

MR01

Particulars of a charge

148097/13



A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

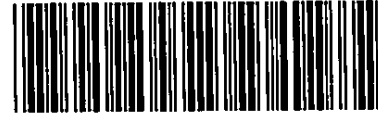
☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument. Use form

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form **must be delivered to the Registrar for registration**
21 days beginning with the day after the date of creation of the
charge. If it is delivered outside of the 21 days it will be rejected unless it is
delivered with a court order extending the time for delivery.

You **must** enclose a certified copy of the instrument with this
form, scanned and placed on the public record.



A03 22/08/2013 #259
COMPANIES HOUSE

THURSDAY

1 Company details

Company number 00053703

Company name in full THE READING FOOTBALL CLUB LIMITED
(the "Company")

24

For official use

→ **Filing in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 01/06/2008

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Vibrac Corporation

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

(a) all Real Property owned by the Company, and

(Real Property means

(1) any and all freehold, leasehold or immovable property of the Chargor including all land, cellars, vaults, underground tunnels, eaves, canopies structures and the like used or enjoyed in connection with it now or in the future, and

(11) any buildings, fixtures (including trade fittings), fittings, fixed plant or machinery and other structures from time to time situated on or forming part of it, and

(111) easements, access rights, rights of way, wayleaves and rights attaching to it)

(b) all other property which it has at the date of this Debenture or may subsequently acquire

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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Particulars of a charge

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

x Benjamin Heylton Passmore

This form must be signed by a person with an interest in the charge

MR01**Particulars of a charge****Presenter information**

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name TPEA/ 30907 13 31686807 v1

Company name Berwin Leighton Paisner LLP

Address Adelaide House

London Bridge

Post town London

County/Region

Postcode E C 4 R 9 H A

Country

DX 92 LONDON/CHANCERY LN

Telephone +44 (0)20 3400 1000

**Certificate**

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy

**Important information**

Please note that all information on this form will appear on the public record.

**How to pay**

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'

**Where to send**

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

**Further information**

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 53703

Charge code: 0005 3703 0024

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th August 2013 and created by THE READING FOOTBALL CLUB LIMITED was delivered pursuant to Chapter A1. Part 25 of the Companies Act 2006 on 22nd August 2013.

np

Given at Companies House, Cardiff on 27th August 2013



EXECUTION VERSION

DATED 16 August 2013

THE READING FOOTBALL CLUB LIMITED
as Chargor

VIBRAC CORPORATION
as Lender

DEBENTURE

WE HEREBY CERTIFY THAT, SAVE FOR
MATERIAL REDACTED PURSUANT TO
S 859G OF THE COMPANIES ACT 2006, THIS
COPY INSTRUMENT IS A CORRECT COPY OF
THE ORIGINAL INSTRUMENT /

Berwin Leighton Paisner LLP - 19/08/2013

BERWIN LEIGHTON PAISNER LLP
ADELAIDE HOUSE
LONDON BRIDGE
LONDON EC4R 9HA



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DATED 16 August 2017/3 BLP

PARTIES

- (1) **THE READING FOOTBALL CLUB LIMITED**, a company incorporated under the laws of England and Wales, with company number 0053703 whose registered office is at [REDACTED] (the "**Chargor**")
- (2) **VIBRAC CORPORATION**, a company incorporated under the laws of the British Virgin Islands whose registered office is at [REDACTED] (the "**Lender**")

BACKGROUND

- (A) The Lender has made available to the Chargor (as borrower) a facility pursuant to the Facility Letter.
- (B) It is a condition precedent to the Lender making the Facility available to the Chargor under the Facility Letter that the Chargor executes and delivers this Debenture to the Lender.
- (C) This Debenture supplements the Facility Letter and is the Debenture referred to in the Facility Letter.

THIS DEED WITNESSES as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture, unless a contrary indication appears:

"Assigned Rights" means all of the Assignor's rights, title and interest (whether present or future, actual or contingent) in and to the Receivables

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Bank Account" means any bank account opened or maintained at any time by the Chargor with any person other than the Lender (and any replacement account or subdivision or subaccount of that account and any renewal or re-designation of that account), the debt or debts represented by it and all Related Rights.

"Charged Property" means all the assets and undertaking of the Chargor which from time to time are the subject of the Security created or expressed to be created in favour of the Lender under this Debenture.

"Collateral Rights" means all rights, powers and remedies of the Lender provided under this Debenture or by law.

"Default" shall have the meaning ascribed to it in the Facility Letter.

"Equipment" means all fixed and moveable plant, machinery, tools, vehicles, computers, office equipment and other chattels owned by the Chargor (excluding any for the time being forming part of the Chargor's stock in trade or work in progress) and all Related Rights.

"Event of Default" shall have the meaning ascribed to it in the Facility Letter.

"Facility" means the facility made available to the Chargor (as borrower) by the Lender pursuant to the terms of the Facility Letter.

"Facility Fees Fund" means a fund established out of UK Broadcasting Money and distributed in accordance with Rule D.17.3.

"Facility Letter" means the facility letter entered into by the Lender and the Chargor (as borrower) dated on or about the date hereof as may be amended from time to time.

"Football Creditors" means each of the creditors referred to in rules E.23 and E.31 of the Rules.

"HMRC" means HM Revenue and Customs.

"Insurance Policy" means any policy of insurance in which the Chargor may from time to time have an interest and all Related Rights.

"LPA" means the Law of Property Act 1925.

"LRA" means the Land Registration Act 2002.

"Miscellaneous Provisions Act" means the Law of Property (Miscellaneous Provisions) Act 1994.

"Party" means a party to this Debenture.

"Premier League" means The Football Association Premier League Limited (or combination of association football clubs comprising the clubs known as the FA Premier League, or any replacement thereof by whatever name).

"Real Property" means:

- (a) any and all freehold, leasehold or immovable property of the Chargor including all land, cellars, vaults, underground tunnels, eaves, canopies, structures and the like used or enjoyed in connection with it now or in the future; and
- (b) any buildings, fixtures (including trade fittings), fittings, fixed plant or machinery and other structures from time to time situated on or forming part of it, and
- (c) easements, access rights, rights of way, wayleaves and rights attaching to it.

"Receivables" means all amounts (excluding VAT) due or owing to or which may be due or owing to or purchased or otherwise acquired or received by the Borrower from the Premier League for.

- (a) the Basic Award Fund (or "parachute payments" monies) due to the Borrower in August 2014 under Rules D 16.1, D17.1 and D27;
- (b) all payments to the Borrower relating to the Facility Fees Fund and Stabiliser Payments and any other payments due to the Borrower from the Premier League in August 2014; and

- (c) any other amounts due to the Borrower from the Premier League from and including August 2014.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property.

"Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements.

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, Security, guarantees, indemnities or covenants for title in respect of that asset; and
- (d) any moneys and proceeds paid or payable in respect of that asset,

(including all rights against any trustee, nominee, fiduciary or clearing system).

"Rules" means the rules of the Premier League from time to time in effect between the Premier League and its members.

"Secured Obligations" means all obligations at any time due, owing or incurred by the Chargor to any Secured Party under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or surety or in some other capacity).

"Security" shall have the meaning ascribed to it in the Facility Letter.

"Secured Party" means the Lender and any Receiver.

"Security Period" means the period starting on the date of this Debenture and ending on the date when the Lender is satisfied that:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full;
- (b) the Chargor has no liability, actual or contingent, to any Secured Party under any Finance Document;
- (c) no Secured Party has any liability, actual or contingent under any Finance Document; and
- (d) no Secured Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any Finance Document.

"Shares" means any and all shares owned by the Chargor from time to time together with all dividends, interest and other monies payable in respect of the Shares and all other rights, benefits and proceeds in respect of or derived from the

Shares (whether by way of redemption, bonus, preference, option, substitution, conversion or otherwise).

"Stabiliser Payments" means all amounts payable or which after the date hereof may become payable by the Premier League in August 2014 to the Borrower in respect of Overseas Broadcasting Money, Title Sponsorship Money, Commercial Contract Money and Radio Contract Money, each as defined in the Rules and whether or not such sums are in fact paid by the Premier League at any time prior to August 2014.

"Tax" shall have the meaning ascribed to it in the Facility Letter.

"Transaction Security" means the Security created or expressed to be created in favour of the Lender pursuant to the Security Documents.

1.2 **Defined expressions**

Defined terms in the Facility Letter shall have the same meanings when used in this Deed unless otherwise expressly defined in this Deed.

1.3 **Construction**

1.3.1 Unless a contrary indication appears any reference in this Debenture to:

- (a) the **"Lender"**, any **"Obligor"**, any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) **"assets"** includes present and future properties, revenues and rights of every description;
- (c) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced from time to time;
- (d) the words **"include(s)"**, **"including"** and **"in particular"** shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words;
- (e) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (f) the words **"other"** and **"otherwise"** shall not be construed ejusdem generis with any preceding words where a wider construction is possible;
- (g) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (h) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

- (i) any reference to "**this Debenture**" is a reference to this Debenture as amended, novated, supplemented, extended, restated or replaced from time to time;
- (j) a provision of law is a reference to that provision as amended or re-enacted; and
- (k) a time of day is a reference to London time.

1.3.2 Section, Clause and Schedule headings are for ease of reference only.

1.3.3 Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Debenture.

1.3.4 A Default or an Event of Default is "**continuing**" if it has not been remedied or waived in writing.

1.4 **Third party rights**

1.4.1 Each Secured Party and their respective officers, employees and agents¹ may enforce any term of this Debenture which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.

1.4.2 Notwithstanding any term of any Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all of any of their respective rights or obligations under this Debenture without the consent of any person who is not a Party.

1.5 **Effect as a deed**

This Debenture shall take effect as a deed even if it is signed under hand on behalf of the Lender.

1.6 **Disposition of property**

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated into each Finance Document (including this Debenture) to the extent required for any purported disposition of the Real Property contained in any Finance Document (including this Debenture) to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2 **COVENANT TO PAY**

The Chargor covenants with the Lender that it shall on demand pay and discharge the Secured Obligations when due (provided that neither this covenant nor the Security constituted by this Debenture shall extend to or include any liability or sum which would, but for this provision, cause this covenant or Security to be unlawful or prohibited by any applicable law)

¹ Please explain your specific concern

3 NATURE OF SECURITY

3.1 The Security created under this Debenture is created:

- (a) in favour of the Lender,
- (b) as a continuing security to secure the payment and discharge of the Secured Obligations, and
- (c) with full title guarantee (except that the covenant set out in section 3(1) of the Miscellaneous Provisions Act shall extend to all charges, encumbrances and rights, even if the Chargor does not know and could not reasonably be expected to know about them).

4 MORTGAGES AND CHARGES

4.1 Real Property

The Chargor charges:

- (a) by way of first legal mortgage all Real Property owned by the Chargor, and
- (b) by way of first fixed charge, except to the extent mortgaged under Clause 4.1(a), all other Real Property which it has at the date of this Debenture or may subsequently acquire.

4.2 Shares

The Chargor charges by way of first fixed charge all Shares, including those held for it by any nominee, trustee, fiduciary or clearing system.

4.3 Equipment

The Chargor charges by way of first fixed charge all Equipment in so far as it is not charged by way of legal mortgage under Clause 4.1 (*Real Property*).

4.4 Goodwill

The Chargor charges by way of first fixed charge its goodwill.

4.5 Uncalled capital

The Chargor charges by way of first fixed charge all rights in relation to its uncalled capital.

4.6 Authorisations

The Chargor charges by way of first fixed charge the benefit of all Authorisations held in relation to any Charged Property.

5 ASSIGNMENT

5.1 Receivables

The Chargor assigns to the Lender absolutely, subject to the proviso for reassignment under Clause 20.1 (*Redemption of Security*) all of its rights, title and interest in and to the Receivables.

5.2 Insurances

Following the occurrence of an Event of Default or upon crystallisation of the floating charge in accordance with Clause 8, the Chargor shall immediately on request by the Lender assign absolutely, subject to the proviso for reassignment under Clause 20.1 (*Redemption of Security*), all of its rights and interests under all Insurance Policies

5.3 Bank Accounts

Following the occurrence of an Event of Default or upon crystallisation of the floating charge in accordance with Clause 8, the Chargor shall immediately on request by the Lender assign absolutely, subject to the proviso for reassignment under Clause 20.1 (*Redemption of Security*), all of its rights and interests under the Bank Accounts.

