing Companies; and
- (3) HSBC UK Bank Plc (the "**Lender**").

## RECITAL:

This deed is supplemental to a debenture dated [• ] between inter alia the Parent, the companies named therein and the Lender as previously supplemented and amended by earlier Security Accession Deeds (if any) (the "**Debenture**").

## NOW THIS DEED WITNESSES as follows:

## 1 INTERPRETATION

## 1.1 Definitions

Terms defined in the Debenture have the same meaning when used in this deed.

## 1.2 Construction

The provisions of Clauses 1.2 (*Construction of certain terms*) and 1.4 (*Facility Agreement definitions and construction*) of the Debenture will be deemed to be set out full in this deed, but as references in those clauses to the Debenture were references to this deed.

## 2 ACCESSION OF NEW CHARGING COMPANY

## 2.1 Accession

The New Company agrees to be a Company for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party to it as a Company.

## 2.2 Covenant to pay

The New Company hereby covenants that it will pay on demand to the Lender all moneys and discharge all obligations and liabilities now or hereafter due, owing or incurred by it to the Lender whether express or implied, present, future or contingent, joint or several, incurred as principal or surety determined in whatever currency or incurred on any banking account under or pursuant to the Finance Documents when the same become

due for payment or discharge and interest (as well after as before judgment) to date of payment at such rates and upon terms as may from time to time be payable and all commission, fees, expenses and other charges and all legal and other costs when the same became due for payment or discharge.

### 2.3 Fixed charges

The New Company, with full title guarantee, hereby charges to the Lender as a continuing security for the payment and discharge of the Secured Obligations:

- (a) by way of first legal mortgage, the Properties (if any) specified in Schedule 1 (*Properties*);
- (b) by way of first legal mortgage, all Properties (other than any property specified in Schedule 1 (*Properties*)) now owned by the New Company or in which the New Company has an interest;
- (c) by way of first fixed charge (to the extent not the subject of a legal mortgage by virtue of Clauses 2.3(a) or 2.3(b) all present and future Properties now or from time to time hereafter owned by the New Company or in which the New Company may have an interest;
- (d) by way of first fixed charge, the Equipment (if any) specified in Schedule 2 (*Equipment*) and the benefit of all contracts and warranties relating to the same;
- (e) by way of first fixed charge, all Equipment (other than any property specified in Schedule 2 (*Equipment*)) now or from time to time hereafter owned by the New Company or in which the New Company has an interest and the benefit of all contracts and warranties relating to the same;
- (f) by way of first fixed charge, all Securities now or from time to time hereafter owned by the New Company or in which the New Company has an interest;
- (g) by way of first fixed charge any and all amounts from time to time standing to the credit of the New Company in the Mandatory Prepayment Accounts;
- (h) by way of first fixed charge, the goodwill and uncalled capital of the New Company; and
- (i) if not effectively assigned by Clause 2.5 (*Security Assignment*), by way of first fixed charge all its rights and interests in (and claims under) the Assigned Agreements,

In addition to the above, the New Company hereby charges to the Lender as a continuing security for the payment and discharge of the Secured Obligations:

- (j) by way of first fixed charge, the Intellectual Property (if any) specified in Schedule 4 (*Intellectual Property*); and
- (k) by way of first fixed charge, all Intellectual Property (other than any Intellectual Property specified in Schedule 4 (*Intellectual Property*)), now or from time to time hereafter owned by the New Company or in which the New Company may have an interest.



## 2.4 Floating charge

The New Company, with full title guarantee, hereby charges to the Lender by way of first floating charge as a continuing security for the payment and discharge of the Secured Obligations its undertaking and all its property, assets and rights whatsoever and wheresoever both present and future, including, without limitation, its Inventory other than any property or assets from time to time effectively charged by way of legal mortgage or fixed charge or assignment pursuant to Clause 2.3 (*Fixed Charges*) or otherwise pursuant to this deed but including (without limitation and whether or not so effectively charged) any of its property and assets situated in Scotland.

