



Registration of a Charge

Company Name: **JARDINE MOTORS GROUP UK LIMITED**

Company Number: **02470318**



Received for filing in Electronic Format on the: **18/09/2023**

XCCBQKB6

Details of Charge

Date of creation: **15/09/2023**

Charge code: **0247 0318 0001**

Persons entitled: **BANK OF AMERICA, N.A.**

Brief description: **SEE CLAUSE 3.2 OF THE DEBENTURE, WHICH CREATES A FIXED CHARGE OVER EQUIPMENT, SPECIFIED EQUIPMENT, INTELLECTUAL PROPERTY AND SPECIFIED INTELLECTUAL PROPERTY (EACH AS DEFINED THEREIN) WHICH THE CHARGOR NOW HAS AND ALL OF THE RIGHTS (AS DEFINED THEREIN) WHICH IT OBTAINS AT ANY TIME IN THE FUTURE IN THEM.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

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

Certified by:

NORTON ROSE FULBRIGHT LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2470318

Charge code: 0247 0318 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th September 2023 and created by JARDINE MOTORS GROUP UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th September 2023 .

Given at Companies House, Cardiff on 19th September 2023

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



Companies House



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

Dated 15 September 2023

**Lithia UK Holding Limited
(and others as Original Chargors)**

and

**Bank of America, N.A.
(as Security Agent)**

I 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.

Norton Rose Fulbright LLP

Date: 18 September 2023

Debenture

**Subject to any Deed of Priority entered
into between, among others, the
Company and the Security Agent, from
time to time**

^
NORTON ROSE FULBRIGHT

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Debenture

Dated 15 September 2023

Between

- (1) **Lithia UK Holding Limited** registered in England with number 14523998 (the **Company**);
- (2) **The Companies** (identified in Schedule 1 (*The Original Chargors*)) (together with the Company, each an **Original Chargor** and together the **Original Chargors**); and
- (3) **Bank of America, N.A.** as security agent and trustee for the Secured Parties (the **Security Agent**).

It is agreed:

1 Definitions and Interpretation

1.1 Definitions

Words and expressions defined in the Facility Agreement have the same meanings in this Deed and, in addition, in this Deed:

Act means the Law of Property Act 1925.

Bank Accounts means each account listed in Schedule 2 .

Book Debts means:

- (a) all book and other debts (including any sums owed by banks or similar institutions) both actual or contingent, due, owing to or which may become due, owing to or purchased or otherwise acquired by any Chargor; and
- (b) any rights or claims of that Chargor in respect of such debts, revenues and monetary claims.

Chargor means each of the Original Chargors and any company which accedes to this Deed as a Chargor under a Deed of Accession (together the **Chargors**).

Deed of Accession means a deed of accession substantially in the form set out in Schedule 3 (*Deed of Accession*).

"Declared Default" means an Event of Default which is continuing and in respect of which the Agent has served a notice on the Company under Clause 19.12 (*Acceleration*) of the Facility Agreement.

Default Rate means the rate specified in Clause 8.3 (*Default interest*) of the Facility Agreement.

Disposal means any transfer or other disposal of an asset or of an interest in an asset, or the creation of any Right over an asset in favour of another person, but not the creation of Security.

Dividends, in relation to any Share, means:

- (c) dividends and distributions of any kind and any other sum received or receivable in respect of that Share;
- (d) shares or other Rights accruing or offered by way of redemption, bonus, option or otherwise in respect of that Share;

- (e) allotments, offers and rights accruing or offered in respect of that Share; and
- (f) any other Rights attaching to, deriving from or exercisable by virtue of the ownership of, that Share.

Equipment means each Chargor's fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related authorisations, agreements and warranties.

Excluded Assets means any assets or any interest in an asset subject to a Restriction.

Facility Agreement means the revolving credit facility agreement dated on or about the date of this Deed between, among others, the Original Chargors and the Security Agent, as it may from time to time be amended, restated, novated, or replaced (however fundamentally, including by an increase of any size in the amount of the credit facilities made available under it, the alteration of the nature, purpose or period of those credit facilities or the change of its parties).

Financial Collateral has the meaning given to it by the Financial Collateral Arrangements (No 2) Regulations 2003.

Insolvency Event, in relation to a person, means:

- (a) the dissolution, liquidation, provisional liquidation, administration, administrative receivership or receivership of that person or the entering into by that person of a voluntary arrangement or scheme of arrangement with creditors; or
- (b) any analogous or similar procedure in any jurisdiction other than England.

Insolvency Legislation means:

- (a) the Insolvency Act 1986 and secondary legislation made under it; and
- (b) any other primary or secondary legislation in England from time to time relating to insolvency or reorganisation.

Insurance means each contract or policy of insurance to which a Chargor is a party or in which it has an interest.

Intellectual Property means:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, arising or subsisting in any jurisdiction, whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets,

which, in each case, are of a type which are not disposed of in the ordinary course of trading.