6 FLOATING CHARGE

6.1 The Chargor charges by way of first floating charge all its present and future business, assets and undertaking which are not effectively mortgaged, assigned or charged by way of fixed charge under this Debenture.

6.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Debenture and the Lender may appoint an administrator of the Chargor under that paragraph.

7 TRUST

If, or to the extent that, the mortgaging, assignment or charging of any Charged Property is prohibited for any reason, the Chargor shall hold it on trust for the Lender.

8 CRYSTALLISATION OF FLOATING CHARGE

8.1 Crystallisation by notice

The Lender may at any time by notice in writing to the Chargor convert the floating charge created by Clause 6 (*Floating Charge*) with immediate effect into a fixed charge as regards any Charged Property specified in the notice if:

- (a) a Default is continuing;
- (b) the Lender considers that any of the Charged Property may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of legal process; or
- (c) the Lender considers that it is necessary or desirable to do so in order to protect the priority of the Security intended to be conferred by this Debenture.

8.2 Automatic crystallisation

Notwithstanding Clause 8.1 (*Crystallisation by notice*) and without prejudice to any law which may have a similar effect, the floating charge created by Clause 6 (*Floating Charge*) will convert automatically with immediate effect into fixed charges as regards all the assets subject to the floating charge if:

- (a) the Chargor creates or attempts to create any Security (other than the Transaction Security) over any Charged Property;
- (b) any person seizes, attaches, charges, takes possession of or sells any Charged Property under any form of distress, sequestration, execution or other process, or attempts to do so;
- (c) any steps are taken (including the giving of notice, the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the Chargor over all or any part of its assets, or if such person is appointed;
- (d) any other floating charge over any of the Charged Property crystallises; or
- (e) in any other circumstances prescribed by law.

8.3 Limitation

Clause 8.1 (*Crystallisation by notice*) and Clause 8.2 (*Automatic crystallisation*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

9 UNDERTAKINGS

9.1 Notices

9.1.1 The Chargor shall:

- (a) Immediately following the execution of this Debenture, deliver executed notices of assignment to the Premier League in the form set out in Part 1 of Schedule 1 (*Notice and acknowledgment of assignment – Receivables*) in respect of the Receivables;
- (b) on request by the Lender, such request to be made only after an Event of Default or upon crystallisation in accordance with Clause 8 (*Crystallisation of a Floating Charge*), deliver executed notices of assignment to the relevant third party in the form set out in Part 1 of Schedule 2 (*Notice and acknowledgment of assignment – Bank Accounts*) in respect of the Bank Accounts existing at that date and promptly on opening a Bank Account after that date; and
- (c) on request by the Lender, such request to be made only after an Event of Default or upon crystallisation in accordance with Clause 8 (*Crystallisation of Floating Charge*), deliver executed notices of assignment to the relevant third party in the form set out in (Schedule 3, Part 1 (*Form of Notice of Assignment*)) in respect of those Insurance Policies existing at that time.

9.1.2 In each case the Chargor shall use all reasonable endeavours to procure that the party to whom the notice is addressed completes and returns to the Lender an acknowledgment in the form of Part 2 of the relevant Schedule.

9.2 Negative pledge

The Chargor shall not, at any time during the Security Period, create or permit to subsist any Security over any Charged Property other than the Transaction Security.

9.3 Disposals

- 9.3.1 The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Charged Property without the Lender's prior written consent provided that nothing in this Debenture shall prevent the Chargor from buying and selling players or entering into loan arrangements for players in each case in the ordinary course of the Chargor's business

9.4 All Charged Property

9.4.1 The Chargor shall:

- (a) promptly upon becoming aware of the same, notify the Lender of (i) any action started by a third party to seize, attach, take possession of or create Security (other than the Transaction Security) over any of its assets; (ii) of any circumstances which may give rise to a claim on or under the Charged Property; and (iii) of anything which could in the reasonable opinion of the Chargor have a material adverse effect on the rights and interests of the Chargor to and in any of the Charged Property;
- (b) use its reasonable endeavours to promptly defend all claims that it believes it has a real prospect of defending brought in relation to the Charged Property and do whatever the Lender reasonably requires in relation to anything which could have a material adverse effect on the Chargor's rights and interests in the Charged Property; and
- (c) promptly provide the Lender with any information which it reasonably requests regarding the Chargor's business, the Charged Property and its compliance with this Debenture.

- 9.4.2 The Chargor shall permit the Lender, its representatives, professional advisers and contractors free access at all reasonable times and on reasonable notice to inspect and take copies of, and extracts from, the books, accounts and records of the Chargor and to view the Charged Property (without becoming liable as mortgagee in possession).

- 9.4.3 The Chargor shall punctually pay all rent, rent charges, rates, taxes, fees, charges, duties, levies, assessments, impositions, calls and outgoings whatsoever in respect of the Charged Property

- 9.4.4 The Chargor shall promptly obtain and maintain any Authorisations (in form and content reasonably satisfactory to the Lender) necessary or desirable to enable the assets of the Chargor to be subject to the Security intended to be created by this Debenture and, immediately on obtaining the Authorisation, the asset concerned shall become subject to that Security and the Chargor shall promptly deliver a copy of each Authorisation to the Lender.

- 9.4.5 The Chargor shall not, at any point during the Security Period, do or permit to be done any act or thing which might jeopardise the rights of the Lender in the

Charged Property or which might adversely affect or diminish the value of the Charged Property

- 9.4.6 The Chargor shall, on request, immediately deliver to the Lender evidence that the Chargor has complied with the provisions of this Clause 9 (*Undertakings*)

9.5 Real Property

9.5.1 The Chargor shall:

- (a) comply with all planning legislation, regulations and bye-laws which apply to the Real Property, with any orders made by a public body in respect of all or any part of the Real Property and with any conditions attaching to planning permissions affecting the Real Property;
- (b) punctually perform all obligations assumed by it in respect the Real Property; and
- (c) within five Business Days of receipt provide a copy of every material communication relating to the Real Property to the Lender and promptly comply with the Lender's reasonable instructions in relation to it.

- 9.5.2 The Chargor shall take all steps necessary or desirable to protect its rights under any lease to which the Charged Property is at any time subject.

- 9.5.3 The Chargor shall immediately notify the Lender if it acquires any Real Property.

9.5.4 The Chargor shall:

- (a) keep the Real Property in good repair (fair wear and tear excepted) to the satisfaction of the Lender;
- (b) replace any items which have become obsolete or are unfit for purpose; and
- (c) on receipt of a written request from the Lender (acting reasonably), immediately make good any damage.

9.5.5 The Chargor shall not:

- (a) remove any of the fixtures forming part of the Real Property or any plant or machinery (other than stock in trade or work in progress) on or in the Charged Property without the Lender's consent,
- (b) create any legal or equitable estate or interest in or over any Real Property, nor grant any licence to assign or sub-let any Real Property and ensure that no person becomes entitled to assert any proprietary interest or right over any Real Property;
- (c) do or permit to be done anything or allow any circumstances to arise whereby any of its interest in the Real Property could be determined or any right of re-entry or forfeiture could arise,
- (d) enter into any negotiations regarding, or consent to, the compulsory acquisition of any Real Property except where it is required by law to do so and with the Lender's consent. If the Lender so requests, the Chargor

shall permit the Lender or its representatives to conduct negotiations and/or give consent on its behalf,

- (e) allow any person other than itself to be registered under the LRA as proprietor of the Real Property or create or permit to arise any interest which falls within either or both of Schedules 1 and 3 of the LRA affecting the Real Property without the Lender's consent;
- (f) convert any freehold estate of any Real Property to a freehold estate in commonhold land under Part 1 of the Commonhold and Leasehold Reform Act 2002;
- (g) make, or agree to, any application to the Land Registrar to make an entry on the register of title of the Real Property without the Lender's consent, except as required under this Debenture; or
- (h) make any structural or material alteration, or allow anything to be done which falls with the definition of development in section 55 of the Town and Country Planning Act 1990.

9.5.6 In relation to any lease to which the Charged Property is at any time subject, the Chargor shall not:

- (a) exercise any of the powers reserved to a mortgagor by sections 99 and 100 of the LPA; or
- (b) accept any disposal or variation of any lease, tenancy or licence of, or relating to it.

9.6 Shares

9.6.1 The Chargor shall make all payments which become due in respect of any of the Shares and if it fails to do so, the Lender may make the payment on behalf of the Chargor at the cost and risk of the Chargor.

9.6.2 During the Security Period, the Chargor shall not appoint any nominee to exercise any of its membership rights in the Shares except as provided for under this Debenture.

9.6.3 Subject to Clause 9.6.4 and the terms of the Finance Documents, the Chargor may exercise, or direct the exercise of, the voting and other rights and powers attached to any Shares as it sees fit if those rights and powers are not exercised in any manner:

- (a) which would permit any variation of the rights attaching to, or conferred by, any Shares or an increase in the issued share capital of any company whose shares are charged under this Debenture;
- (b) which would breach the provisions of any Finance Document or prejudice the Shares or the Security intended to be created over them by this Debenture; or
- (c) which would, without the Lender's consent, approve any resolution in connection with a company voluntary arrangement, the appointment of an administrator, a voluntary winding-up or a compromise or arrangement under sections 895 to 901 of the Companies Act 2006.

9.6.4 While an Event of Default is continuing, the Lender (or Receiver) may (in the name of the Chargor or otherwise and without the Chargor's further consent or authority).

- (a) exercise (or refrain from exercising) any voting rights in respect of any Shares and/or any powers and rights conferred on the legal or beneficial owner of those Shares;
- (b) receive and retain, or direct the Chargor to pay to it, all dividends, interest and other moneys arising from any Shares; and
- (c) transfer any Shares into the name of such nominee(s) of the Lender as it shall require,

in such manner and on such terms as the Lender (or Receiver) may think fit, and the proceeds of the action shall form part of the Charged Property

9.6.5 While an Event of Default is continuing, the Chargor and any nominee(s) shall comply, or procure compliance, with any directions of the Lender (or any Receiver) in respect of the exercise of the rights set out in Clause 9.6.4 and shall promptly execute and deliver to the Lender (or such Receiver) any forms of proxy which are required.

9.7 Insurance

9.7.1 The Chargor shall at all times during the Security Period keep the Charged Property Insured.

9.7.2 The Chargor shall at all times during the Security Period:

- (a) ensure that all Insurance Policies contain (i) an endorsement naming the Lender as sole loss payee in respect of all claims, and (ii) a standard mortgagee clause;
- (b) promptly pay all sums payable under the Insurance Policies and, on request, promptly produce evidence of payment to the Lender; and
- (c) on request, deposit all Insurance Policies with the Lender.

9.7.3 After an Event of Default has occurred, the Chargor shall hold all moneys received under any Insurance Policy on trust for the Lender pending payment of that amount to the Lender and the Chargor waives any right it may have to apply that sum in reinstatement of any part of the Charged Property.

9.8 Accounts

The Chargor shall not close or permit any variation to the rights attaching to any Bank Account without the Lender's consent.

9.9 **Uncalled capital**

The Chargor shall not call up of its any uncalled capital or receive it in advance of calls unless the Lender otherwise directs, nor apply it, when paid, otherwise than in payment of the Secured Obligations or as the Lender otherwise directs.

9.10 **Receivables**

9.10.1 **Provision of information relating to Receivables**

- (a) The Chargor shall forthwith:
- (i) provide the Lender with any information which it requests about the Receivables or any matter relating to or affecting the Receivables; and
 - (ii) generally provide the Lender and its officers and representatives with full and prompt co-operation and assistance relating to the Assigned Rights.

9.10.2 **Positive Undertakings**

The Chargor will

- (i) promptly and diligently perform and observe its obligations and commitments to the Premier League or the Football League Limited as the case may be;
- (ii) promptly and diligently perform and observe its obligations and commitments to the Lender pursuant to the Finance Documents;
- (iii) notify the Lender, as soon as the Chargor becomes aware of the same, of:
 - (A) any act, omission, event or other matter which would (or would, with the passage of time) entitle the Premier League to suspend the Chargor in accordance with the Rules;
 - (B) any failure by the Chargor to pay a Football Creditor or HMRC the full amount payable to such Football Creditor or HMRC on the due date for payment,
 - (C) the occurrence of any Event of Default under any of the Finance Documents;
 - (D) any failure by the Chargor to make any payment in accordance with the Rules, due to any creditor, club or person of any kind described in the Rules.