## 2.5 Security Assignment

As further security for the payment and discharge of the Secured Obligations, the New Company assigns absolutely with full title guarantee to the Lender all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Secured Obligations the Lender will at the request and cost of the New Company re-assign the Assigned Agreements to the New Company (or as it shall direct).

Until the occurrence of an Event of Default which is continuing unremedied and unwaived, but subject to clause 5.1(c) (*Assigned Agreements*) of the Debenture, the relevant Company may continue to deal with the counterparties to the relevant Assigned Agreements.

## 3 CONSTRUCTION OF DEBENTURE

The Debenture and this deed shall be read together as one instrument on the basis that references in the Debenture to "**this deed**" will be deemed to include this deed.

## 4 CONSENT OF EXISTING CHARGING COMPANIES

The existing Companies agree to the terms of this deed and agree that its execution will in no way prejudice or affect the security granted by each of them under (and covenants given by each of them in) the Debenture.

## 5 NOTICES

The New Company confirms that its address details for notices in relation to clause 16.2 (*Addresses*) of the Debenture are as follows:

Address: [• ]

Facsimile: [• ]

Attention: [• ]

## 6 LAW

This deed (and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this deed) shall be governed by, and construed in accordance with, English law.

**IN WITNESS** whereof this deed has been duly executed on the date first above written.

**SCHEDULE 1**

**Properties**

**SCHEDULE 2**

**Equipment**

**SCHEDULE 3**

**Subsidiary Shares**

**SCHEDULE 4**

**Intellectual Property**

## SIGNATORIES TO DEED OF ACCESSION

**The New Company**

EXECUTED as a deed by )  
 [• ] )  
 acting by a director and its )  
 secretary or two directors )

..... Signature of director

..... Name of director

..... Signature of director/secretary

..... Name of director/secretary

**The Parent**

EXECUTED as a deed by )  
**ARCHANT LIMITED** )  
 for itself and as agent for the existing )  
 Companies acting by a director )  
 and its secretary or two directors )

..... Signature of director

..... Name of director

..... Signature of director/secretary

..... Name of director/secretary

**The Lender**

EXECUTED by )  
 )  
 Authorised signatory )  
 for and on behalf of )  
**HSBC UK BANK PLC** )

**SIGNATORIES TO DEBENTURE**

**PARENT**

**SIGNED** and **DELIVERED** as a )  
**DEED** by **ARCHANT LIMITED** )  
acting by two directors or by one )  
director and the secretary )



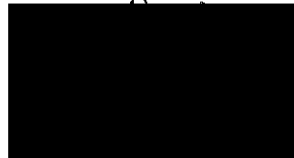
.....  
Director



.....  
Director/Secretary

**ORIGINAL SUBSIDIARIES**

**SIGNED** and **DELIVERED** as a )  
**DEED** by **ARCHANT** )  
**HOLDINGS LIMITED** acting by )  
two directors or by one director )  
and the secretary )



.....  
Director



.....  
Director/Secretary

**SIGNED** and **DELIVERED** as a )  
**DEED** by **ARCHANT** )  
**COMMUNITY MEDIA** )  
**HOLDINGS LIMITED** acting by )  
two directors or by one director )  
and the secretary )



.....  
Director



.....  
Director/Secretary

SIGNED and DELIVERED as a )  
DEED by ARCHANT )  
COMMUNITY MEDIA LIMITED )  
acting by two directors or by one )  
director and the secretary



.....  
Director



.....  
Director/Secretary

SIGNED and DELIVERED as a )  
DEED by ARCHANT BHGC )  
LIMITED acting by two directors )  
or by one director and the )  
secretary



.....  
Director



.....  
Director/Secretary

**LENDER**

**SIGNED** by )  
for and on behalf of **HSBC UK** )  
**BANK PLC** as authorised )  
signatory )