Investment means:

- (a) any Shares; and
- (b) any other debt or equity security or any warrant or option to acquire or subscribe for any such security (whether it is held directly or through a custodian, clearing house or other person) unless it is of a type which is disposed of in the ordinary course of trading.

and any accretions to them and other Rights (including Dividends and proceeds of Disposal) arising in connection with them.

Land has the same meaning as it has in section 205(1) of the Act.

Officer, in relation to a person, means any officer, employee or agent of that person.

PSC register means a register of persons with significant control required pursuant to section 790M of the Companies Act 2006.

Restriction means, in relation to any asset of a Chargor, any legal requirement or third party (that is not a member of the UK Group or the US Group) arrangement (including shareholder agreements, joint venture agreements, license arrangements and leases) which would prevent or prohibit those assets from being subject to legal, valid, binding and enforceable Security (assets which, if charged, would give a third party the right to terminate or otherwise amend any rights, benefits and/or obligations of any such Chargor, or those of any member of the UK Group or the US Group, in respect of those assets or require such Chargor to take any action materially adverse to its interests or those of any member of the UK Group or the US Group).

Restrictions Notice means a "restrictions notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

Right means any right, privilege, guarantee, power or immunity, or any interest or remedy, of any kind, whether it is personal or proprietary.

Secured Obligations means all obligations of the Chargors to the Secured Parties under or pursuant to the Finance Documents and the Secured Bank Product Agreements.

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

Security Period means the period during which the obligations of the Chargors (or any of them) remain in force in accordance with the provisions of clause 11 (*Duration of Security*).

Shares means any shares specified in Schedule 6 (*Shares*) and in the Schedule to any Deed of Accession.

Specified Equipment means the Equipment (if any) specified in Schedule 4 (*Specified Equipment*) and in the Schedule to any Deed of Accession.

Specified Intellectual Property means the registered Intellectual Property (if any) specified in Schedule 5 (*Specified Intellectual Property*) and in the Schedule to any Deed of Accession.

Warning Notice means a "warning notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

1.2 Interpretation

(a) Any reference in this Deed to:

- (i) a **Chargor**, the **Security Agent** or any other **Secured Party** includes any one or more of its assigns, transferees and successors in title, so far as any such is permitted;
- (ii) the **Security Agent** or any other **Secured Party** (except for the references in clause 13 (*Power of attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.

- (iii) **assets** includes present and future properties, revenues and rights of every description;
 - (iv) this **Deed** or any **Finance Document** or any other agreement or instrument is a reference to this Deed, that Finance Document or other agreement or instrument as amended, amended and restated, varied, novated, supplemented or replaced from time to time;
 - (v) **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;
 - (vi) a **guarantee** includes any guarantee or indemnity, bond, letter of credit, documentary or other credit, or other assurance against financial loss;
 - (vii) the words **include(s)**, **including** and **in particular** will be construed as being by way of illustration or emphasis only and will not be construed as, nor will they take effect as, limiting the generality of any preceding words;
 - (viii) **obligation** includes any obligation whether incurred as principal or as surety, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;
 - (ix) the words **other** and **otherwise** will not be construed *ejusdem generis* with any preceding words where a wider construction is possible;
 - (x) a **person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - (xi) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (b) A provision of law is a reference to that provision as amended or re-enacted from time to time.
 - (c) The singular includes the plural and vice versa.
 - (d) Clause and Schedule headings are for ease of reference only.
 - (e) A Default or an Event of Default is **continuing** if it has not been remedied or waived.
 - (f) The obligations of the Chargors under this Deed are joint and several.
 - (g) Where this Deed imposes an obligation on a Chargor to do something if required or requested by the Security Agent, it will do so as soon as reasonably practicable after it becomes aware of the requirement or request.
 - (h) It is intended that this document takes effect as a deed even though the Security Agent may only execute it under hand.
 - (i) This Deed may be executed in any number of counterparts.
 - (j) The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid

disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

- (k) Each category of asset, each asset and each sub-category of asset charged under clause 3 (*Charges*) will be construed separately, as though charged independently and separately of each other.
- (l) In relation to any Chargor which becomes a party to this Deed upon the execution and delivery of a Deed of Accession, (a) where any assets are identified by reference to a Schedule, this includes assets identified in any corresponding or analogous schedule to such Deed of Accession and (b) provisions which apply from the date of execution of this Deed will apply from the date the Security Agent signs the Deed of Accession.
- (m) All Security created by this Deed is created over the present and future assets of the relevant Chargor to the extent of its rights, title and interest in, under and to such assets at any time.
- (n) This Deed is at all times subject to the provisions of any deed of priority made between, among others, the Company and the Security Agent.

1.3 Third party rights

The Rights conferred on each of the Secured Parties, each Receiver and each Officer of the Security Agent or a Receiver under this Deed are enforceable by each of them under the Contracts (Rights of Third Parties) Act 1999. No other term of this Deed is enforceable under the Contracts (Rights of Third Parties) Act 1999 by anyone who is not a party to this Deed. The parties to this Deed may terminate this Deed or vary any of its terms without the consent of any third party (without prejudice to the terms of the other Finance Documents).