9.10.3 **Negative Undertakings**

The Chargor will not, without the Lender's prior written consent:

- (i) do or permit any act or thing whereby the payment of the Receivables by the Premier League would or might reasonably be

expected (In the Lender's opinion) to be delayed, prevented or impeded; or

- (ii) take or omit to take any action the taking or omission of which would or might reasonably be expected (in the Lender's opinion) to impair the Lender's interest in the Receivables.

10 REPRESENTATIONS AND WARRANTIES

10.1 Security

The Chargor represents and warrants to the Lender (for its own benefit and as trustee for the benefit of the Secured Parties) on the date of this Debenture and on each day during the Security Period that:

- (a) it has not sold or disposed of, or created, granted or permitted to subsist any Security over, all or any of its right, title and interest in the Charged Property; and
- (b) the constitutional documents of the companies in respect of which the Shares are issued do not and could not restrict or inhibit (whether absolutely, partly, under a discretionary power or otherwise) the transfer of the Shares in relation to the enforcement of Security created under this Debenture.

11 ENFORCEMENT OF SECURITY

11.1 When the Security becomes enforceable

11.1.1 The Security created by this Debenture shall become enforceable immediately:

- (a) if a Default has occurred; or
- (b) if the Chargor requests the Lender to exercise any of its powers under this Debenture.

11.1.2 Clause 11.1 shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

11.2 Powers on enforcement

Any time after the Security created by this Debenture becomes enforceable, the Lender may, without notice to the Chargor or authorisation from any court and without prejudice to any other of its rights and remedies:

- (a) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit);
- (b) take possession of and hold or dispose of all or any part of the Charged Property;
- (c) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the LPA (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers; and

- (d) do anything in the name or on behalf of the Chargor which the Lender considers incidental or conducive to the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or the enforcement of all or any part of that Security.

11.3 Right of appropriation

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of the Chargor under it constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Regulations), the Lender shall have the right to appropriate all or any part of it in or towards discharge of the Secured Obligations and transfer title in and to it to the Lender. For this purpose, the Parties agree that the value of the financial collateral so appropriated shall be:

- (a) in the case of cash, the amount standing to the credit of each Third Party Account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised, and
- (b) in the case of Shares, the market price determined by the Lender by reference to a public index or by such other process as the Lender may select, including independent valuation.

In each case, the Parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

11.4 Priority of Enforcement

At any time that the Lender is entitled to enforce this Debenture and exercise its rights pursuant to Clause 10.2 above, the Lender shall exercise its rights against the Charged Property in the following priority order:

- (a) firstly, against the Receivables;
- (b) secondly, against all other Charged Property other than that described in paragraph 10.4(c) below; and
- (c) finally, against all amounts due, owing or received by the Chargor in relation to the sale of season tickets.

12 EXTENSION AND VARIATION OF THE LPA

12.1 Power of leasing

The statutory powers of leasing may be exercised by the Lender at any time on or after an Event of Default has occurred and the Lender and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by sections 99 and 100 of the LPA.

12.2 Extension of powers

The power of sale or other power conferred on the Lender and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and that power shall arise (and the Secured

Obligations shall be deemed due and payable for that purpose) on the date of this Debenture.

12.3 Restrictions

The restrictions contained in sections 93, 103 and 109(1) of the LPA shall not apply to:

- (a) this Debenture;
- (b) the exercise by the Lender of its right to consolidate all or any of the Security created by or under this Debenture with any other Security in existence at any time; or
- (c) the Lender's power of sale,

which rights and powers may be exercised by the Lender without notice to the Chargor.

13 APPOINTMENT OF RECEIVER OR ADMINISTRATOR

13.1 Appointment and removal

13.1.1 At any time after the Security created by this Debenture becomes enforceable, the Lender may, subject to paragraph 12.1 2 below, by deed or otherwise and without notice to the Chargor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- (b) appoint two or more Receivers of separate parts of the Charged Property;
- (c) remove (so far as it is lawfully able) any Receiver so appointed;
- (d) appoint another person(s) as an additional or replacement Receiver(s); or
- (e) appoint one or more persons to be an administrator of the Chargor.

13.1.2 Notwithstanding Clause 12.1.1(e) above, the Lender agrees that it will not appoint an administrator of the Chargor unless:

- (a) the Lender has received notice, in advance, of the intended appointment by another party of an administrator of the Chargor; or
- (b) the Lender has first enforced its security under Clause 5.1 against the Receivables and the exercise of such security has not produced sufficient proceeds to satisfy the Secured Obligations in full.

13.2 Capacity of Receivers

Each Receiver appointed under Clause 13.1 (*Appointment and removal*):

- (a) may act severally or together with any other person appointed or substituted as Receiver;
- (b) for all purposes shall be deemed to be the agent of the Chargor which shall be solely responsible for the Receiver's acts, omissions, defaults, losses

and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Lender, and

- (c) shall be entitled to remuneration for his services at a rate to be determined by the Lender from time to time (without being limited to the maximum rate specified by s109(6) of the LPA). The Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of every Receiver.

13.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Lender under the LPA (as extended by this Debenture) or otherwise and those powers shall remain exercisable from time to time by the Lender in respect of any part of the Charged Property.

14 POWERS OF RECEIVER

Subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Chargor, in relation to the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) every Receiver shall have, and be entitled to exercise at the cost of the Chargor, all the powers:

- (a) conferred by the LPA on mortgagors and on mortgagees in possession and on receivers appointed under the LPA;
- (b) of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (to the extent applicable, whether or not the Receiver is an administrative receiver within the meaning of the Insolvency Act 1986);
- (c) in relation to the Charged Property, which it would have if it were its only beneficial owner including the power to do or omit to do anything which the Chargor itself could do or omit to do;
- (d) of the Lender under this Debenture; and
- (e) to do anything (including bringing or defending proceedings in the name or on behalf of the Chargor) which the Receiver considers incidental or conducive to any of the functions vested in him, to the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or to getting in any Charged Property or assets which when got in would be Charged Property.

15 APPLICATION OF MONEYS

15.1.1 The Lender or any Receiver shall apply all moneys received by them under this Debenture after the Security created under this Debenture has become enforceable in the following order:

- (a) **firstly**, in or towards the payment pro rata of any unpaid costs and expenses of the Lender or any Receiver under this Debenture and interest on them at the rate set out in clause 4 to the Facility Letter (both before and after judgment) from their due date until the date they are irrevocably paid in full,

- (b) **secondly**, in or towards the payment pro rata of any unpaid fees, commission or remuneration of the Lender and any Receiver;
- (c) **thirdly**, in or towards the discharge of all liabilities having priority to the Secured Obligations;
- (d) **fourthly**, in or towards the discharge of the Secured Obligations; and
- (e) **fifthly**, in the payment of any surplus to the Chargor or other person entitled to it,

and section 109(8) of the LPA shall not apply.

- 15.1.2 The provisions in Clause 15.1.1 will override any appropriation made by the Chargor.

16 PROTECTION OF PURCHASERS

16.1 Consideration

- 16.1.1 A receipt from the Lender or any Receiver shall be conclusive discharge to any purchaser or other person dealing with the Lender or any Receiver.

- 16.1.2 In making any sale or disposal of any of the Charged Property or making any acquisition, the Lender or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

16.2 Protection of purchasers

No purchaser or other person dealing with the Lender or any Receiver shall be bound to enquire:

- (a) whether the rights and powers conferred by or under any Finance Document have arisen or are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to those rights have been obtained or complied with,
- (c) as to the propriety or regularity of acts purporting, or intended, to be in exercise of those rights; or
- (d) as to the application of any money borrowed or raised,

and the protection to purchasers contained in sections 104 and 107 of the LPA and section 42(3) of the Insolvency Act 1986 shall apply to any purchaser.

17 FURTHER ASSURANCE

17.1 Further assurance

- 17.1.1 The Chargor shall execute any document and do anything else the Lender reasonably requires (and in such form as the Lender reasonably requires):

- (a) to give effect to this Debenture and the transactions intended to be effected by it;

- (b) to create, perfect, protect and preserve the Security intended to be created by this Debenture and its ranking with any other Security over any Charged Property;
 - (c) to exercise any rights, powers and discretions of the Lender, any Receiver or any administrator in connection with any Charged Property;
 - (d) to facilitate the realisation of any Charged Property;
 - (e) to enable or assist the Lender to enter into any transaction to start, defend or conduct any proceedings and/or take any other action relating to any Charged Property in any jurisdiction or under the law of any jurisdiction; and/or
 - (f) for any similar or related purpose.
- 17.1.2 The Chargor shall deliver to the Lender such evidence of the due authorisation and execution of any document delivered or thing done under Clause 17.1.1 as the Lender may require.
- 17.2 Delivery of documents**
- 17.2.1 On the date of this Debenture and the acquisition by the Chargor of any interest in any Real Property, the Chargor shall deliver to the Lender, and the Lender shall be entitled to hold during the Security Period, all documents constituting or evidencing title relating to the Real Property.
- 17.2.2 The Chargor shall:
- (a) on the date of this Debenture, deposit with the Lender (or procure the deposit of) all certificates or other documents of title to the Shares and stock transfer forms (executed in blank by or on behalf of the Chargor), and
 - (b) promptly on the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from any of the Shares, notify the Lender of that occurrence and procure the delivery to the Lender of all certificates or other documents of title representing those securities and such stock transfer forms or other instruments of transfer (executed in blank by or on behalf of the Chargor) as the Lender may request.
- 17.2.3 The Chargor shall, on request, immediately deliver to the Lender, and the Lender shall be entitled to hold during the Security Period, all other certificates and documents of title to and evidence of ownership of the assets which form the Charged Property.

18 POWER OF ATTORNEY

18.1 Appointment and powers

Following the occurrence of a Default, the Chargor irrevocably and by way of security appoints the Lender and any Receiver jointly and severally to be its attorney (with full power of substitution) and in its name, on its behalf to execute, deliver and perfect all documents and do all things which the attorney may consider necessary or desirable to:

- (a) carry out any obligation imposed on the Chargor by this Debenture or any other agreement binding on it to which the Lender is party; and
- (b) enable the Lender and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them under this Debenture or by law; and
- (c) take any action in the name of the Chargor in relation to the enforcement of all or any part of the Security.

18.2 Ratification

The Chargor ratifies and confirms all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

19 EFFECTIVENESS OF SECURITY

19.1 Cumulative rights

The Security created under this Debenture and the Collateral Rights shall be cumulative, in addition to and independent of every other Security which the Lender or any Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Lender (whether in its capacity as Lender or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge with any contractual right or remedy or other Security now or in the future held or available to any Secured Party.

19.2 No prejudice

Neither the Security created under this Debenture nor the Collateral Rights shall be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Lender (whether in its capacity as trustee or otherwise) or any other Secured Party or by any variation of the terms of the trust on which the Lender holds the Security or by anything else which might otherwise prejudice that Security or any Collateral Right.

19.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right or remedy under this Debenture shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Debenture are cumulative and not exclusive of any rights or remedies provided by law.

19.4 Effectiveness of Security

The Security created under this Debenture shall remain in full force and effect unless and until discharged by the Lender following the full and irrevocable discharge and satisfaction of the Secured Obligations. No part of the Security from time to time intended to be constituted by this Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

19.5 No liability

19.5.1 None of the Secured Parties shall be liable (including for negligence or any other category of liability whatsoever) for any action taken by it under or in connection with this Debenture, for any neglect or default in connection with the Charged Property or for taking possession of, or realising all or any part of, the Charged Property, unless directly caused by its gross negligence or wilful default. In particular, no Secured Party shall be liable for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable.

19.5.2 The exercise by the Lender and/or others appointed by it of the powers conferred by this Debenture shall not render the Lender liable to account as a mortgagee in possession.