1.4 Contractual recognition of bail-in

The provisions of Clause 35 (*Bail-In*) of the Facility Agreement apply to this Deed as if set out in it but with all necessary changes and as if references to Finance Documents referred to this Deed.

2 Payments of Secured Obligations

Each Chargor covenants with the Security Agent and the other Secured Parties that it will pay or discharge the Secured Obligations in the manner provided for in the Finance Documents.

3 Charges

3.1 Nature of charges

The charges contained in this clause 3 secure the payment or discharge of the Secured Obligations and are given to the Security Agent as trustee for the Secured Parties with full title guarantee.

3.2 Fixed charge

Each Chargor charges by way of fixed charge all of the Rights which it now has and all of the Rights which it obtains at any time in the future in:

- (a) Book Debts;
- (b) Bank Accounts;
- (c) Specified Equipment;

- (d) Equipment (other than any Specified Equipment);
- (e) Specified Intellectual Property;
- (f) Intellectual Property (other than any Specified Intellectual Property);
- (g) Investments;
- (h) goodwill and uncalled capital;
- (i) Authorisations held by it in relation to any Security Asset; and
- (j) contracts and policies of insurance,

and any Rights accruing to them.

3.3 Floating charge

- (a) Each Chargor charges by way of floating charge all its business, undertaking and assets not at any time effectively charged under this Deed.
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

3.4 Trust

If or to the extent that the mortgaging or charging of any Security Asset is ineffective because of a prohibition on that mortgaging or charging, the relevant Chargor holds it on trust for the Security Agent.

3.5 Conversion of Floating charge

The Security Agent may convert all or part of the floating charge created by a Chargor under clause 3.3 (*Floating charge*) into a fixed charge by giving notice to that effect to the relevant Chargor and specifying the identity of the assets concerned. This may be done on one or more occasion, but only (a) following the occurrence of a Declared Default or (b) if the Security Agent reasonably considers that its security over the assets concerned is in jeopardy and that it is necessary to do so to protect or preserve its security.

4 Restrictions

- (a) Each Chargor will ensure that the restrictions contained in this clause 4 are complied with unless the Security Agent agrees to the contrary.
- (b) No Security will exist over, or in relation to, any Security Asset other than Permitted Security.
- (c) There will be no Disposal of any Security Asset except for:
 - (i) any Disposal permitted pursuant to the terms of the Facility Agreement; or
 - (ii) the Disposal in the ordinary course of trade of any Security Asset which is subject only to the floating charge created by clause 3.3 (*Floating charge*).

5 Perfection

5.1 General action

- (a) Each Chargor will, upon request by the Security Agent, following a Declared Default serve notice of each charge created under this Deed, deposit all such documents relating to its Security Assets and do all such other things as the Security Agent may reasonably require from time to time.
- (b) The scope of this clause 5.1 is not limited by the specific provisions of the rest of this clause 5 or by any other provision of the Finance Documents.

5.2 Intellectual Property

- (a) Each Chargor will promptly notify the Security Agent of its acquisition of any Intellectual Property and any action taken to register any Intellectual Property.
- (b) If requested by the Security Agent (acting reasonably), each Chargor will promptly at its own expense execute any document and do all assurances, acts and things as the Security Agent may reasonably require to procure that the Security created by this Deed is recorded in each register in each jurisdiction in which any Intellectual Property is registered or to be registered.

5.3 Bank Accounts

Each Borrower will within 5 Business Days of the date of this Deed in respect of the Bank Accounts specified in Schedule 2 (*Bank Accounts*) serve notice on the bank at which each Bank Account is opened substantially in the form set out in Schedule 7 (*Forms of Notice to Banks and Acknowledgement*) and use its reasonable endeavours to procure the relevant bank returns the acknowledgement substantially in the form set out in Schedule 7 (*Forms of Notice to Banks and Acknowledgement*) or such other form acceptable to the Security Agent in its absolute discretion.

5.4 Shares

If a Chargor owns shares in a Subsidiary, it will:

- (a) on the date of this Deed (or, if it acquires the shares later, as soon as reasonably practicable after it does so) deposit with the Security Agent or its legal advisers all certificates or other documents of title to those shares and stock transfer forms for them, executed in blank by the relevant Chargor; and
- (b) amend the articles of association of the Subsidiary concerned in the manner reasonably required by the Security Agent (and procure that the Subsidiary concerned takes, or omits to take, all such other steps as the Security Agent may reasonably require) in order to enable it to be able to enforce its Security without restriction.

5.5 Subsequent Security

If a Secured Party receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Security Assets, it will be treated as if it had immediately opened a new account in the name of each Chargor, and all payments received by the relevant Secured Party from that Chargor will be treated as if they had been credited to the new account and will not reduce the amount then due from that Chargor to that Secured Party.