19.6 Immediate recourse

The Chargor waives any right it may have of first requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from the Chargor under this Debenture. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

19.7 Deferral of rights

During the Security Period, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or the enforcement of the Security created by it to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or Security taken under, or in connection with, this Debenture by the Lender.

19.8 New accounts

If the Lender receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Charged Property it may open a new account or accounts in the name of the Chargor and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by or on behalf of the Chargor to the Lender:

- (a) shall be credited or be treated as having been credited to the new account of the Chargor; and
- (b) shall not operate to reduce the Secured Obligations at the time when the Lender received or was deemed to have received the notice.

20 RELEASE OF SECURITY**20.1 Redemption of Security**

At the end of the Security Period, the Lender shall release and cancel the Security constituted by this Debenture and reassign the assets assigned under this Debenture to the Chargor at the request and cost of the Chargor (such costs to be properly incurred), in each case subject to Clause 20.2 (*Avoidance of payments*) and without recourse to, or any representation or warranty by, the Lender or any of its nominees.

20.2 Avoidance of payments

If the Lender considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under, and the Security constituted by, this Debenture shall continue and that amount shall not be considered to have been irrevocably paid.

20.3 Other obligations

Any release or discharge of all or any of the Security created by this Debenture shall not release or discharge the Chargor from any liability to the Lender (whether in its capacity as such or otherwise) or any other Secured Party which might exist independently of this Debenture.

21 CURRENCY

The Lender may convert any moneys received, recovered or realised in any currency under this Debenture from their existing currency into any other currency by purchasing that other currency at the spot rate of exchange for that party for the purchase of any currency with any other currency in the London foreign exchange market.

22 SET-OFF

The Lender may set off the Secured Obligations (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to the Chargor, 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.

23 ASSIGNMENT

23.1 The Lender may assign any of its rights under this Debenture to any person.

23.2 The Lender may disclose to any assignee or proposed assignee any information it thinks fit in relation to the Chargor and the Finance Documents.

24 NOTICES

24.1 Communications in writing

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

24.2 Addresses

The address, fax number and email address (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 the Debenture is:

- (a) the Borrower:

The Reading Football Club Limited



Attention: Bryan Stabler
Telephone: 0118 968 1011
Email: bstabler@readingfc.co.uk

- (b) the Lender:

Vibrac Corporation
c/o Berwin Leighton Paisner LLP



Fax no: +44 (0)20 3400 1111
Email: graham.shear@blplaw.com/keith.wilson@blplaw.com
Attn: Graham Shear/Keith Wilson

or any substitute address, fax number, email address or department or officer as one Party may notify to the other by not less than five Business Days' notice.

24.3 Delivery

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

- (a) if by way of fax, when received in legible form; or
- (b) 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 24.2 (*Addresses*) if addressed to that department or officer.

- 24.3.2 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

24.4 English language

- 24.4.1 Any notice given under or in connection with this Debenture must be in English.
- 24.4.2 All other documents provided under or in connection with this Debenture must be:
- (a) in English; or

- (b) 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.

25 **PARTIAL INVALIDITY**

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

26 **AMENDMENTS AND WAIVERS**

Any term of this Debenture may be amended or waived only with the consent of the Lender and the Chargor.

27 **COUNTERPARTS**

This Debenture 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 the Debenture

28 **GOVERNING LAW**

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

29 **ENFORCEMENT**

29.1 **Jurisdiction**

29.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or any non-contractual obligation arising out of or in connection with this Debenture) (a "**Dispute**").

29.1.2 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.

29.1.3 This Clause 29.1 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.

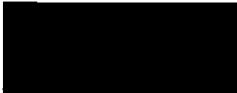
This Debenture has been executed as a deed and delivered on the date stated at the beginning of this Debenture.

Schedule 1
Notice and acknowledgment of assignment - Receivables

Part 1
Form of Notice of Assignment

[on headed notepaper of The Reading Football Club Limited]

The Football Association Premier League Limited



_____ 2013

Dear Sirs

Assignment of Central Funds (as defined in the Premier League Rules) pursuant to a debenture between us (as borrower) and Vibrac Corporation (as lender) (the "Lender") dated _____ 2013, (the "Debenture").

In this Notice reference to "Premier League" means, as appropriate, The Football Association Premier League Limited or combination of association football clubs comprising the clubs known as the FA Premier League, or any replacement thereof by whatever name.

In this Notice any reference to a "Rule" means the relevant Rule of the rules of the Premier League for the time being in effect between the Premier League and its members.

- 1 We hereby give you written notice that as part of the security given by the Debenture (including a fixed and floating charge over all of our assets and undertaking) and in compliance with Rule D 33 we have, assigned to the Lender all our right, title and interest in and to all amounts (excluding VAT) due or owing to or which may be due or owing to or purchased or otherwise acquired by us from the Premier League in relation to:
 - (a) the Basic Award Fund (or "parachute payments" monies) due to the Borrower in August 2014 under Rules D 16.1, D17 1 and D27;
 - (b) all payments to the Borrower relating to the Facility Fees Fund and Stabiliser Payments and any other payments due to the Borrower from the Premier League in August 2014; and
 - (c) any other amounts due to the Borrower from the Premier League from and including August 2014 (the "**Assigned Property**").
- 2 We confirm that the Lender understands that the Club's entitlement to future distributions of any Central Funds (as defined in the Rules) is subject to the provisions of the Articles of Association of the Premier League and the Rules.
- 3 We hereby irrevocably authorise and instruct you to pay all monies whatsoever (excluding VAT) due or owing to us under or by virtue of the payments identified in paragraphs 1(a) to (c) inclusive (up to a maximum sum of £11,749,198 plus any default interest, legal and other costs, charges and expenses due or owing by us to the Lender) to:

Bank:
Sort Code:



EXECUTION VERSION

Account No.: 
SWIFT BIC.
Reference: GSHE/KWLS/30907.13

(whose receipt shall be a full and sufficient discharge of such payment) or to such Bank and account as the Lender may notify you from time to time and all rights, powers and discretions exercisable by us under or in connection with the Assigned Property shall, upon receipt of written notice from the Lender, then be exercisable by the Lender and all notices shall be given to the Lender or as it directs.

- 4 We further hereby irrevocably instruct and authorise you to furnish, following receipt of a notice from the Lender in accordance with paragraph 4 above, to the Lender all information in relation to the monies due or owing to us under or by virtue of the Assigned Property as we would be entitled to receive ourselves.
- 5 This authority and instruction is declared to be irrevocable without the prior written consent of the Lender.
- 6 We remain liable to you to perform all the obligations assumed by us in respect of the Assigned Property and the Lender is to be under no such obligations.

Please acknowledge receipt of this Notice and these instructions.

Yours faithfully

for and on behalf of
The Reading Football Club Limited

Part 2
Form of Acknowledgment

[on headed notepaper of The Football Association Premier League Limited]

Vibrac Corporation


c/o Berwin Leighton Paisner LLP


Attention: Graham Shear/ Kelth Wilson

and:

The Reading Football Club Limited


Attention: Bryan Stabler

_____ 2013

Dear Sirs

Notice of Assignment (the "Notice") between Reading Football Club Limited (the "Club") and Vibrac Corporation (the "Lender")

We confirm receipt of the Notice (a copy of which is attached to this letter) and confirm we will comply with its terms subject to the provisions of the Articles of Association of the Premier League and the Rules.

Nothing in either the Debenture (as defined in the Notice) or the Notice itself shall in any way prevent or restrict us from amending the Rules in accordance with our constitution in any manner; and nothing in either the Debenture or the Notice itself shall impose any obligation on us (other than the obligation to account to the Lender as set out in such Notice) or any obligations towards any third party (i.e. other than the Club or the Lender).

This letter is subject to the Rules and rule numbering in force at the relevant time of making payment under the Notice.

Yours faithfully

.....
for and on behalf of
**THE FOOTBALL ASSOCIATION
PREMIER LEAGUE LIMITED**

Schedule 2
Notice and acknowledgment of assignment - Bank Accounts

Part 1
Form of notice of assignment

To. *[Provider of the Secured Account]*

Date: [•]

Dear Sirs

[Description of relevant account] (the "Secured Account")

- 1 We refer to the Secured Account (which expression shall include all moneys standing to the credit of that account now or in the future).
- 2 We give you notice that by a debenture dated [•] (the "**Debenture**") between us and Vibrac Corporation (the "**Lender**"), we have assigned all of our rights and interests under the Secured Account to the Lender.
- 3 We irrevocably and unconditionally instruct and authorise you:
 - (a) not to release any moneys from the Secured Account without the Lender's written consent;
 - (b) that all our rights in connection with the Secured Account are exercisable only by (or with the consent of) the Lender; and
 - (c) to disclose any information relating to the Secured Account which the Lender may from time to time request.
- 4 You confirm that:
 - (a) you do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, deduction, set-off or any other equities against us or the Lender in respect of the Secured Account; and
 - (b) no amendment, waiver or release of any right or obligation in connection with the Secured Account and no termination or rescission of the Secured Account by us shall be effective without the Lender's written consent and in any event no such termination or rescission shall be effective unless you have given notice to the Lender
- 5 Notwithstanding anything in this notice or otherwise we (and not the Lender or its appointees) shall be liable under the Secured Account to perform all the obligations assumed by us under it
- 6 The instructions and authorisations contained in this letter shall remain in full force and effect until the Lender gives you written notice revoking them.
- 7 Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgment and returning it to the Lender.

EXECUTION VERSION

8 This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

For and on behalf of The Reading Football Club Limited

Part 2
Form of acknowledgment

To: [Lender]

[Address]

For the attention of: [•]

Date: [•]

Dear Sirs

[Description of relevant account]

- 1 We acknowledge receipt of a notice dated [•] (the "Notice") and addressed to us by [the Chargor] (the "Chargor").
- 2 Terms defined in the Notice but not in this acknowledgment shall have the same meaning in this acknowledgment as in the Notice.
- 3 We confirm our acceptance of the instructions and authorisations contained in the Notice and consent to the assignment in your favour.
- 4 We acknowledge and confirm that:
 - (a) we have not received notice of any previous assignments or charges of or over the Secured Account;
 - (b) we will not release any moneys from the Secured Account without your written consent;
 - (c) all the Chargor's rights in connection with the Secured Account are exercisable only by you (or with your consent);
 - (d) we will disclose to you any information relating to the Secured Account which you may from time to time request;
 - (e) we do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, rights of deduction, set-off or any other equities against you or the Chargor in respect of the Secured Account;
 - (f) no amendment, waiver or release of any right or obligation in connection with the Secured Account and no termination or rescission of the Secured Account by the Chargor shall be effective without your written consent;
 - (g) the Chargor (and not you or your appointees) shall be liable under the Secured Account to perform all the obligations assumed by the Chargor under it; and
 - (h) these instructions may not be altered without your written consent.

EXECUTION VERSION

5 This letter is governed by, and shall be construed in accordance with, English law

Yours faithfully

.