5.6 Excluded Assets

- (a) There shall be excluded from (i) the charges created by clause 3.2 (*Fixed charge*) and (ii) other than after the occurrence of a Declared Default, Clause 18.16 (*Further assurance*) of the Facility Agreement, any Excluded Asset of each Chargor.
- (b) Save as expressly required as a condition precedent under the Finance Documents or after the occurrence of a Declared Default, no Chargor shall have any obligation to investigate title, review documentation (including in relation to leases, trade receivables or inventory) or review registers, provide surveys or other insurance, environmental or other due diligence in connection with any Excluded Asset, in each case prior to, or as a condition of, entering into this Debenture or at any time thereafter.
- (c) For any Excluded Asset, other than any Real Property, each relevant Chargor undertakes to apply promptly for a consent or waiver of any relevant Restriction of which it is aware (subject always to paragraph (b) above), and use its reasonable endeavours to obtain that consent or waiver as soon as possible, provided that if the relevant Chargor has not been able to obtain such consent or waiver within 20 Business Days after the date of this Debenture (or the date of any applicable Security Accession Deed), its obligation to seek such consent or waiver under this Debenture shall cease. Immediately upon receipt of a consent or waiver, the relevant Excluded Asset shall stand charged to the Security Agent under clause 3.2 (*Fixed charge*). If required by the Security Agent (acting reasonably), at any time following the receipt of that consent or waiver, the relevant Chargor will forthwith execute a valid charge or legal assignment on terms no more onerous than set out in this Debenture.
- (d) In relation to paragraph (c) above, the parties acknowledge that reasonable endeavours will not require:
 - (i) the relevant Chargor to place commercial relationships with any third party in jeopardy; or
 - (ii) the payment by the relevant Chargor of any monetary consideration to such third party, other than expenses and nominal amounts, to obtain any such consent or waiver.

6 Representations

Each Chargor makes the representations set out in this clause 6 to the Security Agent and the Secured Parties on the date of this Deed and on the dates on which representations are to be repeated in accordance with Clause 16.27 (*Repetition*) of the Facility Agreement with reference to the facts and circumstances then existing.

6.1 Investments

- (a) All shares beneficially owned by a Chargor as at the date of this Deed are described in Schedule 6 (*Shares*).
- (b) All of those shares and, to the extent applicable, all other Investments are fully paid.
- (c) No Warning Notice or Restrictions Notice has been:
 - (i) issued to a Chargor; and
 - (ii) to the best of a Chargor's knowledge, issued to any other person,
 in each case in respect of all or any part of the Shares and remains in effect.
- (d) Each Chargor's PSC register is up to date and no Warning Notices or Restrictions Notices have been issued which have not been complied with or lifted.

6.2 Specified Intellectual Property

As at the date of this Deed:

- (a) the details of the Specified Intellectual Property appearing or referred to in Schedule 5 (*Specified Intellectual Property*) are true, accurate, and complete in all material respects; and
- (b) no Chargor is the owner of any interest in any other registered Intellectual Property which is not identified in that Schedule.

7 Undertakings

7.1 Investments

- (a) After a Declared Default occurs each Chargor will:
 - (i) promptly pay over to the Security Agent all distributions relating to its Investments; and
 - (ii) exercise all voting and other Rights attached to the Investments in any manner which the Security Agent may direct. Until such time each Chargor will be entitled to exercise those Rights.
- (b) Each Chargor will comply with any notice served on it in respect of all or any part of the Shares pursuant to Part 21A of the Companies Act 2006 within the timeframe specified in that notice and will deliver to the Security Agent:
 - (i) a copy of any such notice promptly on receipt;
 - (ii) a copy of the Chargor's response to such notice at the same time a response is sent to the relevant Subsidiary; and
 - (iii) it will use its reasonable endeavours to keep its PSC register up to date and that, if it issues any Restrictions Notices or Warning Notices it will send a copy of these to the Security Agent at the same time as they are issued.
- (c) Each Chargor will comply with all conditions and obligations assumed by it in respect of any of its Investments where failure to so comply would in the reasonable opinion of the Security Agent materially and adversely affect the interests of the Secured Parties under the Finance Documents.
- (d) Subject to clause 7.1(a) (Investments) and provided that no Declared Default has occurred, each Chargor may receive and retain all Dividends or other income paid or payable in respect of its Investments.

8 Enforcement

8.1 Time for enforcement

The Security created by a Chargor under this Deed will become enforceable on the occurrence of a Declared Default.

8.2 Powers on enforcement

At any time after the Security created by a Chargor under this Deed has become enforceable, the Security Agent may (without prejudice to any other of its rights and remedies and without notice to any Chargor) do all or any of the following:

- (a) serve notice on any bank at which a Bank Account is open, terminating the Chargor's right to operate such Bank Account;
- (b) exercise all the Rights given to mortgagees or a receiver by the Act, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the Act;
- (c) exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, but without the restrictions imposed by sections 99 and 100 of the Act;
- (d) to the extent that any Security Asset constitutes Financial Collateral, appropriate it and transfer the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;
- (e) subject to clause 9.1 (*Appointment*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets;
- (f) appoint an administrator of any Chargor; and
- (g) taking any other action it may decide in any jurisdiction other than England.

8.3 Disposal of the Security Assets

In exercising the powers referred to in clause 8.2 (*Powers on enforcement*), the Security Agent or any Receiver or Delegate may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

8.4 Application of proceeds

All money received by the Security Agent or a Receiver under or in connection with this Deed (whether during, or before, enforcement of any Security) will be applied in the following order of priority:

- (a) **first**, in or towards payment of all amounts payable to the Secured Parties, any Receiver, any Delegate, or their Officers under clause 12 (*Expenses, liability and indemnity*) and all remuneration due to any Receiver under or in connection with this Deed;
- (b) **secondly**, in or towards payment of the Secured Obligations in such order as is required by the Facility Agreement (and, if any of the Secured Obligations are not then payable, by payment into a suspense account until they become payable); and
- (c) **thirdly**, in payment of any surplus to the Chargor or other person entitled to it.

9 Appointment and Powers of Receiver

9.1 Appointment

A Receiver must be appointed by an instrument in writing, and otherwise in accordance with the Insolvency Legislation. The appointment of a Receiver may be made subject to such limitations as are specified by the Security Agent in the appointment. If more than one person is appointed as a Receiver, each person will have power to act independently of any other, except to the extent that the Security Agent may specify to the contrary in the appointment. Subject to the Insolvency Legislation, the Security Agent may remove or replace any Receiver.

9.2 Powers

A Receiver will have the powers given to him by the Insolvency Legislation, the powers given to a mortgagee or a receiver by the Act, but without the restrictions contained in section 103 of the

Act and the power to do, or omit to do, on behalf of a Chargor, anything which that Chargor itself could have done, or omitted to do, if its assets were not the subject of Security and that Chargor were not in insolvency proceedings. Except to the extent provided by law, none of the powers described in this clause 9 will be affected by an Insolvency Event in relation to a Chargor.

9.3 Status and remuneration

- (a) A Receiver will be the agent of the relevant Chargor, which will be solely responsible for his acts and defaults and for the payment of his remuneration.
- (b) The Security Agent may from time to time determine the remuneration of any Receiver.

9.4 Third parties

A person dealing with the Security Agent or with a Receiver or Delegate is entitled to assume, unless it has actual knowledge to the contrary, that:

- (a) those persons have the power to do those things which they are purporting to do; and
- (a) they are exercising their powers properly.

10 Preservation of Security

10.1 Waiver of defences

Neither the Security created by this Deed nor the obligations of any Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this clause 10.1, would reduce, release or prejudice that Security or any of those obligations under this Deed (whether or not known to it or the Security Agent or any other Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Chargor or other person;
- (b) the release of any other Chargor or any other person under the terms of any composition or arrangement with any creditor of any Chargor or any other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor or any other person;
- (e) any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

10.2 Immediate recourse

Each Chargor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted by this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

10.3 Appropriations

Until the expiry of the Security Period, the Security Agent may:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by the Security Agent in respect of the Secured Obligations, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and no Chargor will be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Chargor or on account of any Chargor's liability in respect of the Secured Obligations.

10.4 Deferral of Chargors' rights

Until the expiry of the Security Period, and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents:

- (a) to be indemnified by any other Chargor;
- (b) to claim any contribution from any other guarantor of any Chargor's obligations under the Finance Documents; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any of the Security Agent's rights under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Security Agent.

11 Duration of Security

- (a) The obligations of each Chargor under this Deed and the Security created by this Deed will continue until the Secured Obligations have been irrevocably and unconditionally paid or discharged in full, regardless of any intermediate payment or discharge in whole or in part.
- (b) If any payment by a Chargor or any other security provider or any release given by the Security Agent (whether in respect of the Secured Obligations or any security for them or otherwise) is avoided or reduced as a result of an Insolvency Event or any similar event:
 - (i) the liability of such Chargor under this Deed will continue as if the payment, release, avoidance or reduction had not occurred; and
 - (ii) the Security Agent will be entitled to recover the value or amount of that security or payment from such Chargor, as if the payment, release, avoidance or reduction had not occurred.
- (c) Section 93 of the Act will not apply to this Deed.

12 Expenses, liability and indemnity

- (a) Each Chargor will, on demand, pay all legal and other costs and expenses (including any stamp duty, registration or other similar taxes) incurred by a Secured Party or by any Receiver in connection with this Deed. This includes any costs and expenses relating to the enforcement or preservation of the Security Assets or any of their respective Rights under this Deed and any amendment, waiver, consent or release required in connection with this Deed.
- (b) Neither the Secured Parties nor a Receiver nor any of their Officers will be in any way liable or responsible to a Chargor for any loss or liability of any kind arising from any act or

omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Security Assets or this Deed, except to the extent caused by its own gross negligence or wilful misconduct.