For and on behalf of [provider of the Secured Account]

Schedule 3
Notice of acknowledgment and assignment - Insurance Policies

Part 1
Form of Notice of Assignment

To: [*Insurer*]

Date: [●]

Dear Sirs

Policy number [●] (the "Policy")

- 1 We refer to the Policy, brief details of which are set out below.
- 2 We give you notice that by a debenture dated [●] (the "**Debenture**") between us and Vibrac Corporation (the "**Lender**"), we have assigned all of our rights and interests under the Policy to the Lender.
- 3 We request that the rights of the Lender under this assignment be clearly noted in the Policy and that you provide the Lender with evidence of that notice.
- 4 The instructions and authorisations contained in this letter shall remain in full force and effect until the Lender gives you written notice revoking them.
- 5 Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgment and returning it to the Lender.
- 6 This letter is governed by, and shall be construed in accordance with, English law

Yours faithfully

.....
For and on behalf of The Reading Football Club Limited

EXECUTION VERSION

Details of the Policy

Name of insured [●]

Nature of Policy: [●]

Policy number: [●]

Renewal date: [●]

Part 2
Form of Acknowledgment of Assignment

To: [Lender]
[Address]

For the attention of: [•]

Date: [•]

Dear Sirs

Policy Number [•]

- 1 We acknowledge receipt of a notice dated [•] (the "**Notice**") and addressed to us by [the Chargor] (the "**Chargor**")
- 2 Terms defined in the Notice but not in this acknowledgment shall have the same meaning in this acknowledgment as in the Notice.
- 3 We confirm our acceptance of the Instructions and authorisations contained in the Notice.
- 4 We acknowledge and confirm that:
 - (a) we have not, as at the date of this acknowledgment, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect, of the rights of the Chargor under or in respect of the Policy;
 - (b) the interest of the Lender in the Policy regarding which the Chargor has assigned its rights shall be clearly noted and evidence provided to you of that notice; and
 - (c) these instructions may not be altered without your written consent.
- 5 This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

... ..
For and on behalf of [*Insurer*]

EXECUTION PAGE

THE CHARGOR

Executed as a deed by **THE READING
FOOTBALL CLUB LIMITED** acting by
in the presence of:

)
)
)
)


Director

Name of witness:

Signature of witness:

Address:

Occupation:


JEREMY PARKES
1 LONDON ST
READING
SOMERSET

THE LENDER

Executed as a deed by
VIBRAC CORPORATION acting by
in the presence of:

)
)
)
)

Director

Name of witness:

Signature of witness:

Address:

Occupation:

DATED 16 August 2013

THE READING FOOTBALL CLUB LIMITED
as Chargor

VIBRAC CORPORATION
as Lender

DEBENTURE

WE HEREBY CERTIFY THAT, SAVE FOR
MATERIAL REDACTED PURSUANT TO
S 859G OF THE COMPANIES ACT 2006,
THIS COPY INSTRUMENT IS A CORRECT
COPY OF THE ORIGINAL INSTRUMENT

Berwin Leighton Paisner LLP
19 AUGUST 2013
BERWIN LEIGHTON PAISNER LLP
ADELAIDE HOUSE, LONDON BRIDGE,
LONDON, EC4R 9HA



Berwin Leighton Paisner LLP
Adelaide House London Bridge London EC4R 9HA
Tel. +44 (0)20 3400 1000 Fax +44 (0)20 3400 1111

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DATED 16 August 2017 3 BLP

PARTIES

- (1) **THE READING FOOTBALL CLUB LIMITED**, a company incorporated under the laws of England and Wales, with company number 0053703 whose registered office is at [REDACTED] (the "**Chargor**")
- (2) **VIBRAC CORPORATION**, a company incorporated under the laws of the British Virgin Islands whose registered office is at [REDACTED] (the "**Lender**")

BACKGROUND

- (A) The Lender has made available to the Chargor (as borrower) a facility pursuant to the Facility Letter.
- (B) It is a condition precedent to the Lender making the Facility available to the Chargor under the Facility Letter that the Chargor executes and delivers this Debenture to the Lender.
- (C) This Debenture supplements the Facility Letter and is the Debenture referred to in the Facility Letter.

THIS DEED WITNESSES as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture, unless a contrary indication appears:

"Assigned Rights" means all of the Assignor's rights, title and interest (whether present or future, actual or contingent) in and to the Receivables.

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Bank Account" means any bank account opened or maintained at any time by the Chargor with any person other than the Lender (and any replacement account or subdivision or subaccount of that account and any renewal or re-designation of that account), the debt or debts represented by it and all Related Rights.

"Charged Property" means all the assets and undertaking of the Chargor which from time to time are the subject of the Security created or expressed to be created in favour of the Lender under this Debenture.

"Collateral Rights" means all rights, powers and remedies of the Lender provided under this Debenture or by law.

"Default" shall have the meaning ascribed to it in the Facility Letter.

"Equipment" means all fixed and moveable plant, machinery, tools, vehicles, computers, office equipment and other chattels owned by the Chargor (excluding any for the time being forming part of the Chargor's stock in trade or work in progress) and all Related Rights.

"Event of Default" shall have the meaning ascribed to it in the Facility Letter.

"Facility" means the facility made available to the Chargor (as borrower) by the Lender pursuant to the terms of the Facility Letter.

"Facility Fees Fund" means a fund established out of UK Broadcasting Money and distributed in accordance with Rule D.17.3.

"Facility Letter" means the facility letter entered into by the Lender and the Chargor (as borrower) dated on or about the date hereof as may be amended from time to time.

"Football Creditors" means each of the creditors referred to in rules E.23 and E.31 of the Rules.

"HMRC" means HM Revenue and Customs.

"Insurance Policy" means any policy of insurance in which the Chargor may from time to time have an interest and all Related Rights.

"LPA" means the Law of Property Act 1925.

"LRA" means the Land Registration Act 2002.

"Miscellaneous Provisions Act" means the Law of Property (Miscellaneous Provisions) Act 1994.

"Party" means a party to this Debenture.

"Premier League" means The Football Association Premier League Limited (or combination of association football clubs comprising the clubs known as the FA Premier League, or any replacement thereof by whatever name).

"Real Property" means:

- (a) any and all freehold, leasehold or immovable property of the Chargor including all land, cellars, vaults, underground tunnels, eaves, canopies, structures and the like used or enjoyed in connection with it now or in the future; and
- (b) any buildings, fixtures (including trade fittings), fittings, fixed plant or machinery and other structures from time to time situated on or forming part of it; and
- (c) easements, access rights, rights of way, wayleaves and rights attaching to it.

"Receivables" means all amounts (excluding VAT) due or owing to or which may be due or owing to or purchased or otherwise acquired or received by the Borrower from the Premier League for:

- (a) the Basic Award Fund (or "parachute payments" monies) due to the Borrower in August 2014 under Rules D 16.1, D17.1 and D27;
- (b) all payments to the Borrower relating to the Facility Fees Fund and Stabiliser Payments and any other payments due to the Borrower from the Premier League in August 2014; and

- (c) any other amounts due to the Borrower from the Premier League from and including August 2014.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property.

"Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements.

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
 - (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
 - (c) all rights, powers, benefits, claims, contracts, warranties, remedies, Security, guarantees, indemnities or covenants for title in respect of that asset; and
 - (d) any moneys and proceeds paid or payable in respect of that asset,
- (including all rights against any trustee, nominee, fiduciary or clearing system).

"Rules" means the rules of the Premier League from time to time in effect between the Premier League and its members.

"Secured Obligations" means all obligations at any time due, owing or incurred by the Chargor to any Secured Party under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or surety or in some other capacity).

"Security" shall have the meaning ascribed to it in the Facility Letter.

"Secured Party" means the Lender and any Receiver.

"Security Period" means the period starting on the date of this Debenture and ending on the date when the Lender is satisfied that:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full;
- (b) the Chargor has no liability, actual or contingent, to any Secured Party under any Finance Document;
- (c) no Secured Party has any liability, actual or contingent under any Finance Document; and
- (d) no Secured Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any Finance Document.

"Shares" means any and all shares owned by the Chargor from time to time together with all dividends, interest and other monies payable in respect of the Shares and all other rights, benefits and proceeds in respect of or derived from the

Shares (whether by way of redemption, bonus, preference, option, substitution, conversion or otherwise).

"Stabiliser Payments" means all amounts payable or which after the date hereof may become payable by the Premier League in August 2014 to the Borrower in respect of Overseas Broadcasting Money, Title Sponsorship Money, Commercial Contract Money and Radio Contract Money, each as defined in the Rules and whether or not such sums are in fact paid by the Premier League at any time prior to August 2014.

"Tax" shall have the meaning ascribed to it in the Facility Letter.

"Transaction Security" means the Security created or expressed to be created in favour of the Lender pursuant to the Security Documents.

1.2 **Defined expressions**

Defined terms in the Facility Letter shall have the same meanings when used in this Deed unless otherwise expressly defined in this Deed.

1.3 **Construction**

1.3.1 Unless a contrary indication appears any reference in this Debenture to:

- (a) the **"Lender"**, any **"Obligor"**, any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) **"assets"** includes present and future properties, revenues and rights of every description;
- (c) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced from time to time;
- (d) the words **"include(s)"**, **"including"** and **"In particular"** shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words;
- (e) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (f) the words **"other"** and **"otherwise"** shall not be construed ejusdem generis with any preceding words where a wider construction is possible;
- (g) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (h) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

- (i) any reference to "**this Debenture**" is a reference to this Debenture as amended, novated, supplemented, extended, restated or replaced from time to time;
- (j) a provision of law is a reference to that provision as amended or re-enacted; and
- (k) a time of day is a reference to London time.

1.3.2 Section, Clause and Schedule headings are for ease of reference only.

1.3.3 Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Debenture.

1.3.4 A Default or an Event of Default is "**continuing**" if it has not been remedied or waived in writing.

1.4 **Third party rights**

1.4.1 Each Secured Party and their respective officers, employees and agents¹ may enforce any term of this Debenture which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.

1.4.2 Notwithstanding any term of any Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all of any of their respective rights or obligations under this Debenture without the consent of any person who is not a Party.

1.5 **Effect as a deed**

This Debenture shall take effect as a deed even if it is signed under hand on behalf of the Lender.

1.6 **Disposition of property**

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated into each Finance Document (including this Debenture) to the extent required for any purported disposition of the Real Property contained in any Finance Document (including this Debenture) to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2 **COVENANT TO PAY**

The Chargor covenants with the Lender that it shall on demand pay and discharge the Secured Obligations when due (provided that neither this covenant nor the Security constituted by this Debenture shall extend to or include any liability or sum which would, but for this provision, cause this covenant or Security to be unlawful or prohibited by any applicable law).

¹ Please explain your specific concern

3 NATURE OF SECURITY

3.1 The Security created under this Debenture is created:

- (a) in favour of the Lender;
- (b) as a continuing security to secure the payment and discharge of the Secured Obligations; and
- (c) with full title guarantee (except that the covenant set out in section 3(1) of the Miscellaneous Provisions Act shall extend to all charges, encumbrances and rights, even if the Chargor does not know and could not reasonably be expected to know about them).

4 MORTGAGES AND CHARGES

4.1 Real Property

The Chargor charges:

- (a) by way of first legal mortgage all Real Property owned by the Chargor; and
- (b) by way of first fixed charge, except to the extent mortgaged under Clause 4.1(a), all other Real Property which it has at the date of this Debenture or may subsequently acquire.

4.2 Shares

The Chargor charges by way of first fixed charge all Shares, including those held for it by any nominee, trustee, fiduciary or clearing system.

4.3 Equipment

The Chargor charges by way of first fixed charge all Equipment in so far as it is not charged by way of legal mortgage under Clause 4.1 (*Real Property*).

4.4 Goodwill

The Chargor charges by way of first fixed charge its goodwill.

4.5 Uncalled capital

The Chargor charges by way of first fixed charge all rights in relation to its uncalled capital.

4.6 Authorisations

The Chargor charges by way of first fixed charge the benefit of all Authorisations held in relation to any Charged Property.

5 ASSIGNMENT

5.1 Receivables

The Chargor assigns to the Lender absolutely, subject to the proviso for reassignment under Clause 20.1 (*Redemption of Security*) all of its rights, title and interest in and to the Receivables.

5.2 Insurances

Following the occurrence of an Event of Default or upon crystallisation of the floating charge in accordance with Clause 8, the Chargor shall immediately on request by the Lender assign absolutely, subject to the proviso for reassignment under Clause 20.1 (*Redemption of Security*), all of its rights and interests under all Insurance Policies.

5.3 Bank Accounts

Following the occurrence of an Event of Default or upon crystallisation of the floating charge in accordance with Clause 8, the Chargor shall immediately on request by the Lender assign absolutely, subject to the proviso for reassignment under Clause 20.1 (*Redemption of Security*), all of its rights and interests under the Bank Accounts.

6 FLOATING CHARGE

6.1 The Chargor charges by way of first floating charge all its present and future business, assets and undertaking which are not effectively mortgaged, assigned or charged by way of fixed charge under this Debenture

6.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Debenture and the Lender may appoint an administrator of the Chargor under that paragraph.

7 TRUST

If, or to the extent that, the mortgaging, assignment or charging of any Charged Property is prohibited for any reason, the Chargor shall hold it on trust for the Lender.

8 CRYSTALLISATION OF FLOATING CHARGE

8.1 Crystallisation by notice

The Lender may at any time by notice in writing to the Chargor convert the floating charge created by Clause 6 (*Floating Charge*) with immediate effect into a fixed charge as regards any Charged Property specified in the notice if:

- (a) a Default is continuing;
- (b) the Lender considers that any of the Charged Property may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of legal process; or
- (c) the Lender considers that it is necessary or desirable to do so in order to protect the priority of the Security intended to be conferred by this Debenture.