- (c) Each Chargor will, on demand, indemnify each of the Secured Parties, a Receiver and their respective Officers in respect of all costs, expenses, losses or liabilities of any kind which it incurs or suffers in connection with:
 - (i) anything done or omitted in the exercise of the powers conferred on it by this Deed, unless it was caused by its gross negligence or wilful misconduct;
 - (ii) a claim of any kind (whether relating to the environment or otherwise) made against it which would not have arisen if the Security created by this Deed had not been granted and which was not caused by its gross negligence or wilful misconduct; or
 - (iii) any breach by the Chargor of the Finance Documents.
- (d) The Secured Parties, any Receiver and their respective Officers will be entitled to be indemnified out of the Security Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in clause 12 (*Expenses, Indemnity and Liability*).

13 Power of Attorney

- (a) Each Chargor, by way of security, irrevocably appoints each of the Security Agent and any Receiver severally to be its attorney to do anything:
 - (i) which the Chargor is obliged to do and has failed to do under this Deed; or
 - (ii) which the attorney may require to exercise any of the Rights conferred on it by the this Deed or by law in accordance with the terms of this Deed.
- (b) Each Chargor agrees, on the request of the Security Agent or any Receiver, to ratify and confirm all such action taken.
- (c) This power of attorney shall automatically terminate and be revoked on the last day of the Security Period.

14 Remedies

- (a) The Rights created by this Deed are in addition to any other Rights of the Secured Parties against the Chargors or any other security provider under any other documentation, the general law or otherwise. They will not merge with or limit those other Rights, and are not limited by them.
- (b) No failure by a Secured Party to exercise any Right under this Deed will operate as a waiver of that Right. Nor will a single or partial exercise of a Right by a Secured Party preclude its further exercise.
- (c) If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

15 Notices

Any communications to be made under or in connection with this Deed will be made in accordance with Clause 29 (*Notices*) of the Facility Agreement.

16 Payments

16.1 Default interest

- (a) If a Chargor fails to make a payment to a person under this Deed, it will pay interest to that person on the amount concerned at the Default Rate from the date it should have made the payment until the date of payment (after, as well as before, judgment).
- (b) There shall be no charge of interest under this Deed where interest is charged in respect of such expense or liability pursuant to the terms of the Facility Agreement.

16.2 Currency indemnity

No payment by any Chargor (whether under a court order or otherwise) will discharge the obligations of such Chargor unless and until the Secured Party has received payment in full in the currency in which the obligation is denominated. If, on conversion into that currency, the amount of the payment falls short of the amount of the obligation concerned, the Secured Party will have a separate cause of action against that Chargor for the shortfall.

16.3 Certificates and determinations

Any certification or determination by the Security Agent of an amount payable by a Chargor under this Deed is, in the absence of manifest error, conclusive evidence of that amount.

17 Miscellaneous

17.1 Accession of Affiliates

- (a) To the extent that any Affiliate of the Company is required by the terms of the Finance Documents to provide Security over its assets under English law, it may do so by executing a Deed of Accession and such Affiliate will on the date of such Deed of Accession become a party to this Deed in the capacity of a Chargor and this Deed will be read and construed for all purposes as if such company had been an original party to this Deed as a Chargor (but for the avoidance of doubt the security created by such company will be created on the date of the Deed of Accession).
- (b) Each Chargor (other than the Company) by its execution of this Deed or any Deed of Accession, irrevocably appoints the Company to execute on its behalf any Deed of Accession without further reference to or the consent of such Chargor and such Chargor will be bound by any such Deed of Accession as if it had itself executed such Deed of Accession.

18 Governing Law and Jurisdiction

18.1 Governing Law

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

18.2 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).
- (b) 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.
- (c) This clause 18.2 (*Jurisdiction*) is for the benefit of the Secured Parties only. As a result, no Secured Party will be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, a Secured Party may take concurrent proceedings in any number of jurisdictions.

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

Schedule 1
The Original Chargors

Name of Chargor	Jurisdiction of incorporation	Registration number (if any)
Jardine Motors UK Group UK Limited	England and Wales	02470318
Wayside Trade Parts Limited	England and Wales	06182925
Jardine Specialist Cars Limited	England and Wales	00770023
Jardine Cars Limited	England and Wales	00537005
Jardine Sports Cars Limited	England and Wales	02569495
Jardine Luxury Vehicles Limited	England and Wales	00534618
Jardine Automotive Limited	England and Wales	00153658

Schedule 2
Bank Accounts

Left intentionally blank

Schedule 3 Deed of Accession

THIS DEED OF ACCESSION is dated [•] and made

BETWEEN

- (1) **[•] Limited** [registered in England with number [•] whose registered office is at [•]] [a corporation organised and existing under the laws of [•] whose principal place of business is at [•]] [of [•]] (the **New Chargor**);
- (2) **Lithia UK Holding Limited** registered in England with number 14523998 for itself and as agent for and on behalf of each of the other Chargors presently party to the Debenture (as defined below) (**Company**); and
- (3) **[Security Agent]** (the **Security Agent**)

RECITALS

- (A) The Company and others as Chargors entered into a debenture dated [•] (as supplemented and amended from time to time, the **Debenture**) in favour of the Security Agent.
- (B) The New Chargor has at the request of the Company and in consideration of the Secured Parties continuing to make credit facilities available to the Borrowers and after giving due consideration to the terms and conditions of the Finance Documents and the Debenture and satisfying itself that there are reasonable grounds for believing that the entry into this Deed by it will be of benefit to it, decided in good faith and for the purpose of carrying on its business to enter into this Deed and thereby become a Chargor under the Debenture.
- (C) The Chargors and the Security Agent intend that this document take effect as a deed notwithstanding that it may be executed under hand.