8.2 Automatic crystallisation

Notwithstanding Clause 8.1 (*Crystallisation by notice*) and without prejudice to any law which may have a similar effect, the floating charge created by Clause 6 (*Floating Charge*) will convert automatically with immediate effect into fixed charges as regards all the assets subject to the floating charge if:

- (a) the Chargor creates or attempts to create any Security (other than the Transaction Security) over any Charged Property;
- (b) any person seizes, attaches, charges, takes possession of or sells any Charged Property under any form of distress, sequestration, execution or other process, or attempts to do so;
- (c) any steps are taken (including the giving of notice, the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the Chargor over all or any part of its assets, or if such person is appointed;
- (d) any other floating charge over any of the Charged Property crystallises; or
- (e) in any other circumstances prescribed by law.

8.3 Limitation

Clause 8.1 (*Crystallisation by notice*) and Clause 8.2 (*Automatic crystallisation*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

9 UNDERTAKINGS

9.1 Notices

9.1.1 The Chargor shall:

- (a) Immediately following the execution of this Debenture, deliver executed notices of assignment to the Premier League in the form set out in Part 1 of Schedule 1 (*Notice and acknowledgment of assignment – Receivables*) in respect of the Receivables;
- (b) on request by the Lender, such request to be made only after an Event of Default or upon crystallisation in accordance with Clause 8 (*Crystallisation of a Floating Charge*), deliver executed notices of assignment to the relevant third party in the form set out in Part 1 of Schedule 2 (*Notice and acknowledgment of assignment – Bank Accounts*) in respect of the Bank Accounts existing at that date and promptly on opening a Bank Account after that date; and
- (c) on request by the Lender, such request to be made only after an Event of Default or upon crystallisation in accordance with Clause 8 (*Crystallisation of Floating Charge*), deliver executed notices of assignment to the relevant third party in the form set out in (Schedule 3, Part 1 (*Form of Notice of Assignment*)) in respect of those Insurance Policies existing at that time.

9.1.2 In each case the Chargor shall use all reasonable endeavours to procure that the party to whom the notice is addressed completes and returns to the Lender an acknowledgment in the form of Part 2 of the relevant Schedule.

9.2 Negative pledge

The Chargor shall not, at any time during the Security Period, create or permit to subsist any Security over any Charged Property other than the Transaction Security.

9.3 Disposals

- 9.3.1 The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Charged Property without the Lender's prior written consent provided that nothing in this Debenture shall prevent the Chargor from buying and selling players or entering into loan arrangements for players in each case in the ordinary course of the Chargor's business.

9.4 All Charged Property

- 9.4.1 The Chargor shall:

- (a) promptly upon becoming aware of the same, notify the Lender of (i) any action started by a third party to seize, attach, take possession of or create Security (other than the Transaction Security) over any of its assets; (ii) of any circumstances which may give rise to a claim on or under the Charged Property; and (iii) of anything which could in the reasonable opinion of the Chargor have a material adverse effect on the rights and interests of the Chargor to and in any of the Charged Property;
- (b) use its reasonable endeavours to promptly defend all claims that it believes it has a real prospect of defending brought in relation to the Charged Property and do whatever the Lender reasonably requires in relation to anything which could have a material adverse effect on the Chargor's rights and interests in the Charged Property; and
- (c) promptly provide the Lender with any Information which it reasonably requests regarding the Chargor's business, the Charged Property and its compliance with this Debenture.

- 9.4.2 The Chargor shall permit the Lender, its representatives, professional advisers and contractors free access at all reasonable times and on reasonable notice to inspect and take copies of, and extracts from, the books, accounts and records of the Chargor and to view the Charged Property (without becoming liable as mortgagee in possession).

- 9.4.3 The Chargor shall punctually pay all rent, rent charges, rates, taxes, fees, charges, duties, levies, assessments, impositions, calls and outgoings whatsoever in respect of the Charged Property.

- 9.4.4 The Chargor shall promptly obtain and maintain any Authorisations (in form and content reasonably satisfactory to the Lender) necessary or desirable to enable the assets of the Chargor to be subject to the Security intended to be created by this Debenture and, immediately on obtaining the Authorisation, the asset concerned shall become subject to that Security and the Chargor shall promptly deliver a copy of each Authorisation to the Lender.

- 9.4.5 The Chargor shall not, at any point during the Security Period, do or permit to be done any act or thing which might jeopardise the rights of the Lender in the

Charged Property or which might adversely affect or diminish the value of the Charged Property.

- 9.4.6 The Chargor shall, on request, immediately deliver to the Lender evidence that the Chargor has complied with the provisions of this Clause 9 (*Undertakings*).

9.5 Real Property

- 9.5.1 The Chargor shall:

- (a) comply with all planning legislation, regulations and bye-laws which apply to the Real Property, with any orders made by a public body in respect of all or any part of the Real Property and with any conditions attaching to planning permissions affecting the Real Property;
- (b) punctually perform all obligations assumed by it in respect the Real Property; and
- (c) within five Business Days of receipt provide a copy of every material communication relating to the Real Property to the Lender and promptly comply with the Lender's reasonable instructions in relation to it.

- 9.5.2 The Chargor shall take all steps necessary or desirable to protect its rights under any lease to which the Charged Property is at any time subject.

- 9.5.3 The Chargor shall immediately notify the Lender if it acquires any Real Property.

- 9.5.4 The Chargor shall:

- (a) keep the Real Property in good repair (fair wear and tear excepted) to the satisfaction of the Lender;
- (b) replace any items which have become obsolete or are unfit for purpose; and
- (c) on receipt of a written request from the Lender (acting reasonably), immediately make good any damage.

- 9.5.5 The Chargor shall not:

- (a) remove any of the fixtures forming part of the Real Property or any plant or machinery (other than stock in trade or work in progress) on or in the Charged Property without the Lender's consent;
- (b) create any legal or equitable estate or interest in or over any Real Property, nor grant any licence to assign or sub-let any Real Property and ensure that no person becomes entitled to assert any proprietary interest or right over any Real Property;
- (c) do or permit to be done anything or allow any circumstances to arise whereby any of its interest in the Real Property could be determined or any right of re-entry or forfeiture could arise;
- (d) enter into any negotiations regarding, or consent to, the compulsory acquisition of any Real Property except where it is required by law to do so and with the Lender's consent. If the Lender so requests, the Chargor

shall permit the Lender or its representatives to conduct negotiations and/or give consent on its behalf;

- (e) allow any person other than itself to be registered under the LRA as proprietor of the Real Property or create or permit to arise any interest which falls within either or both of Schedules 1 and 3 of the LRA affecting the Real Property without the Lender's consent;
- (f) convert any freehold estate of any Real Property to a freehold estate in commonhold land under Part 1 of the Commonhold and Leasehold Reform Act 2002;
- (g) make, or agree to, any application to the Land Registrar to make an entry on the register of title of the Real Property without the Lender's consent, except as required under this Debenture; or
- (h) make any structural or material alteration, or allow anything to be done which falls with the definition of development in section 55 of the Town and Country Planning Act 1990.

9.5.6 In relation to any lease to which the Charged Property is at any time subject, the Chargor shall not:

- (a) exercise any of the powers reserved to a mortgagor by sections 99 and 100 of the LPA; or
- (b) accept any disposal or variation of any lease, tenancy or licence of, or relating to it.

9.6 Shares

9.6.1 The Chargor shall make all payments which become due in respect of any of the Shares and if it fails to do so, the Lender may make the payment on behalf of the Chargor at the cost and risk of the Chargor.

9.6.2 During the Security Period, the Chargor shall not appoint any nominee to exercise any of its membership rights in the Shares except as provided for under this Debenture.

9.6.3 Subject to Clause 9.6.4 and the terms of the Finance Documents, the Chargor may exercise, or direct the exercise of, the voting and other rights and powers attached to any Shares as it sees fit if those rights and powers are not exercised in any manner:

- (a) which would permit any variation of the rights attaching to, or conferred by, any Shares or an increase in the issued share capital of any company whose shares are charged under this Debenture;
- (b) which would breach the provisions of any Finance Document or prejudice the Shares or the Security intended to be created over them by this Debenture; or
- (c) which would, without the Lender's consent, approve any resolution in connection with a company voluntary arrangement, the appointment of an administrator, a voluntary winding-up or a compromise or arrangement under sections 895 to 901 of the Companies Act 2006

9.6.4 While an Event of Default is continuing, the Lender (or Receiver) may (in the name of the Chargor or otherwise and without the Chargor's further consent or authority):

- (a) exercise (or refrain from exercising) any voting rights in respect of any Shares and/or any powers and rights conferred on the legal or beneficial owner of those Shares;
- (b) receive and retain, or direct the Chargor to pay to it, all dividends, interest and other moneys arising from any Shares; and
- (c) transfer any Shares into the name of such nominee(s) of the Lender as it shall require,

in such manner and on such terms as the Lender (or Receiver) may think fit, and the proceeds of the action shall form part of the Charged Property.

9.6.5 While an Event of Default is continuing, the Chargor and any nominee(s) shall comply, or procure compliance, with any directions of the Lender (or any Receiver) in respect of the exercise of the rights set out in Clause 9.6.4 and shall promptly execute and deliver to the Lender (or such Receiver) any forms of proxy which are required.

9.7 Insurance

9.7.1 The Chargor shall at all times during the Security Period keep the Charged Property insured.

9.7.2 The Chargor shall at all times during the Security Period:

- (a) ensure that all Insurance Policies contain (i) an endorsement naming the Lender as sole loss payee in respect of all claims; and (ii) a standard mortgagee clause;
- (b) promptly pay all sums payable under the Insurance Policies and, on request, promptly produce evidence of payment to the Lender; and
- (c) on request, deposit all Insurance Policies with the Lender.

9.7.3 After an Event of Default has occurred, the Chargor shall hold all moneys received under any Insurance Policy on trust for the Lender pending payment of that amount to the Lender and the Chargor waives any right it may have to apply that sum in reinstatement of any part of the Charged Property.

9.8 Accounts

The Chargor shall not close or permit any variation to the rights attaching to any Bank Account without the Lender's consent.

9.9 **Uncalled capital**

The Chargor shall not call up of its any uncalled capital or receive it in advance of calls unless the Lender otherwise directs, nor apply it, when paid, otherwise than in payment of the Secured Obligations or as the Lender otherwise directs

9.10 **Receivables**

9.10.1 **Provision of information relating to Receivables**

- (a) The Chargor shall forthwith:
- (i) provide the Lender with any information which it requests about the Receivables or any matter relating to or affecting the Receivables; and
 - (ii) generally provide the Lender and its officers and representatives with full and prompt co-operation and assistance relating to the Assigned Rights.

9.10.2 **Positive Undertakings**

The Chargor will:

- (i) promptly and diligently perform and observe its obligations and commitments to the Premier League or the Football League Limited as the case may be;
- (ii) promptly and diligently perform and observe its obligations and commitments to the Lender pursuant to the Finance Documents;
- (iii) notify the Lender, as soon as the Chargor becomes aware of the same, of:
 - (A) any act, omission, event or other matter which would (or would, with the passage of time) entitle the Premier League to suspend the Chargor in accordance with the Rules;
 - (B) any failure by the Chargor to pay a Football Creditor or HMRC the full amount payable to such Football Creditor or HMRC on the due date for payment;
 - (C) the occurrence of any Event of Default under any of the Finance Documents;
 - (D) any failure by the Chargor to make any payment in accordance with the Rules, due to any creditor, club or person of any kind described in the Rules.

9.10.3 **Negative Undertakings**

The Chargor will not, without the Lender's prior written consent:

- (i) do or permit any act or thing whereby the payment of the Receivables by the Premier League would or might reasonably be

expected (in the Lender's opinion) to be delayed, prevented or impeded; or

- (ii) take or omit to take any action the taking or omission of which would or might reasonably be expected (in the Lender's opinion) to impair the Lender's interest in the Receivables.

10 REPRESENTATIONS AND WARRANTIES

10.1 Security

The Chargor represents and warrants to the Lender (for its own benefit and as trustee for the benefit of the Secured Parties) on the date of this Debenture and on each day during the Security Period that:

- (a) it has not sold or disposed of, or created, granted or permitted to subsist any Security over, all or any of its right, title and interest in the Charged Property; and
- (b) the constitutional documents of the companies in respect of which the Shares are issued do not and could not restrict or inhibit (whether absolutely, partly, under a discretionary power or otherwise) the transfer of the Shares in relation to the enforcement of Security created under this Debenture.

11 ENFORCEMENT OF SECURITY

11.1 When the Security becomes enforceable

11.1.1 The Security created by this Debenture shall become enforceable immediately:

- (a) if a Default has occurred; or
- (b) if the Chargor requests the Lender to exercise any of its powers under this Debenture.

11.1.2 Clause 11.1 shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

11.2 Powers on enforcement

Any time after the Security created by this Debenture becomes enforceable, the Lender may, without notice to the Chargor or authorisation from any court and without prejudice to any other of its rights and remedies:

- (a) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit);
- (b) take possession of and hold or dispose of all or any part of the Charged Property;
- (c) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the LPA (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers; and

- (d) do anything in the name or on behalf of the Chargor which the Lender considers incidental or conducive to the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or the enforcement of all or any part of that Security.

11.3 Right of appropriation

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of the Chargor under it constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Regulations), the Lender shall have the right to appropriate all or any part of it in or towards discharge of the Secured Obligations and transfer title in and to it to the Lender. For this purpose, the Parties agree that the value of the financial collateral so appropriated shall be:

- (a) in the case of cash, the amount standing to the credit of each Third Party Account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and
- (b) in the case of Shares, the market price determined by the Lender by reference to a public index or by such other process as the Lender may select, including independent valuation.

In each case, the Parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

11.4 Priority of Enforcement

At any time that the Lender is entitled to enforce this Debenture and exercise its rights pursuant to Clause 10.2 above, the Lender shall exercise its rights against the Charged Property in the following priority order:

- (a) firstly, against the Receivables;
- (b) secondly, against all other Charged Property other than that described in paragraph 10.4(c) below; and
- (c) finally, against all amounts due, owing or received by the Chargor in relation to the sale of season tickets.

12 EXTENSION AND VARIATION OF THE LPA

12.1 Power of leasing

The statutory powers of leasing may be exercised by the Lender at any time on or after an Event of Default has occurred and the Lender and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by sections 99 and 100 of the LPA.

12.2 Extension of powers

The power of sale or other power conferred on the Lender and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and that power shall arise (and the Secured

Obligations shall be deemed due and payable for that purpose) on the date of this Debenture.

12.3 Restrictions

The restrictions contained in sections 93, 103 and 109(1) of the LPA shall not apply to:

- (a) this Debenture,
- (b) the exercise by the Lender of its right to consolidate all or any of the Security created by or under this Debenture with any other Security in existence at any time; or
- (c) the Lender's power of sale,

which rights and powers may be exercised by the Lender without notice to the Chargor

13 APPOINTMENT OF RECEIVER OR ADMINISTRATOR

13.1 Appointment and removal

13.1.1 At any time after the Security created by this Debenture becomes enforceable, the Lender may, subject to paragraph 12.1.2 below, by deed or otherwise and without notice to the Chargor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- (b) appoint two or more Receivers of separate parts of the Charged Property;
- (c) remove (so far as it is lawfully able) any Receiver so appointed;
- (d) appoint another person(s) as an additional or replacement Receiver(s); or
- (e) appoint one or more persons to be an administrator of the Chargor.

13.1.2 Notwithstanding Clause 12.1.1(e) above, the Lender agrees that it will not appoint an administrator of the Chargor unless:

- (a) the Lender has received notice, in advance, of the intended appointment by another party of an administrator of the Chargor; or
- (b) the Lender has first enforced its security under Clause 5.1 against the Receivables and the exercise of such security has not produced sufficient proceeds to satisfy the Secured Obligations in full.

13.2 Capacity of Receivers

Each Receiver appointed under Clause 13.1 (*Appointment and removal*):

- (a) may act severally or together with any other person appointed or substituted as Receiver;
- (b) for all purposes shall be deemed to be the agent of the Chargor which shall be solely responsible for the Receiver's acts, omissions, defaults, losses

and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Lender; and

- (c) shall be entitled to remuneration for his services at a rate to be determined by the Lender from time to time (without being limited to the maximum rate specified by s109(6) of the LPA). The Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of every Receiver.

13.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Lender under the LPA (as extended by this Debenture) or otherwise and those powers shall remain exercisable from time to time by the Lender in respect of any part of the Charged Property.

14 POWERS OF RECEIVER

Subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Chargor, in relation to the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) every Receiver shall have, and be entitled to exercise at the cost of the Chargor, all the powers:

- (a) conferred by the LPA on mortgagors and on mortgagees in possession and on receivers appointed under the LPA;
- (b) of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (to the extent applicable, whether or not the Receiver is an administrative receiver within the meaning of the Insolvency Act 1986),
- (c) in relation to the Charged Property, which it would have if it were its only beneficial owner including the power to do or omit to do anything which the Chargor itself could do or omit to do;
- (d) of the Lender under this Debenture; and
- (e) to do anything (including bringing or defending proceedings in the name or on behalf of the Chargor) which the Receiver considers incidental or conducive to any of the functions vested in him, to the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or to getting in any Charged Property or assets which when got in would be Charged Property.

15 APPLICATION OF MONEYS

15.1.1 The Lender or any Receiver shall apply all moneys received by them under this Debenture after the Security created under this Debenture has become enforceable in the following order:

- (a) **firstly**, in or towards the payment pro rata of any unpaid costs and expenses of the Lender or any Receiver under this Debenture and interest on them at the rate set out in clause 4 to the Facility Letter (both before and after judgment) from their due date until the date they are irrevocably paid in full;

- (b) **secondly**, in or towards the payment pro rata of any unpaid fees, commission or remuneration of the Lender and any Receiver;
- (c) **thirdly**, in or towards the discharge of all liabilities having priority to the Secured Obligations;
- (d) **fourthly**, in or towards the discharge of the Secured Obligations; and
- (e) **fifthly**, in the payment of any surplus to the Chargor or other person entitled to it,

and section 109(8) of the LPA shall not apply.

- 15.1.2 The provisions in Clause 15.1.1 will override any appropriation made by the Chargor.

16 PROTECTION OF PURCHASERS

16.1 Consideration

- 16.1.1 A receipt from the Lender or any Receiver shall be conclusive discharge to any purchaser or other person dealing with the Lender or any Receiver.
- 16.1.2 In making any sale or disposal of any of the Charged Property or making any acquisition, the Lender or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

16.2 Protection of purchasers

No purchaser or other person dealing with the Lender or any Receiver shall be bound to enquire:

- (a) whether the rights and powers conferred by or under any Finance Document have arisen or are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to those rights have been obtained or complied with;
- (c) as to the propriety or regularity of acts purporting, or intended, to be in exercise of those rights; or
- (d) as to the application of any money borrowed or raised,

and the protection to purchasers contained in sections 104 and 107 of the LPA and section 42(3) of the Insolvency Act 1986 shall apply to any purchaser.

17 FURTHER ASSURANCE

17.1 Further assurance

- 17.1.1 The Chargor shall execute any document and do anything else the Lender reasonably requires (and in such form as the Lender reasonably requires):
 - (a) to give effect to this Debenture and the transactions intended to be effected by it;

- (b) to create, perfect, protect and preserve the Security intended to be created by this Debenture and its ranking with any other Security over any Charged Property;
- (c) to exercise any rights, powers and discretions of the Lender, any Receiver or any administrator in connection with any Charged Property;
- (d) to facilitate the realisation of any Charged Property;
- (e) to enable or assist the Lender to enter into any transaction to start, defend or conduct any proceedings and/or take any other action relating to any Charged Property in any jurisdiction or under the law of any jurisdiction; and/or
- (f) for any similar or related purpose.

17.1.2 The Chargor shall deliver to the Lender such evidence of the due authorisation and execution of any document delivered or thing done under Clause 17.1.1 as the Lender may require.

17.2 Delivery of documents

17.2.1 On the date of this Debenture and the acquisition by the Chargor of any interest in any Real Property, the Chargor shall deliver to the Lender, and the Lender shall be entitled to hold during the Security Period, all documents constituting or evidencing title relating to the Real Property.

17.2.2 The Chargor shall:

- (a) on the date of this Debenture, deposit with the Lender (or procure the deposit of) all certificates or other documents of title to the Shares and stock transfer forms (executed in blank by or on behalf of the Chargor); and
- (b) promptly on the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from any of the Shares, notify the Lender of that occurrence and procure the delivery to the Lender of all certificates or other documents of title representing those securities and such stock transfer forms or other instruments of transfer (executed in blank by or on behalf of the Chargor) as the Lender may request.

17.2.3 The Chargor shall, on request, immediately deliver to the Lender, and the Lender shall be entitled to hold during the Security Period, all other certificates and documents of title to and evidence of ownership of the assets which form the Charged Property.

18 POWER OF ATTORNEY

18.1 Appointment and powers

Following the occurrence of a Default, the Chargor irrevocably and by way of security appoints the Lender and any Receiver jointly and severally to be its attorney (with full power of substitution) and in its name, on its behalf to execute, deliver and perfect all documents and do all things which the attorney may consider necessary or desirable to:

- (a) carry out any obligation imposed on the Chargor by this Debenture or any other agreement binding on it to which the Lender is party; and
- (b) enable the Lender and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them under this Debenture or by law; and
- (c) take any action in the name of the Chargor in relation to the enforcement of all or any part of the Security.

18.2 Ratification

The Chargor ratifies and confirms all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

19 EFFECTIVENESS OF SECURITY

19.1 Cumulative rights

The Security created under this Debenture and the Collateral Rights shall be cumulative, in addition to and independent of every other Security which the Lender or any Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Lender (whether in its capacity as Lender or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge with any contractual right or remedy or other Security now or in the future held or available to any Secured Party.

19.2 No prejudice

Neither the Security created under this Debenture nor the Collateral Rights shall be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Lender (whether in its capacity as trustee or otherwise) or any other Secured Party or by any variation of the terms of the trust on which the Lender holds the Security or by anything else which might otherwise prejudice that Security or any Collateral Right.

19.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right or remedy under this Debenture shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Debenture are cumulative and not exclusive of any rights or remedies provided by law.

19.4 Effectiveness of Security

The Security created under this Debenture shall remain in full force and effect unless and until discharged by the Lender following the full and irrevocable discharge and satisfaction of the Secured Obligations. No part of the Security from time to time intended to be constituted by this Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

19.5 No liability

19.5.1 None of the Secured Parties shall be liable (including for negligence or any other category of liability whatsoever) for any action taken by it under or in connection with this Debenture, for any neglect or default in connection with the Charged Property or for taking possession of, or realising all or any part of, the Charged Property, unless directly caused by its gross negligence or wilful default. In particular, no Secured Party shall be liable for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable.

19.5.2 The exercise by the Lender and/or others appointed by it of the powers conferred by this Debenture shall not render the Lender liable to account as a mortgagee in possession.

19.6 Immediate recourse

The Chargor waives any right it may have of first requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from the Chargor under this Debenture. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

19.7 Deferral of rights

During the Security Period, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or the enforcement of the Security created by it to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or Security taken under, or in connection with, this Debenture by the Lender.

19.8 New accounts

If the Lender receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Charged Property it may open a new account or accounts in the name of the Chargor and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by or on behalf of the Chargor to the Lender.

(a) shall be credited or be treated as having been credited to the new account of the Chargor, and

(b) shall not operate to reduce the Secured Obligations at the time when the Lender received or was deemed to have received the notice.

20 RELEASE OF SECURITY**20.1 Redemption of Security**

At the end of the Security Period, the Lender shall release and cancel the Security constituted by this Debenture and reassign the assets assigned under this Debenture to the Chargor at the request and cost of the Chargor (such costs to be properly incurred), in each case subject to Clause 20.2 (*Avoidance of payments*) and without recourse to, or any representation or warranty by, the Lender or any of its nominees.