IT IS AGREED:

- 1 Terms defined in the Debenture have the same meaning when used in this Deed.
- 2 The New Chargor agrees to become a party to and bound by the terms of the Debenture as a Chargor with immediate effect and so that the Debenture will be read and construed for all purposes as if the New Chargor had been an original party to the Debenture in the capacity of Chargor (but so that the security created consequent on such accession will be created on the date of this Deed).
- 3 The New Chargor undertakes to be bound by all of the covenants and agreements in the Debenture which are expressed to be binding on a Chargor.
- 4 The New Chargor grants to the Security Agent the Security described in the Debenture as being granted, created or made by the Chargors under the Debenture to the intent that its assignments, charges, mortgages and other Security will be effective and binding on it and its property and assets and will not in any way be avoided, discharged or released or otherwise adversely affected by any ineffectiveness or invalidity of the Debenture or of any other party's execution of the Debenture or any other Deed of Accession, or by any avoidance, invalidity, discharge or release of any guarantee, assignment or charge contained in the Debenture or in any other Deed of Accession.
- 5 The Debenture and this Deed will be read and construed as one to the extent and so that references in the Debenture to:

- (a) this Deed and similar phrases will be deemed to include this Deed;

- (b) Schedule 2 (*Bank Accounts*) will be deemed to include a reference to Part I of the Schedule to this Deed;
 - (c) Schedule 4 (*Specified Equipment*) will be deemed to include a reference to Part II of the Schedule to this Deed.
 - (d) Schedule 5 (*Specified Intellectual Property*) will be deemed to include a reference to Part III of the Schedule to this Deed; and
 - (e) Schedule 6 (*Shares*) will be deemed to include a reference to Part IV of the Schedule to this Deed.
- 6 The Company, for itself and for and on behalf of the other Chargors under the Debenture, agrees and consents to all of the matters provided for in this Deed.
- 7 Without limiting the generality of the other provisions of this Deed and the Debenture, pursuant to the terms of this Deed and the Debenture, the New Chargor as security for the payment and performance of the Secured Obligations, and in the manner specified in clause 3.1 (*Nature of charges*) of the Debenture charges by way of fixed charge all of the Rights which it now has and all of the Rights which it obtains at any time in the future in:
- (a) all of its Bank Accounts (if any) specified in Part I of the Schedule to this Deed (which will from today's date be Bank Accounts for the purposes of the Debenture);
 - (b) all of its Equipment (if any) brief descriptions of which are specified in Part II of the Schedule to this Deed (which will from today's date form part of the Specified Equipment for the purposes of the Debenture);
 - (c) Equipment not charged under sub-paragraph (b) above;
 - (d) the Intellectual Property (if any) specified in Part III of the Schedule to this Deed (which will from today's date form part of the Specified Intellectual Property of the Chargors for the purposes of the Debenture);
 - (e) Intellectual Property not charged under sub-paragraph (d) above;
 - (f) Investments including all of the shares (if any) brief descriptions of which are specified in Part IV of the Schedule to this Deed,
- and any Rights accruing to them.
- 2 This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

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

SCHEDULE

Part I – Bank Accounts

[Insert details of any Bank Accounts held by the New Chargor]

Part II - Specified Equipment

[Insert details of any Equipment owned by the New Chargor which is to be Specified Equipment]

Part III – Specified Intellectual Property

[Insert details of any registered Intellectual Property owned by the New Chargor]

Part IV – Shares

[Insert details of all shares held by the New Chargor]

SIGNATORIES
[to the Deed of Accession]

The New Chargor

Executed as a deed by)
[•] LIMITED)
acting by a director in the presence of:)

Signature of witness:

Name of witness:

Address:

.....

The Company

for itself and as agent for the other
Chargors party to the Debenture

Executed as a deed by)
[COMPANY])
acting by a director in the presence of:)

Signature of witness:

Name of witness:

Address:

.....

The Security Agent

[SECURITY AGENT]

By:

Schedule 4
Specified Equipment

Left intentionally blank

Schedule 5
Specified Intellectual Property

Left intentionally blank

Schedule 6 Shares

Chargor	Company Name	Type of Share	Number of Shares
Jardine Automotive Limited	Wayside Trade Parts Limited	Ordinary Shares of £0.01 each	11,400
Jardine Motors Group UK Ltd	Lancaster Public Limited Company	Ordinary Shares of £0.25 each	136,174,740
Lithia UK Holding Limited	Jardine Motors Group UK Limited	Ordinary Shares of £1.00 each	97,500,000

Schedule 7

Form of Notice to Banks and Acknowledgement

To: [NAME AND ADDRESS OF ACCOUNT HOLDING INSTITUTION]

Dated: [DATE]

Dear Sirs,

Notice of Security

1. We give you notice that, under a debenture dated [DATE] we have [charged/assigned by way of security] to [SECURITY AGENT] (the "**Security Agent**") all our present and future rights, title and interest in, under and to each account listed below (each an "**Account**"), including all monies (including interest) at any time standing to the credit of such accounts:

Name or designation of bank account	Account number	Name of institution and branch at which account held

2. We may continue to operate each Account unless and until the Security Agent notifies you in writing to the contrary. With effect from the date of such notification, we may not withdraw any further monies from any Account without the prior written consent of the Security Agent to each withdrawal.
3. We therefore irrevocably and unconditionally authorise and instruct you:
- 3.1 with effect from the date of this notice, to disclose to the Security Agent such information relating to us and each Account as the Security Agent may from time to time reasonably request, including granting the Security Agent access to our online account details and providing copies of all statements, in electronic or paper form; and
- 3.2 with effect from the date of the notification described in paragraph 2 above:
- 3.2.1 to hold all monies from time to time standing to the credit of each Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent;
- 3.2.2 to accept any instructions from the Security Agent to change the signatories on the relevant account mandates to persons specified by the Security Agent.
4. This notice and the authority and instructions it contains may only be revoked or amended with the prior written consent of the Security Agent.
5. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
6. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

.....
for and on behalf of

[CHARGOR]

[To be included on copy notice:]

To: [NAME, ADDRESS AND DEPARTMENT OF SECURITY AGENT]

Copy to: [NAME AND ADDRESS OF CHARGOR]

Dated: [DATE]

Dear Sirs

Acknowledgement of notice of security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any other assignment of or charge over any Account and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and
3. will not claim or exercise any right of set-off, counterclaim, lien or right to combine accounts or any other similar right in relation to the monies standing to the credit of any Account.

Yours faithfully,

.....
for and on behalf of
[ACCOUNT BANK]

Signatories

The Company

Executed as a deed by
LITIHIA UK HOLDING LIMITED
acting by a director in the presence of:

)
)
)



Tina Miller

Signature of witness:



Name of witness:

Melissa Mendoza

Address:



The Chargers

Executed as a deed by
LITIHIA UK HOLDING LIMITED
acting by a director in the presence of:

)
)
)



Tina Miller


Signature of witness:



Name of witness:

Melissa Mendoza

Address:



Executed as a deed by
JARDINE MOTORS UK GROUP UK LIMITED
acting by a director in the presence of:

)
)
)

Signature of witness:

.....

Name of witness:

.....

Address:

.....

.....

Signatories

The Company

Executed as a deed by
LITIHA UK HOLDING LIMITED
acting by a director in the presence of:

)
)
)

Signature of witness:

Name of witness:

Address:

The Chargors

Executed as a deed by
LITIHA UK HOLDING LIMITED
acting by a director in the presence of:

)
)
)

Signature of witness:

Name of witness:

Address:

Executed as a deed by
JARDINE MOTORS UK GROUP UK LIMITED
acting by a director in the presence of:

)
)
)

Philip Wilbraham

Signature of witness:

Name of witness:

Address:

RACHEL LARA JONES

Executed as a deed by
WAYSIDE TRADE PARTS LIMITED
acting by a director in the presence of:

} [Redacted Signature]

Philip Wilbraham

Signature of witness:

[Redacted Signature]

Name of witness:

RACHEL LARA JONES

Address:

[Redacted Address]

Executed as a deed by
JARDINE SPECIALIST CARS LIMITED
acting by a director in the presence of:

} [Redacted Signature]

Philip Wilbraham

Signature of witness:

[Redacted Signature]

Name of witness:

RACHEL LARA JONES

Address:

[Redacted Address]

Executed as a deed by
JARDINE CARS LIMITED
acting by a director in the presence of:

} [Redacted Signature]

Philip Wilbraham

Signature of witness:

[Redacted Signature]

Name of witness:

RACHEL LARA JONES

Address:

[Redacted Address]

Executed as a deed by
JARDINE SPORTS CARS LIMITED
acting by a director in the presence of:

)
)
) [Redacted]

Philip Wilbraham

Signature of witness:

[Redacted]

Name of witness:

RACHEL LARA JONES

Address:

[Redacted]

Executed as a deed by
JARDINE LUXURY VEHICLES LIMITED
acting by a director in the presence of:

)
)
) [Redacted]

Philip Wilbraham

Signature of witness:

[Redacted]

Name of witness:

RACHEL LARA JONES

Address:

[Redacted]

Executed as a deed by
JARDINE AUTOMOTIVE LIMITED
acting by a director in the presence of:

)
)
) [Redacted]

Philip Wilbraham

Signature of witness:

[Redacted]

Name of witness:

RACHEL LARA JONES

Address:

[Redacted]

The Security Agent

BANK OF AMERICA, N.A.

By: 

Name: DAVID FORMICOLA

Title: Sr. Vice President