20.2 Avoidance of payments

If the Lender considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under, and the Security constituted by, this Debenture shall continue and that amount shall not be considered to have been irrevocably paid.

20.3 Other obligations

Any release or discharge of all or any of the Security created by this Debenture shall not release or discharge the Chargor from any liability to the Lender (whether in its capacity as such or otherwise) or any other Secured Party which might exist independently of this Debenture.

21 CURRENCY

The Lender may convert any moneys received, recovered or realised in any currency under this Debenture from their existing currency into any other currency by purchasing that other currency at the spot rate of exchange for that party for the purchase of any currency with any other currency in the London foreign exchange market.

22 SET-OFF

The Lender may set off the Secured Obligations (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to the Chargor, 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.

23 ASSIGNMENT

23.1 The Lender may assign any of its rights under this Debenture to any person.

23.2 The Lender may disclose to any assignee or proposed assignee any information it thinks fit in relation to the Chargor and the Finance Documents.

24 NOTICES**24.1 Communications in writing**

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

24.2 Addresses

The address, fax number and email address (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 the Debenture is:

(a) the Borrower:

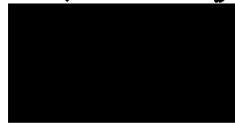
The Reading Football Club Limited



Attention: Bryan Stabler
Telephone: 0118 968 1011
Email: bstabler@readingfc.co.uk

(b) the Lender:

Vibrac Corporation
c/o Berwin Leighton Paisner LLP



Fax no: +44 (0)20 3400 1111
Email: graham.shear@bplaw.com/keith.wilson@bplaw.com
Attn: Graham Shear/Keith Wilson

or any substitute address, fax number, email address or department or officer as one Party may notify to the other by not less than five Business Days' notice.

24.3 Delivery

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

- (a) if by way of fax, when received in legible form; or
- (b) 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 24.2 (*Addresses*) if addressed to that department or officer.

24.3.2 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

24.4 English language

24.4.1 Any notice given under or in connection with this Debenture must be in English.

24.4.2 All other documents provided under or in connection with this Debenture must be:

- (a) in English; or

- (b) 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.

25 **PARTIAL INVALIDITY**

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

26 **AMENDMENTS AND WAIVERS**

Any term of this Debenture may be amended or waived only with the consent of the Lender and the Chargor.

27 **COUNTERPARTS**

This Debenture 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 the Debenture.

28 **GOVERNING LAW**

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

29 **ENFORCEMENT**

29.1 **Jurisdiction**

- 29.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or any non-contractual obligation arising out of or in connection with this Debenture) (a "**Dispute**").
- 29.1.2 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.
- 29.1.3 This Clause 29.1 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.

This Debenture has been executed as a deed and delivered on the date stated at the beginning of this Debenture.

Schedule 1
Notice and acknowledgment of assignment - Receivables

Part 1
Form of Notice of Assignment

[on headed notepaper of The Reading Football Club Limited]

The Football Association Premier League Limited



_____ 2013

Dear Sirs

Assignment of Central Funds (as defined in the Premier League Rules) pursuant to a debenture between us (as borrower) and Vibrac Corporation (as lender) (the "Lender") dated _____ 2013, (the "Debenture").

In this Notice reference to "Premier League" means, as appropriate, The Football Association Premier League Limited or combination of association football clubs comprising the clubs known as the FA Premier League, or any replacement thereof by whatever name.

In this Notice any reference to a "Rule" means the relevant Rule of the rules of the Premier League for the time being in effect between the Premier League and its members.

- 1 We hereby give you written notice that as part of the security given by the Debenture (including a fixed and floating charge over all of our assets and undertaking) and in compliance with Rule D.33 we have, assigned to the Lender all our right, title and interest in and to all amounts (excluding VAT) due or owing to or which may be due or owing to or purchased or otherwise acquired by us from the Premier League in relation to:
 - (a) the Basic Award Fund (or "parachute payments" monies) due to the Borrower in August 2014 under Rules D 16.1, D17.1 and D27;
 - (b) all payments to the Borrower relating to the Facility Fees Fund and Stabiliser Payments and any other payments due to the Borrower from the Premier League in August 2014; and
 - (c) any other amounts due to the Borrower from the Premier League from and including August 2014 (the "Assigned Property").
- 2 We confirm that the Lender understands that the Club's entitlement to future distributions of any Central Funds (as defined in the Rules) is subject to the provisions of the Articles of Association of the Premier League and the Rules.
- 3 We hereby irrevocably authorise and instruct you to pay all monies whatsoever (excluding VAT) due or owing to us under or by virtue of the payments identified in paragraphs 1(a) to (c) inclusive (up to a maximum sum of £11,749,198 plus any default interest, legal and other costs, charges and expenses due or owing by us to the Lender) to:

Bank:
Sort Code:



Account No.: 
SWIFT BIC: 
Reference: GSHE/KWLS/30907.13

(whose receipt shall be a full and sufficient discharge of such payment) or to such Bank and account as the Lender may notify you from time to time and all rights, powers and discretions exercisable by us under or in connection with the Assigned Property shall, upon receipt of written notice from the Lender, then be exercisable by the Lender and all notices shall be given to the Lender or as it directs.

- 4 We further hereby irrevocably instruct and authorise you to furnish, following receipt of a notice from the Lender in accordance with paragraph 4 above, to the Lender all information in relation to the monies due or owing to us under or by virtue of the Assigned Property as we would be entitled to receive ourselves.
- 5 This authority and instruction is declared to be irrevocable without the prior written consent of the Lender.
- 6 We remain liable to you to perform all the obligations assumed by us in respect of the Assigned Property and the Lender is to be under no such obligations.

Please acknowledge receipt of this Notice and these instructions.

Yours faithfully

.....
for and on behalf of
The Reading Football Club Limited

Part 2
Form of Acknowledgment

[on headed notepaper of The Football Association Premier League Limited]

Vibrac Corporation


c/o Berwin Leighton Palsner LLP


Attention: Graham Shear/ Keith Wilson

and:

The Reading Football Club Limited


Attention: Bryan Stabler

_____ 2013

Dear Sirs

Notice of Assignment (the "Notice") between Reading Football Club Limited (the "Club") and Vibrac Corporation (the "Lender")

We confirm receipt of the Notice (a copy of which is attached to this letter) and confirm we will comply with its terms subject to the provisions of the Articles of Association of the Premier League and the Rules.

Nothing in either the Debenture (as defined in the Notice) or the Notice itself shall in any way prevent or restrict us from amending the Rules in accordance with our constitution in any manner; and nothing in either the Debenture or the Notice itself shall impose any obligation on us (other than the obligation to account to the Lender as set out in such Notice) or any obligations towards any third party (i.e. other than the Club or the Lender).

This letter is subject to the Rules and rule numbering in force at the relevant time of making payment under the Notice.

Yours faithfully

.....
for and on behalf of
**THE FOOTBALL ASSOCIATION
PREMIER LEAGUE LIMITED**

Schedule 2
Notice and acknowledgment of assignment - Bank Accounts

Part 1
Form of notice of assignment

To: [*Provider of the Secured Account*]

Date: [•]

Dear Sirs

[*Description of relevant account*] (the "Secured Account")

- 1 We refer to the Secured Account (which expression shall include all moneys standing to the credit of that account now or in the future).
- 2 We give you notice that by a debenture dated [•] (the "**Debenture**") between us and Vibrac Corporation (the "**Lender**"), we have assigned all of our rights and interests under the Secured Account to the Lender.
- 3 We irrevocably and unconditionally instruct and authorise you:
 - (a) not to release any moneys from the Secured Account without the Lender's written consent;
 - (b) that all our rights in connection with the Secured Account are exercisable only by (or with the consent of) the Lender; and
 - (c) to disclose any information relating to the Secured Account which the Lender may from time to time request.
- 4 You confirm that:
 - (a) you do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, deduction, set-off or any other equities against us or the Lender in respect of the Secured Account; and
 - (b) no amendment, waiver or release of any right or obligation in connection with the Secured Account and no termination or rescission of the Secured Account by us shall be effective without the Lender's written consent and in any event no such termination or rescission shall be effective unless you have given notice to the Lender.
- 5 Notwithstanding anything in this notice or otherwise we (and not the Lender or its appointees) shall be liable under the Secured Account to perform all the obligations assumed by us under it.
- 6 The instructions and authorisations contained in this letter shall remain in full force and effect until the Lender gives you written notice revoking them.
- 7 Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgment and returning it to the Lender.

EXECUTION VERSION

8 This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.. .. .

For and on behalf of The Reading Football Club Limited

Part 2
Form of acknowledgment

To: [Lender]

[Address]

For the attention of: [•]

Date: [•]

Dear Sirs

[Description of relevant account]

- 1 We acknowledge receipt of a notice dated [•] (the "Notice") and addressed to us by [the Chargor] (the "Chargor").
- 2 Terms defined in the Notice but not in this acknowledgment shall have the same meaning in this acknowledgment as in the Notice.
- 3 We confirm our acceptance of the instructions and authorisations contained in the Notice and consent to the assignment in your favour.
- 4 We acknowledge and confirm that:
 - (a) we have not received notice of any previous assignments or charges of or over the Secured Account;
 - (b) we will not release any moneys from the Secured Account without your written consent;
 - (c) all the Chargor's rights in connection with the Secured Account are exercisable only by you (or with your consent);
 - (d) we will disclose to you any information relating to the Secured Account which you may from time to time request;
 - (e) we do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, rights of deduction, set-off or any other equities against you or the Chargor in respect of the Secured Account;
 - (f) no amendment, waiver or release of any right or obligation in connection with the Secured Account and no termination or rescission of the Secured Account by the Chargor shall be effective without your written consent;
 - (g) the Chargor (and not you or your appointees) shall be liable under the Secured Account to perform all the obligations assumed by the Chargor under it; and
 - (h) these instructions may not be altered without your written consent.

EXECUTION VERSION

5 This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....

For and on behalf of [provider of the Secured Account]

Schedule 3
Notice of acknowledgment and assignment - Insurance Policies

Part 1
Form of Notice of Assignment

To: [*Insurer*]

Date: [•]

Dear Sirs

Policy number [•] (the "Policy")

- 1 We refer to the Policy, brief details of which are set out below.
- 2 We give you notice that by a debenture dated [•] (the "**Debenture**") between us and Vibrac Corporation (the "**Lender**"), we have assigned all of our rights and interests under the Policy to the Lender.
- 3 We request that the rights of the Lender under this assignment be clearly noted in the Policy and that you provide the Lender with evidence of that notice.
- 4 The instructions and authorisations contained in this letter shall remain in full force and effect until the Lender gives you written notice revoking them.
- 5 Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgment and returning it to the Lender.
- 6 This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....

For and on behalf of The Reading Football Club Limited

EXECUTION VERSION

Details of the Policy

Name of insured: [●]

Nature of Policy: [●]

Policy number: [●]

Renewal date: [●]

Part 2
Form of Acknowledgment of Assignment

To: [Lender]

[Address]

For the attention of: [●]

Date: [●]

Dear Sirs

Policy Number [●]

- 1 We acknowledge receipt of a notice dated [●] (the "**Notice**") and addressed to us by [the Chargor] (the "**Chargor**").
- 2 Terms defined in the Notice but not in this acknowledgment shall have the same meaning in this acknowledgment as in the Notice.
- 3 We confirm our acceptance of the instructions and authorisations contained in the Notice.
- 4 We acknowledge and confirm that:
 - (a) we have not, as at the date of this acknowledgment, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect, of the rights of the Chargor under or in respect of the Policy;
 - (b) the interest of the Lender in the Policy regarding which the Chargor has assigned its rights shall be clearly noted and evidence provided to you of that notice; and
 - (c) these instructions may not be altered without your written consent.
- 5 This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
For and on behalf of [*Insurer*]

EXECUTION PAGE

THE CHARGOR

Executed as a deed by **THE READING
FOOTBALL CLUB LIMITED** acting by
in the presence of:

)
)
)
)

Director

Name of witness:

Signature of witness:

Address:

Occupation:

THE LENDER

Executed as a deed by
VIBRAC CORPORATION acting by
in the presence of:

)
)
)
)

Director

Georgette Frie
Name of witness:

Signature of witness:

Address:

*125 route de lully
1288 Bellerive*
Occupation: